

COMMISSION OF THE EUROPEAN COMMUNITIES

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Brussels, 2 August 1974

PROPOSAL FOR A
COUNCIL REGULATION
amending Regulation No 1009/67/EEC on the common organization
of the market in sugar

PROPOSAL FOR A
COUNCIL REGULATION
amending Regulation (EEC) No 765/68 laying down general rules for
the production refund on sugar used in the chemical industry

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

These proposals are designed to amend the basic sugar Regulation and the Council Regulation concerning sugar used in the chemical industry so as to make optional the granting of the production refund on sugar used in the manufacture of certain products of the chemical industry, which is at present mandatory.

These amendments are intended to make the granting of this production refund dependent on the supply situation, whether surplus or deficit.

At the time when it was introduced, in 1968, the mandatory granting of a production refund on sugar used in the chemical industry was justified by the existence of major surpluses on both the Community and the world market and by the need to maintain, as far as possible, a balance in competition between imported chemical products manufactured from sugar purchased at extremely low prices on the world market and like products manufactured from Community sugar. However, the fall in the relative value of sugar on the world market since 1970-71 has created a shortage which has caused world market prices to rise to such an extent that for some months now they have been double Community prices. Moreover, the Community has for some time been experiencing regional supply difficulties which have caused market prices to increase appreciably. This radical change in the situation has made it necessary to amend the Regulation as proposed by the Commission in order to reflect developments on the sugar market more closely.

PROPOSAL FOR A
COUNCIL REGULATION

amending Regulation No 1009/67/EEC on the common organization
of the market in sugar

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament¹⁾;

Whereas under Article 9 (6) of Council Regulation No 1009/67/EEC²⁾ of 18 December 1967 on the common organization of the market in sugar, as last amended by Regulation (EEC) No 1602/74³⁾, a production refund is to be granted on sugar and syrups used in the manufacture of certain products of the chemical industry; whereas in view of the present shortage of sugar on the world market and regional supply difficulties in the Community it is necessary that the granting of the production refund, at present mandatory, be made optional;

HAS ADOPTED THIS REGULATION:

Article 1

The text of Article 9 (6) of Regulation No 1009/67/EEC is replaced by the following:

" 6. The decision may be taken to grant a production refund on the products listed in Article 1 (1) (a), and the syrups listed in Article 1 (1) (d) containing sucrose, used in the manufacture of certain products of the chemical industry."

Article 2

This Regulation shall enter into force on 1 October 1974.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
The President

1) OJ No

2) OJ No 308, 18 December 1967, p.1

3) OJ No L 172, 17 June 1974, p.7

PROPOSAL FOR A
COUNCIL REGULATION

amending Regulation (EEC) No 765/68 laying down general rules for
the production refund on sugar used in the chemical industry

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;
Having regard to Council Regulation No 1009/67/EEC¹⁾ of 18 December 1967
on the common organization of the market in sugar, as last amended by
Regulation (EEC) No/74²⁾, and in particular Article 9 (7) thereof;
Having regard to the proposal from the Commission;

Whereas, in order to make the granting of the production refund on sugar
and syrups used in the manufacture of certain products of the chemical
industry dependent on the supply situation, whether surplus or deficit,
Article 9 (6) of Regulation No 1009/67/EEC has been amended so that the
granting of the refund is no longer mandatory but optional; whereas it is
therefore necessary to revise some of the general rules for the fixing of
refunds laid down by Council Regulation (EEC) No 765/68³⁾ of 18 June 1968
laying down general rules for the production refund on sugar used in the
chemical industry, as last amended by Regulation (EEC) No 1862/74⁴⁾;

HAS ADOPTED THIS REGULATION:

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- 1) OJ No
2) OJ No 308, 18 December 1967, p.1
3) OJ No L 172, 17 June 1974, p.7

Article 1

The text of Article 1 of Regulation (EEC) No 765/68 is replaced by the following:

" Article 1

1. A production refund shall be fixed only if the total quantity of surplus sugar available for the Community chemical industry and the economic aspects of the proposed fixing are such as to justify such fixing.
2. The production refund fixed in such circumstances shall be granted under the conditions laid down in the following Articles on the products listed in Article 1 (1) (a) of Regulation No 1009/67/EEC and on the syrups containing sucrose listed in Article 1 (1) (d) of that Regulation (hereinafter called " basic products") which are used in the manufacture of the products of the chemical industry listed in the Annexes (hereinafter called " chemical products")."

Article 2

The text of Article 4 of Regulation (EEC) No 765/68 is replaced by the following:

" Article 4

Subject to the requirements of Article 1 (1), the production refund shall be fixed for a period of one quarter commencing on the first day of a calendar month. If however those requirements cease to be satisfied, payment of refunds may be suspended during the course of a quarter."

Article 3

This Regulation shall enter into force on 1 October 1974.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council