

COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a
COUNCIL REGULATION (EEC)

laying down general rules governing the granting of the premium for
the benefit of sheepmeat producers

Proposal for a
COUNCIL REGULATION (EEC)

laying down general rules governing intervention with regard to
sheepmeat

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

The object of these drafts is to draw up general rules governing premiums for the benefit of producers and also governing intervention in the sheepmeat sector, pursuant to the provisions of Articles 5 and 7 of Council Regulation (EEC) No 1837/80 of 27 June 1980 on the common organization of the market in sheepmeat and goatmeat.

Proposal for
COUNCIL REGULATION (EEC)
laying down general rules governing the granting of the premium for
the benefit of sheepmeat producers

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1837/80 of 27 June 1980 on the common organization of the market in sheepmeat and goatmeat (1), and in particular Article 5

Having regard to the proposal from the Commission,

Whereas Article 5 of Regulation (EEC) No 1837/80 provides that, in the event of loss of income
common market organization, a premium may be granted for the benefit of sheepmeat producers; whereas it is necessary, therefore, to specify the beneficiaries of this measure;

Whereas calculation of the amount of the said premium depends on

whereas it is appropriate, therefore, to provide for a harmonization at Community level of statistic
however, it is advisable, for a transitional period, to provide for the use of existing official statistics in the various Member States for this sector; whereas it is appropriate, therefore, where necessary to permit, during the said period, the statistical data relating to production to include goatmeat as well;

(1) OJ No L 183, 16

Whereas in certain cases it may turn out in the course of a marketing year that the advance on the premium paid in accordance with Article 5(5) of the said Regulation is greater than the amount of the premium payable in the light of the review provided for at the end of the marketing year; whereas it is appropriate, therefore, to provide that in such circumstances the part of the premium which has been overpaid should be deducted from the advance paid during the following marketing year;

Whereas the second subparagraph of Article 5(4) of the said Regulation provides that, at the request of the parties concerned, the amount of the premium payable per ewe in region 1 may be equal to that determined in region 2 where beneficiaries have shown to the satisfaction of the competent authority that lambs born of these ewes will not be slaughtered before the age of two months; whereas it is necessary, with the aim of making possible an effective introduction of administrative checks regarding this measure, to restrict eligibility for this provision to producers who keep a sufficient number of lambs which may be slaughtered after the age of two months,

HAS ADOPTED THIS REGULATION:

Article 1

1. For the purposes of this Regulation:

- a) "producer" means any individual farmer, whether a natural or legal person, whose holding is situated on the territory of the Community, who engages in the rearing of animals of the ovine species and who is recognized as a farmer practising farming as his main occupation in accordance with Article 3 of Directive 72/159/EEC¹,
- b) "holding" means the total number of production units managed by a producer and situated on the territory of a single Member State,
- c) "ewe" means the female animal of the domestic ovine species which has lambed at least once,
- d) "slaughtered lamb" means an animal of the domestic ovine species slaughtered within the Community or exported live and which originates in the region, within the meaning of Article 3(1) of Regulation (EEC) No 1837/80, in which the premium is granted.

2. Only producers of sheepmeat within the meaning of this Regulation may be eligible for the premium provided for in Article 5 of Regulation (EEC) No 1837/80.

¹ OJ L 96, 23.4.1972, p.1.

Article 2

1. For the purpose of calculating the total amount of the premium referred to in Article 5 of Regulation (EEC) No 1837/80, the following will be taken as reference factors in each region concerned:
 - the gross indigenous production of sheepmeat,
 - the recorded number of ewes,
 - the number of lambs slaughtered, where Article 5(6) of that Regulation is applied.
2. The statistical data to be used in determining the factors referred to in paragraph 1 shall be those prepared by the Statistical Office of the European Communities pursuant to Council Directive of on surveys of sheep and goatmeat production to be conducted by the Member States.
3. By way of derogation from paragraph 2, as long as the statistical data provided for under the abovementioned Directive are not available, the data to be used in applying paragraph 1 shall be the official data at present available in the various Member States; in particular, it shall be possible to take into consideration the gross indigenous production of sheepmeat and goatmeat in cases where separate statistics in respect of those two products have not yet been collected.

