COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 428 final

Brussels, 5 July 1982

Proposal for a COUNCIL REGULATION (EEC)

adopting general rules concerning special measures for peas and field beans

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

Council Regulation (EEC) No 1431/82 adopted new provisions concerning special measures for peas and field beans. The new special measures include the application of a system of aid for peas and field beans intended for human consumption and an extension, under certain conditions, of the present system of aid for peas and field beans intended for animal consumption.

The prupose of this Regulation is to lay down general rules governing the se special measures, in particular with regard to the following:

(a) world market price:

this price will be determined according to criteria similar to those used in comparable cases;

- (b) conditions to be met in order for the products to be eligible for Community aid: the products must have been harvested in the Community, the producer must have received not less than the minimum price and the products must have been used within the Community subject to certain conditions;
- (c) persons entitled to receive aid:

in the case of products intended for animal feed, these are the feedingstuffs manufacturers or certain approved bodies; and in the case of products intended for human consumption, they are the users of such products who can prove that the products may no longer be put to any other use;

(d) the control system:

to be set up to ensure that aid is granted only in respect of products eligible for it, particularly in the case of imported products;

(e) the effective date on which the aid is payable and the criteria for fixing the amount thereof.

These general rules will apply from 1st August 1982. They represent a simplification of the administrative formalities to be fulfilled by those concerned.

Proposal for a COUNCIL REGULATION (EEC)

adopting general rules concerning special measures for peas and field beans

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1431/82 laying down special measures for peas and field beans $^{(1)}$, and in particular Articles 3(5) and 4 thereof,

Having regard to the proposal from the Commission,

Whereas Article 4(1) of Regulation (EEC) No 1431/82 specifies that the average world market price for soya cake shall be determined on the basis of the most favourable purchasing possibilities on the world market;

Whereas in the absence of offers or quotations which can be used for determining the world market price, this price is to be determined on the basis of offers and quotations for soya cake obtained from soya beans processed in the Community and of offers and quotations for competing products on the world market;

Whereas the world market price must be calculated for a determined standard quality;

Whereas, when the frontier crossing-point is being fixed, account should be taken of the extent to which this point is representative for the import and processing of soya beans; whereas, therefore, the port of Rotterdam should be selected as the Community frontier crossing-point; whereas offers and quotations must be adjusted in particular if they are made for another frontier crossing-point;

Whereas Article 4(2) of Regulation (EEC) No 1431/82 provides that the average world market price for peas and field beans is to be determined on the basis of the most favourable purchasing possibilities on the world market;

Whereas in the absence of offers which can be used for determining the world market price, this price should be determined on the basis of the prices obtaining on the markets of the principal non-member exporting countries;

Whereas in the absence of any offers or prices whatsoever, the world market price should be fixed at a level equal to the target price for peas and field beans;

⁽¹⁾ OJ No L 162 of 12,6,1982, p. 28

Whereas the world market price must be calculated for a standard quality;

Whereas, when the frontier crossing-point is being fixed, account should be taken of the extent to which this point is representative for import of peas and field beans; whereas, therefore, the port of Rotterdam should be selected as the Community frontier crossing-point; whereas offers must be adjusted if, in particular, they are made for another frontier crossing-point;

Whereas, to facilitate the implementation of the aid system, provision should be made for the aid to be paid by the Member State in whose territory the peas and field beans have actually been used;

Whereas, to facilitate the verification of entitlement to aid in cases where products are sold by the producer, provision should be made for the aid to be paid exclusively to natural or legal perons who use the products in question and who submit a.certificate issued by the competent authority after it has inspected the contract concluded by the producer, particularly in respect of the minimum price payable to the producer;

Whereas, if the products are processed for the producer to use on his own farm, provision should be made, for the sake of administrative simplicity, for the aid to be granted to certain approved bodies which must pass on the aid to the producer;

Whereas the aid is due only in respect of products which have actually been used for human or animal consumption; whereas, however, if the products are sold by the producer, provision should be made for part of the aid to be paid in advance as soon as the products are placed under supervision on the premises where they will actually be used; whereas, however, provision must be made for a guarantee to ensure that the products will be used;

Whereas the aid must be calculated on the basis of a standard quality, taking account of variations in weight due to the moisture and impurity contents of the products to be used;

Whereas, since the purpose of the aid for peas and field beans to be used for human or animal consumption is not the same as that of the aid for peas and field beans to be used as seed, it should be expressly stipulated, in the interests of clarity, that only one type of aid may be granted in respect of such products;

Whereas, to ensure that such aid is granted only in respect of products which are eligible, Member States must be allowed to apply a system of control for peas and field beans produced in the Community or imported from outside the Community;

Whereas the changeover from the existing system to the system provided for in this Regulation must take place as smoothly as possible; whereas, therefore, transitional measures may prove necessary;

