

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 481 final

Brussels, 23 September 1975

Proposal for a

COUNCIL REGULATION

laying down the provisions for the
introduction of a system of minimum
stocks in the sugar sector

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

Article 18 of the basic Regulation on the market in sugar (EEC) No 3330/74 provides inter alia that the Council, acting on a proposal from the Commission, shall adopt implementing provisions for the system of minimum stocks in this sector.

The basic Regulation lays down that the minimum stock shall in principle be equal to 10 % of the basic quota of each undertaking or to 10 % of an undertaking's production, where its production is smaller than its basic quota.

In this connection, the Commission considers that there is no need to propose that the Council should derogate from this principle, either with regard to the stipulated percentage or its uniform application throughout the Community.

Further, the Commission considers that, for maximum effectiveness in achieving the desired goals, the system of minimum stocks should be based on two main principles: firstly, that each sugar manufacturer should be required to hold the minimum stock himself throughout each sugar year and secondly that the minimum stock should be the sole property of the manufacturer who holds it and free of any legal encumbrance that might impede the desired goals. However, the Commission considers that in applying these principles account must be taken in practice of the structure in the sugar sector, for example in the specific case where the product resulting from the first stage of processing, either raw sugar or syrup produced prior to the crystalizing stage, is subsequently to be processed into white sugar by other than the original undertaking.

With regard to the utilization and management of the minimum stock, the Commission considers that firstly provision should be made for the possibility of releasing all or part of the minimum stock to increase the quantities available on the market if necessary and secondly that the Council should make provision whereby in the event of an exceptional shortage it remains open to it to render the sale of the minimum stock compulsory under special conditions in respect of price and destination.

The system of minimum stocks could probably be introduced in the 1976/1977 production year.

The Commission recalls that in accordance with Article 18 of Regulation (EEC) No 3330/74 costs inherent in maintaining the minimum stock are to be taken into account in the price proposals to be made by the Commission for the 1976/1977 sugar year.

PROPOSAL FOR A COUNCIL REGULATION

laying down the provisions for the introduction
of a system of minimum stocks in the sugar sector

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) No 3330/74¹⁾ of 31 December 1974
on the common organization of the market in sugar [as amended by Regula-
tion (EEC) No /75²⁾], and in particular Article 18 (3) thereof;

Having regard to the proposal from the Commission;

Whereas in view of the aims of the common agricultural policy, in particular
the stabilization of markets, the maintenance of reasonable prices for the
supplies to consumers and the safeguarding of normal supplies for the
entire Community and each of its regions, Article 18 of Regulation (EEC)
No 3330/74 provides for the establishment of a system of minimum stocks;
whereas the said Article lays down that the minimum stock shall in principle
be equal to 10 % of the basic quota of each undertaking or to 10 % of an
undertaking's production where its production is smaller than its basic
quota; whereas therefore the stock must be held under certain conditions
by the sugar manufacturer in question; whereas it is necessary to apply this
system in such a way as to take account of the existing structures in the
sugar sector; whereas the criteria for proper utilization of the minimum
stock need to be laid down;

Whereas in order to ensure effective administration of this system provision
should be made for the adoption of implementing provisions in accordance with
the procedure laid down in Article 36 of Regulation (EEC) No 3330/74,

HAS ADOPTED THIS REGULATION :

1) OJ No L 359 of 31 December 1974, p. 1
2) OJ No L of , p.

Article 1

1. Notwithstanding Article 2, each sugar manufacturer in the Community shall hold in stock throughout the marketing year a quantity of sugar which may not be less than 10 % of the basic quota of his undertaking or 10 % of his actual production if the latter is smaller than his basic quota.
2. Notwithstanding Article 2 and any derogations that may be adopted in accordance with the procedure laid down in Article 6, the minimum stock must be the sole property of the sugar manufacturer in question and unencumbered by any commitments that might impede the aims of Article 18 of Regulation (EEC) No 3330/74.

Article 2

Raw sugar or syrups produced prior the crystalizing stage by an undertaking as part of the basic quota that are intended for processing into white sugar by another undertaking may be sold to that other undertaking, on condition that the latter undertakes, with respect to the quantity of the product in question, to meet the obligations set forth in Article 1.

Article 3

1. Where the supplies of sugar required by the Community can no longer be ensured under normal conditions, provision may be made to release manufacturers from the obligation to hold all or part of the minimum stock. However such a measure may be limited to one or more regions of the Community if supplies are no longer ensured therein.
2. The marketing of the quantities of sugar released pursuant to the preceding paragraph may be subject to certain conditions, in particular its destination within the Community.

Article 4

The Member States concerned shall fine any sugar manufacturer who fails to comply with the rules with regard to the system of minimum stocks.

Article 5

When the market situation requires, the Council, acting by a qualified majority on a proposal from the Commission, shall lay down the conditions under which all or part of the minimum stock must be offered for sale by the manufacturer.

Article 6

The rules for implementation of this Regulation, in particular any derogations from Article 1 (2) and the amount of the fine referred to in Article 4 shall be adopted in accordance with the procedure laid down in Article 36 of Regulation (EEC) No 3330/74.

Article 7

1. This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.
2. This Regulation shall apply from 15 October 1975.

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

Done at Brussels,

For the Council

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FICHE FINANCIERE

Date 5.9.75

1. Ligne budgétaire concernée : article 641

2. Intitulé de l'action : Proposition de règlement du Conseil arrêtant les dispositions relatives à l'instauration d'un régime de stock minimal dans le secteur du sucre.

3. Base juridique : Article 18 § 3 du règlement (CEE) n° 3330/74 (règlement de base secteur du sucre)

4. Objectifs de l'action : Arrêter conformément à l'article 18 susmentionné, les règles générales pour l'instauration d'un régime de stock minimal pour la campagne sucrière.

5.0 Coût de l'action	pendant la campagne	exercice en cours ()	exercice suivant ()
à la charge du Budget de la CE			
à la charge des administr. nationales	1)	1)	1)
à la charge d' autres secteurs nationaux			

5.1 Echéancier pluriannuel année année année

5.2 Mode de calcul

6.1 Financement possible par crédits inscrits au chapitre concerné dans le Budget en cours d' exécution

oui non

6.2 Financement possible par virement entre chapitres du Budget en cours d' exécution

oui non

6.3 Nécessité d'un Budget supplémentaire

oui non

6.4 Crédits à inscrire dans les budgets futurs.

Observations : 1) Ce projet qui établit des principes n'a eu lui-même aucune incidence financière nette sur le budget des Communautés. En outre ce stock minimal relève du système de compensation des frais de stockage qui sont à la charge entière des professionnels. La prise en compte des frais inhérents au stock minimal dans les prix de campagne (article 3 § 2 du règlement (CEE) n° 3330/74) sera répercutée dans une augmentation de la cotisation pour les frais de stockage à payer par les professionnels et en conséquence par le consommateur.

