

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(74) 1045 Final

Brussels, 8 July 1974

PROPOSAL FOR A

REGULATION (EEC) OF THE COMMISSION

amending Council Regulation (EEC) No 243/73 of 31 January 1973

laying down general rules for the system of compensatory
amounts for rice and fixing these amounts for certain
products.

(submitted to the Council by the Commission)



EXPLANATORY MEMORANDUM

1. Council Regulation (EEC) No 243/73 of 31 January 1973 lays down general rules for a system of compensatory amounts. Article 5 (1) and (2) of that Regulation provides that if the import levy for husked, semi-milled or milled paddy rice is lower than the compensatory amount fixed for those products the Commission shall, by applying the scale set out in the Annex, determine the amount applicable by way of compensatory amount. This means that (disregarding the margin provided for in the "scale") the amount applicable by way of compensatory amount is equal to the levy on the product concerned.
2. Semi-milled and wholly milled rice are available on the world market at relatively lower prices than husked rice. Levies and compensatory amounts for these products are consequently proportionally higher than for husked rice. It is thus to the advantage of importers of rice in the new Member States to import, either from the original Member States or from third countries, rice that is already processed rather than importing husked rice for subsequent processing.
3. It is proposed, in order to protect the rice processing industry in the new Member States, that the amounts applicable by way of compensatory amounts in respect of paddy rice, semi-milled and milled rice be determined, by applying the processing coefficients, by reference to the amounts determined for husked rice.

REGULATION (EEC) No /74 OF THE COMMISSION

of

amending Council Regulation (EEC) No 243/73 of
31 January 1973 laying down general rules for
the system of compensatory amounts for rice and
fixing these amounts for certain products.

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to the Treaty ⁽¹⁾ concerning the Accession of New Member States to the European Economic Community and to the European Atomic Energy Community, and in particular to Articles 55(6) and 62(1) of the Act annexed thereto;

Having regard to the proposal from the Commission;

Whereas Article 5(2) of Council Regulation (EEC) No 243/73 ⁽²⁾ of 31 January 1973 laying down general rules for the system of compensatory amounts for rice and fixing these amounts for certain products provides that for paddy rice, semi-milled or milled rice the amount applicable by way of compensatory amount, when the levy is less than the compensatory amount for the product in question, is to be determined by the Commission by applying the scale set out in the Annex to that Regulation to the levy fixed for those products; whereas it has been found that this method of determining the amount applicable by way of compensatory amount for these types of rice may lead to distortions of competition; whereas milled rice imported from third countries or from the original Member States may be marketed in the new Member States at a price lower than the cost price of husked rice imported and processed locally; whereas to remedy this situation the amount applicable by way of compensatory amount should be determined for paddy rice, semi-milled and milled rice by reference to the amounts applicable by way of compensatory amounts in respect of husked rice and by applying the coefficients referred to above;

(1) OJ No L 73, 27.3.1972, p. 14

(2) OJ No L 29, 1.21.1973, p. 26

Whereas with the aim of being consistent as regards the rules governing the calculations in question for rice, the amount to be applied as the compensatory amount for paddy rice should also be derived from that which is fixed for husked rice;

HAS ADOPTED THIS REGULATION:

Article 1

Article 5(2) of Regulation (EEC) No 243/73 shall be replaced by the following:

"2. For paddy rice, semi-milled or milled rice the amounts applicable by way of compensatory amount shall be determined by the Commission by applying the coefficients set out in Regulation No 467/67/EEC and by reference to the variations in the amount or amounts determined pursuant to paragraph 1 for husked rice".

Article 2

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

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

Done at Brussels,

For the Council
The President