COMMISSION OF THE EUROPEAN COMMUNITIES

C(83) 214 final.
Brussels, 11 February 1983.

COMMISSION REGULATION (EEC)

fixing the maximum export refund for the 28 th partial invitation to tender for white sugar issued within the framework of the principal standing invitation to tender provided for in Regulation (EEC) No 2014/82

(Communication from the Commission to the Council)

COMMUNICATION FROM THE COMMISSION TO THE COUNCIL

- 1. In the Management Committee for Sugar held on 9.2.1983 difficulties have arisen concerning the quantitative aspects of the policy to be adopted regarding exports of quota sugar during the 1982/83 crop year.
- 2. In their approach to the question the Commission has taken the following factors into account:
 - the world free market is burdened by a surplus of unprecedented proportions with a result that prices on that market are well below the production costs of the world's most efficient producers. In real terms these prices are the lowest for over 20 years;
 - the Community has expressed its wish to secure improved conditions on the world free market and is actively co-operating with the members of the International Sugar Agreement to find ways and means to achieve such improvements. With this objective in view the Community, with the full co-operation of its producers, voluntarily withheld about 1.7 mio tonnes

from the world market in 1981/82. It is in the interest of the Community to participate fully in the preparation of an effective new ISA and it cannot in the meantime operate its export policy without some limitation.

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 3. The Commission believes that the international aspects of the CAP, and in particular of the Community's policy regarding sugar exports, require that the voluntary initiative taken in 1981/82 should be continued (and if possible strengthened) in 1982/83.
- 4. For their part the Community producers voluntarily carried forward 991 000 tonnes of sugar last year and have agreed on a quantity of 1.090.000 tonnes this year.
- 5. This further initiative by the producers in respect of C sugar should be accompanied by parallel action on quota sugar exports in 1982/83.
- 6. There are three main options for quota sugar:

Option I

To maintain unchanged stocks. On this basis the total quantity of quota sugar to be exported in the current series of tenders would be 3.03 mio tonnes, giving an average weekly quantity for the rest of the programme up to mid-July 1983 of about 50.000 tonnes. This would imply total exports by the Community in 1982/83 at a higher level than in any previous year, although there is no evidence of an increase in the size of the world market and world prices are at exceptionnally low levels.

Option II

To limit total exports (quota sugar + C sugar) to the 1981/82 figure of 5.21 mio tonnes. On this basis the future weekly average quantity for quota sugar would be about 41.000 tonnes.

Option III

To restrict total exports to below 5.0 mio tonnes. On this basis the future weekly average would fall to about 31.500 tonnes.

- 7. In earlier discussions in the Working Group 8 Member States firmly rejected Option III and expressed a clear preference for Option I.
- 8. Up to the tender held last week (2.2.83) the Management Committee accepted the view of the Commission that the weekly quantities should normally fall in the range 45 000 55 000 tonnes. It was agreed that this situation would be reviewed when final production figures for 1982/83 were known and the producers had taken their individual decisions on the quantities of sugar they were prepared to carry forward to 1983/84.
- 9. In the knowledge of the figures referred to in the preceding paragraph the Commission proposed to accept in the tender on 9 February a quantity of 41 000 tonnes. This was felt to be reasonable as it presented a not too abrupt fall below the lower end of the quantity range referred to in paragraph 8.
- 10. Thereafter it was suggested to the Committee that the 41 000 tonnes proposal might be accepted on condition that the Commission referred the general problem to the Special Committee on Agriculture next week (14.+15.February). The Commission maintained this undertaking but the vote of the Management Committee on this proposal was 50 votes against and 13 abstentions.
- 11. In view of the fact that this relates to a tender and a decision is therefore required immediately, the Commission adopted the attached Regulation which is now forwarded to the Council in accordance with Article 41 (3) of Regulation (EEC) No 1785/81.

COMMISSION REGULATION (EEC)

fixing the maximum export refund for the 28th partial invitation to tender for white sugar issued within the framework of the principal standing invitation to tender provided for in Regulation (EEC) No 2014/82

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1785/81 of 30 June 1981 on the common organization of the markets in the sugar sector (1), as last amended by Regulation (EEC) No 606/82 (2), and in particular the first subparagraph of Article 19 (4) (b) thereof,

Whereas Commission Regulation (EEC) No 2014/82 of 20 July 1982 on a principal standing invitation to tender in order to determine levies and/or refunds on exports of white sugar (3) requires partial invitations to tender to be issued for the export of this sugar;

Whereas, pursuant to Article 9 (1) of Regulation (EEC) No 2014/82, a maximum export refund shall be fixed, as the case may be, account being taken in particular of the state and foreseeable development of the Community and world markets in sugar, for the partial invitation to tender in question;

Whereas, following an examination of the tenders submitted in response to the 28th partial invitation to

tender, the provisions set out in Article 1 should be adopted;

Whereas the measures provided for in this Regulation are not in accordance with the opinion of the Management Committee for Sugar,

Whereas urgency requires this measure to to applied immediately, without prejudic to the third subparagraph of Article 41(3 of Regulation (EEC) No 1785/81,

HAS ADOPTED THIS REGULATION:

Article 1

The maximum export refund for the 28th partial invitation to tender for white sugar issued under Regulation (EEC) No 2014/82 is hereby fixed at 36.878 ECU per 100 kilograms.

Article 2

This Regulation shall enter into force on February 1983.

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

Done at Brussels, February 1983.

⁽¹) OJ No L 177, 1. 7. 1981, p. 4. (²) OJ No L 74, 18. 3. 1982, p. 1. (²) OJ No L 216, 24. 7. 1982, p. 15.