

COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a

COUNCIL REGULATION (EEC)

fixing, for the 1980/81 sugar marketing year, the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments

Proposal for a

COUNCIL REGULATION (EEC)

laying down, for the 1980/81 sugar marketing year, measures to facilitate the disposal of sugar produced in the French overseas departments

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

I. Proposed Council Regulation fixing, for the 1980/81 sugar marketing year, the differential charge applicable to raw preferential sugar and the differential amount to apply to raw cane sugar produced in the French overseas departments

The basic sugar regulation provides that where the margin necessary for the refining of raw preferential sugar exceeds the raw beet sugar refining margin taken into account in the determination of the relevant Community prices then a differential charge shall be made on raw preferential sugar when it is refined in a "mixed" refinery. As this will be the case in 1980/81 this proposal is for the purpose of fixing the said charge.

The basic regulation also provides that an amount equal to the charge referred to above shall be granted for the raw sugar which is produced in the French overseas departments and refined in a pure refinery, and this is also provided for in this proposal.

Proposal for a
COUNCIL REGULATION (EEC)

fixing, for the 1980/81 sugar marketing year, the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar⁽¹⁾, as last amended by Regulation (EEC) No 1396/78⁽²⁾, and in particular Articles 9 (5) and 47 (1) thereof,

Having regard to the proposal from the Commission,

Whereas Article 46 (1) of Regulation (EEC) No 3330/74 provides that where there is a difference between, on the one hand, the raw sugar refining margin used to determine the intervention and threshold prices for raw sugar and, on the other hand, the margin necessary for the refining of raw preferential sugar, a differential charge to be made on the latter sugar shall be fixed for the sugar marketing year in question;

Whereas the bulk of the raw preferential sugar cannot be refined unless use is made of the refineries defined in Article 9 (7) of Regulation (EEC) No 3330/74; whereas the margin required for the refining of the said sugar in such refineries is greater, according to the information at present to hand, than that taken into account when determining the intervention and threshold prices for raw sugar for the 1980/81 sugar marketing year, whereas a differential charge should therefore be fixed for that year; whereas the amount thereof may be fixed at a flat rate of 2,20 ECU per 100 kilograms of sugar expressed in white value, taking into account certain differences in the costs concerned;

Whereas Article 46 (2) (b) of Regulation (EEC) No 3330/74 makes provision for the non-application of the whole of the differential charge, or part of that charge, to any raw preferential sugar which is imported into regions of the Community and refined there in a production unit other than a refinery as defined in Article 9 (7) of that Regulation; whereas, having regard to the traditional patterns of supplies of the said sugar to Ireland, a maximum quantity of 30 000 tonnes of that sugar expressed white

refined in that region in the 1979/80 sugar marketing year was exempted from the differential charge; whereas, for the same reasons, that exemption should be continued in respect of Ireland for the 1980/81 sugar marketing year;

Whereas the second subparagraph of Article 9 (3) of Regulation (EEC) No 3330/74 provides, in particular, that where a differential charge has been fixed, a differential amount equal to that charge shall be granted in respect of the raw sugar produced in the French overseas departments and refined in a refinery defined in paragraph 7 of that Article and situated in the Community; whereas that amount should therefore be fixed at 2,20 ECU per 100 kilograms of white sugar.

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation shall apply to the 1980/81 sugar marketing year.

Article 2

The differential charge provided for in Article 46 (1) of Regulation (EEC) No 3330/74 shall be 2,20 ECU per 100 kilograms of sugar expressed in white value by reference to a raw sugar yield calculated by doubling the degree of polarization of that sugar and deducting 100 therefrom. However, this charge shall not apply to raw preferential sugar refined during the 1980/81 sugar marketing year in Ireland up to a maximum quantity of 30 000 tonnes of sugar expressed in white value.

Article 3

The differential amount provided for in the second subparagraph of Article 9 (3) of Regulation (EEC) No 3330/74 shall be fixed at 2,20 ECU per 100 kilograms of white sugar.

Article 4

This Regulation shall enter into force on 1 July 1980.

(1) OJ No L 359, 31.12.1974, p. 1.

(2) OJ No L 170, 27.6.1978, p. 1.

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

Done at

For the Council
The President

FINANCIAL STATEMENT

Date : 14.5.1980

1. BUDGET HEADING : Chap.11 (sugar receipts) and heading 6414 (measures FOD-sugar) APPROPRIATIONS : 8 MEUA (1)

2. TITLE : Proposal of Council Regulation fixing for the 1980/81 sugar marketing year the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments

3. LEGAL BASIS : Articles 9 and 47 of Council Regulation (EEC) No 3330/74

4. AIMS OF PROJECT : To charge a levy on raw preferential sugar refined in a sugar factory and to grant a similar amount to raw sugar from FOD in order to avoid distortions of competition

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (80)	FOLLOWING FINANCIAL YEAR (81)
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET MEUA (-INTERVENTIONS)	6,6	2,6	4,0
5.1 RECEIPTS - OWN RESOURCES OF THE EC XXXXXXXX	p.m.	p.m.	p.m.
5.0.1 ESTIMATED EXPENDITURE 5.1.1 ESTIMATED RECEIPTS	Measure limited to the marketing year 1980/81		

5.2 METHOD OF CALCULATION $300.000 \text{ t} \times 22,00 \text{ ECU/t} = 6,6 \text{ MECU} = 6,6 \text{ MEUA}$
charges: negligible quantities

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ? 1) ~~XXXX~~

~~6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?~~ ~~XXXX~~

~~6.2 IS A SUPPLEMENTARY BUDGET BE NECESSARY ?~~ ~~XXXX~~

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ? YES

OBSERVATIONS : The present measure is not of a new nature; it was provided for by the basic Regulation (EEC) No 3330/74 and has been applied in all marketing years since the Protocol no 3 on ACP-sugar annexed to the Lomé-Convention entered into force.
(1) Appropriations provided for in the new budget proposal for 1980. They will be revised according to the Council's decisions on the price/combined measures packet.

