

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 183 final.

Brussels, 13 May 1977

Proposal for a
COUNCIL REGULATION (EEC)

on the transfer to the Italian intervention agency of skimmed milk
powder held by the intervention agencies of other Member States

(submitted to the Council by the Commission)

COM(77) 183 final.

EXPLANATORY MEMORANDUM

1. The Community market for skim milk powder is characterised by the existence of important stocks in most Member States, whereas Italy has none.

Taking account of this situation of the disposal problems which face the Member States with surpluses, and faced with the difficulty of providing skim milk powder for animal feed in Italy, it would seem opportune to place at the disposal of the Italian authorities a quantity of 20,000 tonnes of the skim milk powder now available.

2. Given the particular use for the product and the fact that it has already been subject to controls on entry into store, this Regulation also stipulates that it is not necessary to effect new health and quality controls at the time of the powder's transfer, so as to facilitate the operation.
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proposal for
COUNCIL REGULATION (EEC)

on the transfer to the Italian intervention agency of skimmed milk powder
held by the intervention agencies of other Member States

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products (1), as last amended by Regulation (EEC) No /77, and in particular Article 7(4) thereof,

Having regard to Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (3), as last amended by Regulation (EEC) No 2788/72 (4), and in particular Article 3(2) thereof,

Having regard to the proposal from the Commission,

Whereas the Community market is characterized by large stocks of skimmed milk powder ; whereas these stocks are primarily held by certain Member States, while Italy possesses no such stocks because of the particular nature of its milk production ;

Whereas, in contrast to the difficulties in marketing the surpluses in the Member States concerned, Italy is experiencing supply difficulties ; whereas, moreover, having regard to the current economic situation in Italy, it seems advisable to make available to the Italian intervention agency part of the stocks of skimmed milk powder which are held in intervention in other Member States ; whereas this skimmed milk powder is to be sold on the Italian market in order to help stabilize prices somewhat ;

(1) OJ No L 148, 28. 6.1968, p. 13

(2) OJ No L , p.

(3) OJ No L 94, 28. 4.1970, p. 13

(4) OJ No L 295, 30.12.1972, p. 1

.../...

Whereas, in view of the particular destination of the product and the fact that the skimmed milk powder in question was subject to health and quality controls when it was bought in by the supplier intervention agencies, it is not necessary to subject the product to new quality controls on being transferred to Italy ; whereas this fact should be mentioned in this Regulation so that it can be taken into account when laying down the conditions for the transfer of the skimmed milk powder ;

Whereas the provisions covering the accounting side of this operation should be determined in accordance with the arrangements laid down in Council Regulation (EEC) No 2306/70 of 10 November 1970 on the financing of intervention expenditure in respect of the domestic market in milk and milk products (5), as last amended by Regulation (EEC) No 496/77 (6) ;

HAS ADOPTED THIS REGULATION :

Article 1

1. A quantity of 20,000 tonnes of skimmed milk powder held by the intervention agencies of the other Member States shall be made available to the Italian intervention agency for use in Italy in animal feedingstuffs.
2. On being transferred to Italy the skimmed milk powder referred to in paragraph 1 shall not be subject to health or quality controls.
3. The arrangements for applying this Article shall be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68. These arrangements shall establish which intervention agencies are to make the skimmed milk powder available and what provision is to be made for transport.

Article 2

1. The intervention agencies holding the products referred to in Article 1 shall enter the quantities of skimmed milk powder transferred as a zero debit in the account referred to in Article 3(2)(b) of Regulation (EEC) No 2306/70.

(5) OJ No L 249, 27.11.1970, p. 4

(6) OJ No L 66, 12. 3.1977, p. 3

2. The Italian intervention agency shall enter the quantities of skimmed milk powder of which it has taken delivery as a zero credit in the account referred to in paragraph 1.
3. The costs of transporting the quantities of skimmed milk powder referred to in Article 1 shall be entered in the account referred to in Article 3(2)(b) of Regulation (EEC) No 2306/70.

Article 3

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

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

Done at Brussels,

For the Council,

FINANCIAL STATEMENT

DATE : 3 May 1977

1. BUDGET LINE CONCERNED : Article 621, item 6214 (Interventions SMP).

2. ACTION : Proposal for a Council Regulation on the transfer to the Italian Intervention agency of skimmed milk powder held by the intervention agencies of other Member States.

3. LEGAL BASIS : Article 7(4) of Council Regulation 804/68.

4. OBJECTIVES : Transfer of skimmed milk powder to be used in animal feed to the Italian intervention agency which does not hold a sufficient quantity of this product.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR (77)	FOLLOWING FINANCIAL YEAR (78)
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (FORMERLY/INTERVENTIONS)	-	0.5 Mua	-
-CHARGED TO NATIONAL ADMINISTR.			
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS			
-OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

YEAR YEAR YEAR

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE one ott action

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

5.2 METHOD OF CALCULATION

Cost of transfer 20,000 t x 25 ua/t = 0.5 Mua

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? YES/XX

~~6.1 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?~~ ~~YES/XX~~

~~6.2 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?~~ ~~YES/XX~~

~~6.3 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?~~ ~~YES/XX~~

COMMENTS : Cost of transfer 20,000 t x 25 ua/t = 0.5 Mua
 Aid for animal feed 10,000 t x 390 = 3.9 Mua
 10,000 t x 720 = 7.2 Mua
11.6 Mua

If disposed of on the world market the expenditure would be :
 refund 20,000 t x 650 ua/t = 13.0 Mua the saving on the transfer will thus be
 1.4 Mua without taking into consideration the impact of the dual exchange rates
 which, because of transfer at zero price, will increase the foreseen saving.