Whereas one of the purposes of this Regulation is to replace Council Regulation (EEC) No 1418/78 of 19 June 1978 adopting general rules in connection with the special measures for peas and field beans used in the feeding of animals $^{(2)}$, as amended by Regulation (EEC) No 1212/79 and whereas Regulation (EEC) No 1418/78 should therefore be repealed,

HAS ADOPTED THIS REGULATION :

⁽²⁾ OJ No L 171, 28,6,1978, p. 5

⁽³⁾ OJ No L 153, 21,6,1979, p. 6

I. World market price

Article 1

- 1. The Commission shall periodically determine the average world market price for soya cake referred to in Article 4(1) of Regulation (EEC) No 1431/82.
- 2. In determining the price referred to in paragraph 1, the Commission shall take account of world market offers and of quotations on exchanges which are important for international trade, excluding those which cannot be regarded as representative of the actual market trends
- 3. In cases where no offer or quotation for soya cake can be used for determining its average world market price, the Commission shall determine this price on the basis of offers and quotations for soya cake obtained from soya beans processed in the Community and of offers and quotations for competing products on the world market.
- 4. The Commission shall determine the average world market price for soya cake of the standard quality for which the activating price has been set, delivered in bulk at Rotterdam,

The Commission shall make the necessary adjustments for offers and quotations not complying with the conditions set out above.

- 1. The world market price for peas and field beans referred to in Article 4(2) of Regulation (EEC) No 1431/82 shall be determined before the beginning of each marketing year, for application from the first day of the marketing year, in accordance with the procedure laid down in Article 12 of Council Regulation (EEC) No 1117/78

 No differentiation shall be made between peas and field beans, except where there is a considerable difference between prices for peas and prices for field beans. The world market price may be amended during the intervening period according to the same procedure if the factors taken into consideration at the time of its fixing undergo a significant change.
- 2. In order to determine the price referred to in paragraph 1, account shall be taken of offers on the world market, excluding those which cannot be regarded as representative of the actual market trend.
- 3. In the case where no offer for peas and field beans can be used for determining the world market price, this price shall be determined on the basis of prices obtaining on the markets of the principal non-member exporting countries.

⁽¹⁾ OJ No L 142, 30.5.1978, p. 1.

- 4. In cases where no offer or price can be used according to the provisions of paragraphs 2 and 3, the world market price shall be fixed at a level equal to the target price for peas and field beans.
- 5. The world market price shall be determined for peas and field beans of the standard quality for which the target price has been set, delivered in bulk at Rotterdam. In cases where the offers or prices taken into consideration do not conform to the conditions stated above, the necessary adjustments shall be made in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1117/78.

II. Aid system

Article 3

For the purposes of this Regulation:

- (1) "first buyer" shall mean any natural or legal person established in the Community, who concludes a contract with a producer for the purchase of peas and field beans grown on the latter's farm, in accordance with the condition laid down in the second indent of Article 3(3) of Regulation (EEC) No 1431/82;
- (2) "contract" shall mean a contract between a first buyer and a producer, specifying the producer's obligation to supply a quantity of peas and field beans of sound, genuine and merchantable quality equal to the quantity stated in the contract, and the first buyer's obligation to take delivery of the products and to pay not less that the minimum price for them;
- (3) "approved body" shall mean a production and processing organization or a group of producers of the products concerned, which complies with conditions to be determined;
- (4) "placing under supervision" shall mean the operation whereby the competent agency in the Member State, at the request of the user of the products, determines, on the user's premises, the quantity and quality of the products to be used for human or animal consumption and checks the use to which they are put.

- In cases where the products are sold by the producer, the first purchaser shall lodge the contract made with the producer with the agency appointed by the Member State in which the product is harvested. He shall also lodge a declaration, countersigned by the producer, certifying the quantity actually delivered by the latter.
- 2. The agency appointed by the Member State, after verifying the content of the contract and the declaration, shall deliver to the first buyer a certificate confirming that the producer has obtained the minimum price for the quantity he has delivered.

Article 5

- 1. In the case referred to in Article 4, the aid shall be granted to any natural or legal person who uses the products provided that:
 - he lodges an application and the certificate referred to in Article 4(2) with the agency appointed by the Member State in whose territory the product has been used;
 - the quantity specified in the certificate has effectively been used, after being placed under supervision, on the user's premises.
- 2. For the purposes of this Article, a product shall have effectively been used in the territory of a Member State if it has been:
 - (a) milled and incorporated into animal feed, or
 - (b) marketed unprocessed for animal consumption, or
 - (c) processed for the manufacture of protein concentrates, or
 - (d) processed for use in human foodstuffs, or
 - (e) marketed unprocessed for human consumption.

Additional conditions, in particular in the cases referred to in (b) and (e), shall be determined in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1117/78.