EXPLANATORY MEMORANDUM

II. Proposed Council Regulation laying down, for the 1980/81 sugar marketing year, measures to facilitate the disposal of sugar produced in the French overseas departments

Because of the difficulties in disposing of the raw sugar produced in the French overseas departments in European regions of the Community, measures designed to facilitate its disposal have applied since 1 February 1973 when the Community began to import of sugar covered by the Commonwealth Sugar Agreement. These measures, applicable in principle on a sugar marketing year basis, consist of the granting, under certain conditions, of Community aid for the refining of this sugar.

The quantity of sugar refined in each sugar marketing year has been of the order of 300 000 tonnes.

The difficulties recognised by the Community in the past continue to exist, and the Commission therefore thinks it appropriate to propose that similar facilitating measures should be adopted for the 1980/81 sugar marketing year. These should consist of a Community refining subsidy which will as far as possible assist the disposal of this sugar within the Community and increase its trade flow, irrespective of the place of refining and the technical nature of the refineries concerned.

Such subsidy should be established on the basis of the value of the raw sugar delivered at the place of refining, the outlets after processing, the necessary refining margin for sugar refined in a "pure" refinery, and the differential amount fixed for the sugar marketing year. On this basis it is appropriate to provide a subsidy of 1,49 ECU per 100 kilogrammes of sugar expressed as white sugar.

Proposal for a
COUNCIL REGULATION (EEC)

laying down, for the 1980/81 sugar marketing year, measures to facilitate the disposal of sugar produced in the French overseas departments

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 330/74 of 19 December 1974 on the common organization of the market in sugar⁽¹⁾, as last amended by Regulation (EEC) No 1396/78⁽²⁾, and in particular Article 9 (5) thereof,

Having regard to the proposal from the Commission,

Whereas Article 9 (3) of Regulation (EEC) No 330/74 provides that appropriate measures are to be taken in the event of difficulties arising in the disposal of sugar produced in the French overseas departments; whereas the existence of such difficulties has been recognized in the past and appropriate Community measures have already been taken; whereas these difficulties still remain,

Whereas the economic relationship between the French overseas departments and the European regions of the Community requires that the bulk of the sugar from the French overseas departments should be disposed of in those regions,

Whereas a subsidy should be granted for the refining of the sugar concerned to ensure that these quantities are disposed of in those regions, whereas the amount of the subsidy should be determined on the basis of

the value of the raw sugar delivered at the place of refining, the outlets after processing, the necessary refining margin for sugar refined in a refinery as defined in Article 9 (7) of Regulation (EEC) No 330/74 and the differential amount fixed by Council Regulation (EEC) No 1/80 of 1/1980 fixing, for the 1980/81 sugar marketing year, the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments⁽³⁾,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation shall apply for the 1980/81 sugar marketing year.

Article 2

1. Within the maximum quota a subsidy shall be granted for sugar produced in the French overseas departments and refined in the Community.

2. The subsidy referred to in paragraph 1 shall be 1,49 ECU per 100 kilograms of sugar expressed in white value.

Article 3

This Regulation shall enter into force on 1 July 1980.

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

Done at

For the Council

The President

(1) OJ No L 359, 31.12.1974, p. 1.
(2) OJ No L 170, 27.6.1978, p. 1.

FINANCIAL STATEMENT

Date : 14.5.1980

1. BUDGET HEADING : Heading 6414 measure FOD-sugar

APPROBIATIONS : 8 MEUA (1)

2. TITLE : Proposal of Council Regulation laying down, for the 1980/81 sugar marketing year, measures to facilitate the disposal of sugar produced in the French overseas departments

3. LEGAL BASIS : Article 9 (5) of Council Regulation (EEC) No 3330/74

4. AIMS OF PROJECT : It is necessary to grant a refining subsidy on FOD-sugar to guarantee that 300.000 t of that sugar can be disposed of in deficit areas of the Community.

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (80)	FOLLOWING FINANCIAL YEAR (81)
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET MEUA XXXXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXXXX OTHER 5.1 RECEIPTS OWN RESOURCES OF THE EC (LEVI/EC/CUSTOMS DUTIES) NATIONAL	4,5	1,8	2,7
5.0.1 ESTIMATED EXPENDITURE 5.1.1 ESTIMATED RECEIPTS	measure limited to the marketing year 1980/81		

5.2 METHOD OF CALCULATION $300.000 \text{ t} \times 14,90 \text{ ECU/t} = 4,47 \text{ MECU} = 4,5 \text{ MEUA}$

6.0 CAN THE PROJECT BE FINANCED FROM APPROBIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ? 1) YES/NO

~~6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?~~ ~~YES/NO~~

~~6.2 IS A SUPPLEMENTARY BUDGET BE NECESSARY ?~~ ~~YES/NO~~

6.3 WILL FUTURE BUDGET APPROBIATIONS BE NECESSARY ? YES YES/NO

OBSERVATIONS : This measure is not of a new nature (see "Explanatory memorandum")
 (1) Appropriations provided for in the new budget proposal for 1980. They will be revised according to the Council's decisions on the price/combined measures packet.

