

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(77) 514 final

Brussels, 17 October 1977

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)

Explanatory Note

In accordance with the Decisions taken by the Council when the prices were fixed for the milk year 1977/78, the Commission now lays down a special measure involving an additional reduction in the price of butter in intervention and under contract for private storage. This butter is for direct consumption in view of the Christmas and New Year holidays.

The implementation of this measure presents particular problems in Italy. In fact, the Italian butter market is characterized on the one hand by the absence of public stock and 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 aforesaid measure, of large supplementary quantities of butter. In order to avoid such disturbances on the Italian market and to avoid discrimination of the Italian consumers with regard to those of other Member States, it is necessary to provide for the possibility of subsidizing a corresponding quantity of Italian butter on the same conditions as the butter referred to in the above-mentioned measure.

Proposal for a
COUNCIL REGULATION (EEC)

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, 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 559/76⁽²⁾, and in particular Article 12(2) thereof,

Having regard to the proposal from the Commission,

Whereas large quantities of butter are available on the market and therefore their consumption should be increased by all appropriate means;

Whereas this can be achieved by reducing final consumer prices; whereas for this purpose, Commission Regulation (EEC) No /77 of October 1977, on the sale at a reduced price of intervention butter for direct consumption in the Community⁽³⁾, lays down a special measure involving an additional reduction in the price of butter bought for direct consumption for the Christmas and New Year holidays;

Whereas the implementation of this measure gives rise to problems in Italy; whereas the Italian butter market does not have any public stocks or quantities under private storage contracts, but it does have an indigenous production which cannot be sold to intervention and the normal sales of

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

(2) OJ No L 67, 15.3.1976, p. 9

(3) OJ No L

which would be jeopardized if large additional quantities of butter were admitted under the above measure; whereas, in order to avoid such disturbances on the Italian market and in order not to discriminate against Italian consumers compared with those of other Member States, provision should be made for subsidizing a corresponding quantity of Italian butter on the same conditions as the butter referred to in Regulation (EEC) No /77,

HAS ADOPTED THIS REGULATION:

Article 1

1. Italy shall grant an aid for the direct consumption of butter produced within its territory.
2. This aid shall be 70 units of account per 100 kilograms.

Article 2

The detailed rules of 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 to be subsidized by the aid referred to in Article 1 and provisions guaranteeing that the butter concerned will be consumed in Italy.

Article 3

This Regulation shall enter into force on

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

FINANCIAL STATEMENT

DATE : 11/10/1977

1. BUDGET LINE CONCERNED : Article 622

2. ACTION : Proposal for a Council Regulation on the granting of aid for the consumption of butter in Italy

3. LEGAL BASIS : Article 43 of the Treaty

4. OBJECTIVES : Granting an aid for the consumption of butter in Italy in view of the Christmas and New Year holidays

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR	FOLLOWING FINANCIAL YEAR
5.0 EXPENDITURE		(77)	(78)
-CHARGED TO THE EC BUDGET (REVENUES/INTERVENTIONS)	4.9 mio u.a.	4.9 mio u.a. (1)	-
-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

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS limited measure

5.2 METHOD OF CALCULATION

7.000 to 700 u.a./t

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? 2) YES/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? YES/NO

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? YES/NO

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? YES/NO

COMMENTS :

- 1) without effect double rate
- 2) The measure is financed by the funds laid down for the reduction of dairy surpluses, in particular by "Christmas butter" measures decided on at the time of the fixing of the prices 1977/78.

