

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(82) 729 final

Brussels, 8 November 1982

Proposal for a
COUNCIL REGULATION (EEC)

on the granting of aid for the consumption of butter in Denmark, Greece,
Italy and Luxembourg

Proposal for a
COUNCIL REGULATION (EEC)

on the sale of butter at reduced prices to persons receiving social
assistance

(submitted to the Council by the Commission)

COM(82) 729 final

1911

1912

1913

COM 729

Explanatory memorandum

The Commission proposes an ad hoc measure for a limited period on the basis of Article 6(7) of Regulation (EEC) No 804/68, consisting of a supplementary reduction of the price of butter purchased for direct consumption.

In view of the special situation on the Danish, Greek, Italian and Luxemburg markets in butter, characterized by very small or non-existent public and private stocks, provision should be made for subsidizing a certain quantity of butter consumed in Danmark, Greece, Italy and Luxemburg.

Proposal for
COUNCIL REGULATION (EEC)

on the granting of aid for the consumption of butter in Denmark,
Greece, Italy and Luxemburg

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 1183/82 (2), and in particular Article 12 (2) thereof,

Having regard to the proposal from the Commission,

Whereas the situation on the butter market is characterized by large quantities available and it is therefore advisable to increase the consumption of butter by all appropriate means;

Whereas the reduction of final consumer prices is an efficient means of attaining this objective; whereas to this end the Commission envisages the adoption of an ad hoc measure based in Article 6 (7) of Regulation (EEC) No 804/68 involving an additional reduction in the price of butter bought for direct consumption in view of the Christmas and New Year holidays;

Whereas the implementation of the abovementioned measure presents particular problems in Denmark, Greece, Italy and Luxemburg; whereas, in fact, their butter markets are characterized by the absence of public stocks and very small quantities under private storage contracts; whereas in order to avoid discrimination against consumers in these Member States in comparison with consumers in the other Member States, provision should be made for subsidizing butter in Denmark, Greece, Italy and Luxemburg on the same conditions as the butter sold in the other Member States in the framework of the said measure;

(1) OJ No L 148, 28.6.1968, p. 13

(2) OJ No L 140, 20.5.1982, p. 1

.../...

Whereas Denmark and Luxemburg utilize Council Regulation (EEC) No 1269/79 of 25 June 1979 on the marketing of reduced-price butter for direct consumption(3), as last amended by Regulation (EEC) No 1186/82 (4); that this Regulation has to take into account the aid granted in pursuance of the above-mentioned Regulation;

HAS ADOPTED THIS REGULATION:

Article 1

1. Aid shall be granted in Denmark, Greece, Italy and Luxemburg for the direct consumption of butter.
2. The aid is hereby fixed at 130 ECU per 100 kilograms for Greece and Italy and at 85 ECU per 100 kilograms for Denmark and Luxemburg.

Article 2

The detailed rules for the application of this Regulation shall lay down, in particular, a time limit for the packaging of the butter in small packets, the maximum amount of butter which may benefit from the aid referred to in Article 1 and provisions guaranteeing that the butter concerned will be consumed in Denmark, Greece, Italy and Luxemburg respectively.

Article 3

This Regulation shall enter into force on the 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,

(1) OJ No L 148, 28.6.1968, p. 13

(2) OJ No L 140, 20.5.1982, p. 1

FINANCIAL STATEMENT

Date : 29.10.82

1. BUDGET HEADING : B 2049

APPROPRIATIONS : 1982: 314 Mio ECU (1)
proposal 1983: 190 Mio ECU

2. TITLE : Proposal for Council Regulation on the granting of aid for the consumption of butter in Denmark, Greece, Italy and Luxemburg

3. LEGAL BASIS : Article 12 of Council Regulation 804/68

4. AIMS OF PROJECT: Aid for the subsidization of a certain quantity of butter in Denmark, Greece, Italy and Luxemburg following a similar action in other Member States where intervention stocks are available (action called "Christmas Butter")

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (82)	FOLLOWING FINANCIAL YEAR (83)
5.0 EXPENDITURE			
- CHARGED TO THE EC BUDGET (EXCEPT INTERVENTIONS)	26,7 Mio ECU	8 Mio ECU	18,7 Mio ECU
- 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	<u>Ecu agri</u>	<u>Ecu budget</u>
Italy : 16.800 t x 1300 ECU/t =	21,8 Mio ECU	21,3 Mio ECU
Greece : 2.000 t x 1300 ECU/t =	2,6 Mio ECU	2,6 Mio ECU
Luxemburg: 250 t x 850 ECU/t =	0,2 Mio ECU	0,2 Mio ECU
Denmark: 3.050 t x 850 ECU/t =	2,6 Mio ECU	2,6 Mio ECU
total	27,2 Mio ECU	26,7 Mio ECU

It is estimated that 30% of the expenses will be chargeable to the campaign 1982; the balance is to be financed in the beginning of 1982.

- 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 OF FUNDS FROM OTHER BUDGETARY CHAPTERS ? YES/NO
- 6.2 ~~DOES THE PROJECT REQUIRE THE ESTABLISHMENT OF A SEPARATE BUDGETARY CHAPTER ?~~ YES/NO
- 6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ? YES/NO

OBSERVATIONS :
(1) after credit transfer

EXPLANATORY MEMORANDUM

The increase of the aid for the consumption of butter by persons receiving social assistance is likely to result in an increase of butter consumption. This measure seems appropriate given the existing butter surpluses in the Community, taking into account the market situation and the other disposal possibilities.

COUNCIL REGULATION (EEC)

on the sale of butter at reduced prices to persons receiving social assistance

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

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 1183/82⁽²⁾, and in particular Article 12 (2) thereof,

Having regard to the proposal from the Commission,

Whereas previous measures authorizing the sale of butter at reduced prices to persons receiving social assistance have proved an effective means of disposing of the Community butter surplus; whereas they have enabled consumers in this category to consume more butter;

Whereas the situation on the Community butter market is such as to justify the repetition of these measures; whereas Community finance for this measure should therefore be limited,

HAS ADOPTED THIS REGULATION:

Article 1

Member States are hereby authorized to grant aid for the purchase of butter at reduced prices by persons receiving social assistance.

Article 2

Member States shall take all appropriate measures to ensure that the aid benefits only persons receiving social assistance and is granted only in respect of amounts of butter which do not exceed their personal consumption.

Article 3

By way of derogation from the arrangements referred to in Article 3 of 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 309/80⁽⁴⁾, finance from the Guarantee Section of the European Agricultural Guidance and Guarantee Fund for aid granted for the purchase of butter at reduced prices by persons receiving social assistance shall amount to no more than 80 Ecu . per 100 kilograms of butter.

Article 4

Council Regulation (EEC) No 1762/78⁽⁵⁾ is hereby repealed.

Article 5

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

⁽¹⁾ OJ No L 148, 28. 6. 1968, p. 13.

⁽²⁾ OJ No L 140, 20. 5. 1982, p. 1

⁽³⁾ OJ No L 94, 28. 4. 1970, p. 13

⁽⁴⁾ OJ No L 367, 31. 12. 1980, pag. 87

⁽⁵⁾ OJ No L 204, 28. 7. 1978, p. 7