Article 6

- 1. In the case referred to in Article 4, the aid to be granted shall be the amount in force on the day the person concerned lodges the application referred to in Article 5(1).
- 2. The aid to be paid shall be:
 - (a) for the products referred to in Article 5(2)(a), (b) and (c), the amount fixed in Article 3(1) of Regulation (EEC) No 1431/82;
 - (b) for the products referred to in Article 5(2) (d) and (e), the amount fixed in Article 3(2) ofRegulation (EEC) No 1431/82,

- 1. If a producer does not market the product but has it processed by a body approved by the Member State, in order to use it on his own farm, that approved body shall lodge a processing declaration with the agency appointed by the Member State in which the product was harvested.
- 2. The agency appointed by the Member State shall verify the accuracy of the declaration referred to in paragraph 1.

Article 8

- 1. In the case referred to in Article 7, the aid shall be granted to the approved body which lodges the processing declaration referred to in the same Article, provided that the approved body in question undertakes to pass on the aid to the producer.
- 2. The approval referred to in paragraph 1 shall be granted by the Member State concerned only to bodies which comply with the conditions determined in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1117/78.
- 3. The approval provided for in paragraph 2 shall be withdrawn, except in cases of 'force majeure', as soon as any one of the conditions of approval ceases to be fulfilled.
- 4. Without prejudice to any reimbursement of the aid paid, approval shall also be withdrawn if the body fails to pass on the aid to the producer.

Article 9

- 1. In the case referred to in Article 7, the aid to be granted shall be the amount valid on the day the approved body lodges the processing declaration.
- 2. The aid to be paid shall be the amount referred to in Article 3(1) of Regulation (EEC) No 1431/82.

Article 10

Entitlement to aid shall take effect as soon as the press and field beans specified in the contract or in the processing declaration have effectively been used for human or animal consumption.

However, in the case referred to in Article 4, the aid may be paid in advance as soon as the products are placed under supervision on the premises where they are to be used, provided that sufficient security is given.

- 1. Aid shall be fixed for peas and field beans containing 14 % moisture and 3 % impurities.
- 2. The products shall be weighed and sampled when they reach the user's premises.
- The aid shall be calculated on the basis of weight, adjusted to take account of any disparities between the recorded moisture and impurity contents and the levels specified for fixing the aid.

Article 12

Products in respect of which the aid provided for in Article 3 of Council Regulation (EEC) No 2358/71 of 26 October 1971 on the common organization of the market in seeds $^{(1)}$ has been granted shall not be eligible for the aid provided for in Articles 5 and 8_{π}

IIIx Control system

Article 13

Where necessary, the placing in free circulation in the Community of the products referred to in Article 1 of Regulation (EEC) No 1431/82 shall be subject to a control system which shall apply until the products are processed in such a way as to render them ineligible for aid.

Article 14

- 1. Member States in whose territory the products are used shall set up a control system ensuring that only the products entitled to aid receive it.
- 2 Member States shall communicate to the Commission the provisions adopted to implement the control system, before such provisions come into force.
- 3. Member States shall assist one another in applying this Regulation.

Article 15

Where transitional measures prove necessary in order to facilitate the changeover from the existing system to the system provided for in this Regulation, such measures shall be adopted in accordance with the procedure laid down in Article 12 of Regulation (EEC) No 1117/78. They shall apply solely during the period required to facilitate the changeover.

Article 16

Regulation (EEC) No 1418/78 is hereby repealed,

Article 17

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

It shall apply from 1 August 1982,

⁽¹⁾ OJ NO L 246, 5,11,1981, p. 7

This Regulation shall be binding in its entirety and directly applicable in all Member States, \mathbf{x}

Done at

For the Council

FINANCIAL STATEMENT

Date: 15 June 1982

1. BUDGET HEADING: B 1310 APPROPRIATIONS:

iations: 46 mio ECU

2. TITLE: Draft Proposal for a Council Regulation adopting general rules in connection with the special measures forpeas and field beans

3. LEGAL BASIS: Article 3 of Council Regulation 1431/82

4. AIMS OF PROJECT: Implementation of basic Council Regulation providing for special measures for peas and field beans.

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTH	S CURRENT FINAN	CIAL YEAR	FOLLOWING FINANCIAL YEAR	
5.0 EXPENDITURE — CHARGED TO THE EC BUDGET (紹門科特別/INTERVENTIONS)	(1)		(1)	(1)	
- NATIONAL ADMINISTRATION					
- OTHER					
5.1 RECEIPTS - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)					
- NATIONAL					

5.0.1 ESTIMATED EXPENDITURE 5.1.1 ESTIMATED RECEIPTS		:			

5.2 METHOD OF CALCULATION

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

YES/NO

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

YES/NO

6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY

YES/NO

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ?

YESTHO.

observations: (1) As the purpose of the proposal is to establish general rules for the granting of aid, there are no new financial consequences.