

COMMISSION OF THE EUROPEAN COMMUNITIES

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BEEF AND VEAL

TRADE ARRANGEMENTS WITH THIRD COUNTRIES

(Communication from the Commission to the Council)

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It seems necessary to set out new guidelines in addition to the proposals made in January 1974, taking into account (i) the views of the Council when it examined the proposals in question and (ii) the events experienced during the last few months.

These new guide lines should cover, in particular, the following items : -

- (a) to maintain in force the customs duties at the present rate;
- (b) as regards levies, to maintain the flat-rate system (amounts expressed in absolute value), but in accordance with the new rules making it possible to bring closer together the arrangements applicable respectively to fresh or chilled meat and to frozen meat.

There is fixed periodically, e.g. every three months, a "basic" levy applicable to cattle and to fresh or chilled meat, and also a "basic" levy applicable to frozen meat. In both cases, the "basic" levy is equal to the difference between the guide price applicable to the product concerned and the offer price or world market price applicable to that product. The offer price for cattle and fresh or chilled meat is determined on the basis of (i) the most favourable purchasing possibilities and (ii) the foreseeable trends in the world market for those products, taking into account the prices of frozen meat of a quality which can compete with fresh or chilled meat. Likewise, the world market price for frozen meat is determined on the basis of (i) the most favourable purchasing possibilities and (ii) the foreseeable trends in the world market for that product, taking into account the prices of fresh or chilled meat of a quality which can compete with frozen meat.

These levies are adapted in the light of variations in Community market prices in accordance with the proposed scheme annexed hereto.

- (c) to abolish the special import arrangements, with the exception of the specific import price and the arrangements applicable to frozen meat intended for processing (balance).

A N N E X

Arrangements for adjustment of the beef and veal "basic" levy

Article 12

1. If it is found that the price of adult cattle on the representative Community markets is above the guide price, the basic levy shall apply:

- (a) 75% where the price of adult cattle is under or equal to 104% of the guide price;
- (b) 50% where the price of adult cattle is over 104% and under or equal to 108% of the guide price;
- (c) 25% where the price of adult cattle is over 108% and under or equal to 112% of the guide price.

If the price of adult cattle is over 112% of the guide price, the basic levy shall be suspended altogether.

2. If it is found that the price of adult cattle on the representative Community markets is below 98% of the guide price, the basic levy shall apply:

- (a) 110% where the price of adult cattle is over or equal to 94.5% of the guide price;
- (b) 120% where the price of adult cattle is under 94.5% and over or equal to 91% of the guide price;
- (c) 130% where the price of adult cattle is under 91% of the guide price.

3. If it is found that the price of adult cattle on the representative Community markets is equal to or under the guide price and over or equal to 98% thereof, the basic levy shall apply as fixed by the Commission in accordance with Articles 10 and 11.