Article 3

Where it is found at the end of the marketing year that the advance paid in accordance with Article 5(5) of Regulation (EEC) No 1837/80 is greater than the amount of the premium payable in the light of the review provided for in paragraphs 2 and 3 of that Article, an amount equal to the difference between the advance and the amount of the premium payable shall be deducted from the advance paid during the following marketing year.

Article 4

In order to be eligible for the provision laid down in the second subparagraph of Article 5(4) of Regulation (EEC) No 1837/80, the producers concerned must demonstrate to the satisfaction of the competent authority that the lambs born of ewes in respect of which application of that provision is requested have not been slaughtered before the age of two months, and

to this end must declare beforehand to the competent authority the approximate number of lambs which will be slaughtered after that age, which number shall represent at least ten per cent of the total number of ewes kept by the producer concerned.

Article 5

This Regulation shall enter into force on

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

For the Council

The President

Proposal for
COUNCIL REGULATION (EEC)

laying down general rules governing intervention with regard to
sheepmeat

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 1837/80 of 27 June 1980 on the common organization of the market in sheepmeat and goatmeat¹, and in particular Article 7(6) thereof,

Having regard to the proposal from the Commission,

Whereas Regulation (EEC) No 1837/80 provides for the possibility of intervention in the sheepmeat sector by the granting of private storage aid;

Whereas the functioning of such a system of aid may be facilitated by the conclusion of contracts with intervention agencies;

Whereas, to attain the objects of the aid, as these are defined in Regulation (EEC) No 1837/80, the level of aid must be fixed with regard to the costs incurred in storage; whereas, for this purpose, it is appropriate to provide for two methods for determining the said level; whereas, in both cases, the aid must be granted without discrimination among interested parties established in the Community;

Whereas appropriate measures should be laid down for cases where the market situation for the products in question necessitates amendment of the terms of contracts about to be concluded or alteration of the period of storage provided for in contracts already concluded;

Whereas Regulation (EEC) No 1837/80 provides for the possibility of intervention in the sheepmeat sector by means of buying-in by the intervention agencies;

Whereas general criteria governing such buying-in should be laid down, having regard both to the objectives of the intervention system, in particular the balance between the market in question and that of competing animal products, and to the Community's financial liabilities in this connection;

¹ OJ No L 183, 16.7.1980

Whereas, to attain the objects of the variable slaughter premium for sheep provided for in Article 9 of Regulation (EEC) No 1837/80, it should be laid down that at no time may intervention buying-in as provided for in Article 6(1)(b) of that Regulation be decided on in the Member States which apply the said premium;

Whereas appropriate measures should be taken in relation to the application of intervention buying-in to ensure that such buying-in relates only to qualities of sheepmeat carcasses in respect of which there exist prices sufficiently representative of the true market situation, pending harmonization of the systems for classifying such qualities by means of a Community classification scale;

Whereas it is necessary to provide that the buying-in prices for the various qualities must be calculated on the basis of the relative value normally existing in respect of each of those qualities in each Member State where such buying-in is carried out;

Whereas it should be laid down that, where the measures provided for in Article 8 of Regulation (EEC) No 1837/80 are applied, the buying-in prices should be calculated in the same way as those specified above;

Whereas the first subparagraph of Article 5(3) of Regulation (EEC) No 1837/80 lays down that, where the intervention measures provided for in Article 6(1)(b) of that Regulation are applied, account shall be taken, when calculating the total amount referred to in Article 5(2) of the Regulation, of the effect of setting a ceiling on the premium; whereas, however, the possibility cannot be ruled out that such intervention measures will not be decided on for all the Member States belonging to region 3 referred to in Article 3 of the Regulation; whereas it is appropriate, therefore, to provide that such a ceiling should be imposed on the premium only in the case of Member States where it is decided to apply the intervention measures;

HAS ADOPTED THIS REGULATION :

