# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 586 final.

Brussels, 11 November 1976

Proposal for a COUNCIL REGULATION (EEC)

amending Regulations (EEC) Nos 787/69, 2305/70 and 2306/70 on the financing of intervention expenditure in respect of the internal market in cereals and rice, in beef and veal and in milk and milk products.

(submitted to the Council by the Commission)

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#### EXPLANATORY MEMORANDUM

1. In order to relieve certain supply difficulties and to help stabilize market prices, the Council has on several occasions decided to authorize the transfer of intervention produce from one Member State's intervention agency to that of another. These decisions lead to the Commission making arrangements, after obtaining the opinion of the competent Management Committee, to determine detailed rules of application.

To date, the following decisions, authorizing such transfers to the Italian intervention agency, have been taken by the Council:

- August 1973 (1) 200.000 t of cereals from the German, French and Belgian intervention agencies,
- April 1976 (2) 300.000 t of cereals from the German, French, Belgian and Dutch intervention gencies,
- July 1976 100.000 t of cereals (3) and 10.000 t of skimmed milk powder (4) from the other Member States intervention agencies,
- October 1976 10.000 t of butter (5) and 40.000 t of beef (6) from the other Member States intervention agencies.

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<sup>(</sup>EEC) No 2104/73 of 1.8.1973; OJ L 214 of 2.8.1973

<sup>2)</sup> R (EEC) No 873/76 of 13.4.1976; OJ L 101 of 15.4.1976

<sup>(3)</sup> R (EEC) No 1863/76 of 31.7.1976; OJ L 206 of 31.7.1976 (4) R (EEC) No 1861/76 of 27.7.1976; OJ L 206 of 31.7.1976

<sup>(</sup>EEC) No 2452/76 of 5.10.1976; OJ L 279 of 9.10.1976

<sup>(6)</sup> R (EEC) No 2453/76 of 5.10.1976; OJ L 279 of 9.10.1976

In addition, under the system of compulsory purchase of skimmed milk powder held by intervention agencies laid down by Regulation (EEC) No 563/76, provision was also made for transfers between intervention agencies as well as transport from intervention agencies to purchasers in another Member State (Regulation (EEC) No 753/76, Article 8).

- 2. These transfers take place as part of intervention operations involving purchase, storage and sale by the intervention agencies. As regards finance, the Council Regulations authorizing these transfers stipulate that the transport costs incurred shall be entered in the annual accounts required, in respect of these intervention operations, under the Regulations on financing in each sector. Since these latter Regulations enumerate in full the various items to be entered on the debit and credit side of these accounts, they should be completed by the inclusion of the transport costs incurred by these transfers among the items to be entered on the debit side of these accounts.
- 3. Since the objective of this proposal is only to update the Regulations on financing in each sector to enable the expenditure concerned to be properly accounted for, it has no financial repercussions.

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, Having regard to Council Regulation (THC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (1), as last amended by Regulation (EEC) No 2788/72 (2), and in particular Article 3 (2) thereof,

Having regard to the proposal from the Commission,

Whereas, in certain cases, intervention products are transported, under a Community procedure, from an intervention agency in one Member State to one in another Member State;

Whereas Commission Regulation (EEC) No 753/76 of 31 March 1976 laying down detailed rules for the sale of skimmed-milk powder for use in animal feed pursuant to Regulation (EEC) No 563/76 (3), as last amended by Regulation (EEC) No 2241/76 (4), made provision for the transport of skimmed milk powder from intervention agencies to purchasers in another Kember State;

Whereas the costs of this transport borne by the intervention agencies are covered by the system for financing the net losses of intervention agencies;

<sup>(1)</sup> OJ No L 94, 28.4.1970, p. 13

<sup>(2)</sup> OJ No L 295, 30, 12, 1972, p. (3) OJ No L 88, 1,4,1976, p. 1

<sup>(4)</sup> OJ No L 252, 16.9.1976, p. 15

Whereas Council Regulations (EEC) No 787/69 of 22 April 1969 (5), as last amended by Regulation (EEC) No 330/74 (6), and (EEC) No 2305/70 of 10 November 1970 (7), as last amended by Regulation (EEC) No 1174/75 (8), and (EEC) No 2306/70 of 10 November 1970 (9), as last amended by Regulation (EEC) No 1844/76 (T), on the financing of intervention expenditure in respect of the internal market in cereals and rice, in beef and veal, and in milk and milk products, provide no way of accounting for this expenditure; whereas they should therefore be amended,

<sup>(5)</sup> OJ No L 105 , 2.5.1969, p.4

<sup>(6)</sup> OJ No L 37 , 9.2.1974, p.5 (7) OJ No L 249 , 17.11.1970, p. 1 (8) OJ No L 117 , 7.5.1975, p.7

<sup>(9)</sup> OJ No L 249 , 17.11.1970, p.4

<sup>(10)</sup> OJ No L 204 , 30.7.1976, p. 1

HAS ADOPTED THIS REGULATION :

#### Article 1

The following subparagraph is added to Article 4 (1) of Regulation (EEC) No 787/69:

"(h) the total amount of the transport costs borne by an intervention agency for the transfer of cereals from one intervention agency to another under a Community procedure".

#### Article 2

The following subparagraph is added to Article 3 (1) of Regulation (EEC)
No 2305/70:

"(k) the total amount of the transport costs borne by an intervention agency for the transfer of beef and veal from one intervention agency to another under a Community procedure".

#### Article 3

The following subparagraph is added to Article 4 (1) of Regulation (EEC) No 2306/70:

"(k) the total amount of the transport costs borne by an intervention agency for the transfer of butter from one intervention agency to another under a Community procedure".

### Article 4

The following subparagraph is added to Article 5 (1) of Regulation (EEC) No 2306/70:

(k) the total amount of the transport costs borne by an intervention agency for the transfer of skimmed milk powder from one intervention agency to another under Community procedure, and the transport costs borne by the intervention agency under Article 8 (3) (b) of Regulation (EEC) No 753/76".

#### Article 5

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities. It shall apply with effect from 1 August 1973.

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

Done at Brussels,

For the Council,

The President