

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 315 final.

Brussels, 6 July 1978.

Proposal for a
COUNCIL REGULATION (EEC)

on the granting of aid for the consumption of
butter in Italy

(submitted to the Council by the Commission)

COM(78) 315 final.



EXPLANATORY MEMORANDUM

- I. At its meeting from 12 to 16 May the Council approved the Commission's proposal that an additional amount of 50 million ua be assigned to the financing of supplementary measures to encourage the consumption of butter in the Community in the 1978/79 milk year. The Council at the same time noted the Commission's intention that the money be used for two practical alternatives offered to the Member States. The butter to be disposed of comes from intervention or has been stored under private storage contracts.

- II. Special difficulties with regard to the implementation of these measures arise in the case of Italy. The Italian butter market is characterized by the absence of public stocks and of quantities under private storage contracts and by domestic production which cannot be sold to intervention and the normal sale of which would be jeopardized by the admission under the proposed measures of large additional quantities of butter. To prevent discrimination against Italian consumers compared with those in the other Member States and at the same time avoid disturbing the Italian market it is necessary to subsidize a corresponding quantity of butter produced in Italy on the same terms as the butter sold in the other Member States under the supplementary measures.

- III. The purpose of the attached proposal for a Council Regulation is to provide for this to be done on the basis of Article 12(2) of Regulation (EEC) No 804/68.

- IV. As the expenditure involved will be met from the 50 million ua mentioned in I this proposal involves no additional expenditure.

Proposal for a

COUNCIL REGULATION (EEC) No

of

on the granting of aid for the consumption of butter in Italy.

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 1038/72⁽²⁾, and in
particular Article 12 (2) thereof,

Having regard to the proposal from the Commission,

Whereas the situation on the butter market is charac-
terized 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
ad hoc measures based on Article 6 (7) of Regulation
(EEC) No 804/68 involving an additional reduction in
the price of butter bought for direct consumption,

Whereas the implementation of the abovementioned
measure presents particular problems in Italy;
whereas, in fact, the Italian butter market is charac-
terized on the one hand by the absence of public stocks
and of quantities under private storage contracts, and
on the other hand, by an indigenous production
which cannot be sold to intervention and the normal
sales of which would be jeopardized by the admission,
under the abovementioned measures, of large supple-
mentary quantities of butter; whereas, in order to

avoid such disturbances on the Italian market and to
avoid discrimination against the consumers in Italy in
comparison with consumers in the other Member
States, it is necessary to provide for the possibility of
subsidizing a corresponding quantity of butter
produced in Italy on the same conditions as the butter
sold in the other Member States in the framework of
the said measures,

HAS ADOPTED THIS REGULATION:

Article 1

1. Aid shall be granted in Italy for the direct
consumption of butter produced in that Member
State.

2. The amount of this aid and the maximum
quantity of butter which may benefit from it shall
be fixed in accordance with the same criteria as those
applicable to the sales at reduced prices in other
Member States of butter from public stocks which
are under private storage contracts and intended
for direct consumption.

3. Furthermore, 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 and also the provisions guarantee-
ing that the butter concerned will be consumed in
Italy.

Article 2

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 134, 22. 5. 1978, p. 4