TITLE I: Private storage aid

Article 1

1. Private storage within the meaning of Article 6(1)(a) of Regulation (EEC) No 1837/80 shall mean the storing, in a warehouse, of products falling within the sheepmeat sector where this operation is carried out for their own account and at their own risk by natural or legal persons established in the Community other than the intervention agencies referred to in Article 6(1)(b) of that Regulation.
2. Private storage aid may be granted only in respect of products from sheep originating in the Community which are stored under conditions to be determined.
3. The aid shall be granted in accordance with the provisions of contracts concluded within the intervention agencies; these contracts shall lay down the reciprocal obligations of the contracting parties under uniform conditions for each product.

Article 2

Except by special authorization, applications for private storage aid may be made only in the Member State where the product is to be stored.

Article 3

If the market situation so requires, the storage period fixed in the contract may, under conditions to be determined, be reduced or extended.

Article 4

1. The level of aid shall be:
 - either determined by means of an invitation to tender published in the Official Journal of the European Communities,
 - or fixed in advance at a flat rate.

2. Parity of treatment shall be extended to all tenderers whatever their place of establishment in the Community.

Tenders may not be considered and contracts may not be concluded until the tenderer has guaranteed the fulfilment of his obligations by lodging a security, which shall be forfeited in whole or in part if the obligations specified in the contract are not or are only partially fulfilled.

3. The time limit for the entry of the products into storage and the length of the storage period are to be stipulated.
4. The amount of the aid may not normally exceed an amount equal to the costs which would be incurred in storage by the intervention agencies.

Article 5

1. In the award of contracts, priority shall be given to those whose tenders are most advantageous to the Community.
2. It may be decided, in any event, not to accept any of the tenders made in response to an invitation to tender.

Article 6

Where a flat rate of aid is fixed in advance:

- a) a single rate shall be fixed for each product on the basis of storage costs, normal deterioration in quality and, as far as possible, the foreseeable increase in the price of the product in question;
- b) conditions governing the acceptance of applications for aid shall be laid down, in particular with regard to the time between the submission of the application and the conclusion of the contract;
- c) the conclusion of storage contracts may be suspended or the terms of contracts about to be concluded may be altered if examination of the market situation, of the quantities for which contracts have been concluded and of the contract applications in hand render one of those measures necessary.

TITLE II: Buying-in by the intervention agencies

Article 7

1. The qualities and presentations of the sheep carcasses bought in by the intervention agencies must be determined with regard to the need to ensure adequate market support and to facilitate sale of the goods when storage ends.
2. In cases where Article 8 of Regulation (EEC) No 1837/80 is applied, the intervention measures and the products to which those measures apply must be selected with regard to the need to limit the financial burden on the Community.

Article 8

In any single marketing year, the intervention measures referred to in Article 6(1)(b) of Regulation (EEC) No 1837/80 may be implemented only in Member States which do not at any time pay the variable slaughter premium provided for in Article 9 of that Regulation.

Article 9

The intervention measures referred to in Article 6(1)(b) of Regulation (EEC) No /80 may be implemented only in Member States which apply a national carcass classification system which permits identification of the qualities which will best give market support and a representative survey of the prices fetched by those qualities.

Article 10

1. For each Member State where it has been decided to apply the intervention measures referred to in Article 6(1)(b) of Regulation (EEC) No 1837/80, the buying-in prices for the qualities referred to in Article 7(1) shall be fixed on the basis of the relative value normally existing in respect of each of those qualities.
2. If the measures provided for in Article 8 of Regulation (EEC) No 1837/80 are applied, the buying-in prices shall be the same as those determined under paragraph 1.

Article 11

Where the intervention measures referred to in Article 6(1)(b) of Regulation (EEC) No 1837/80 are not implemented in all the Member States belonging to region 3 referred to in Article 3 of Regulation (EEC) No 1837/80, the ceiling set on the premium referred to in Article 5(3) of that Regulation shall apply only in the Member State or States of that region where the intervention measures are implemented.

Article 12

This Regulation shall enter into force on

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

For the Council
The President

