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COM 1911

COM(75) 550 final

Brussels, 5 November 1975

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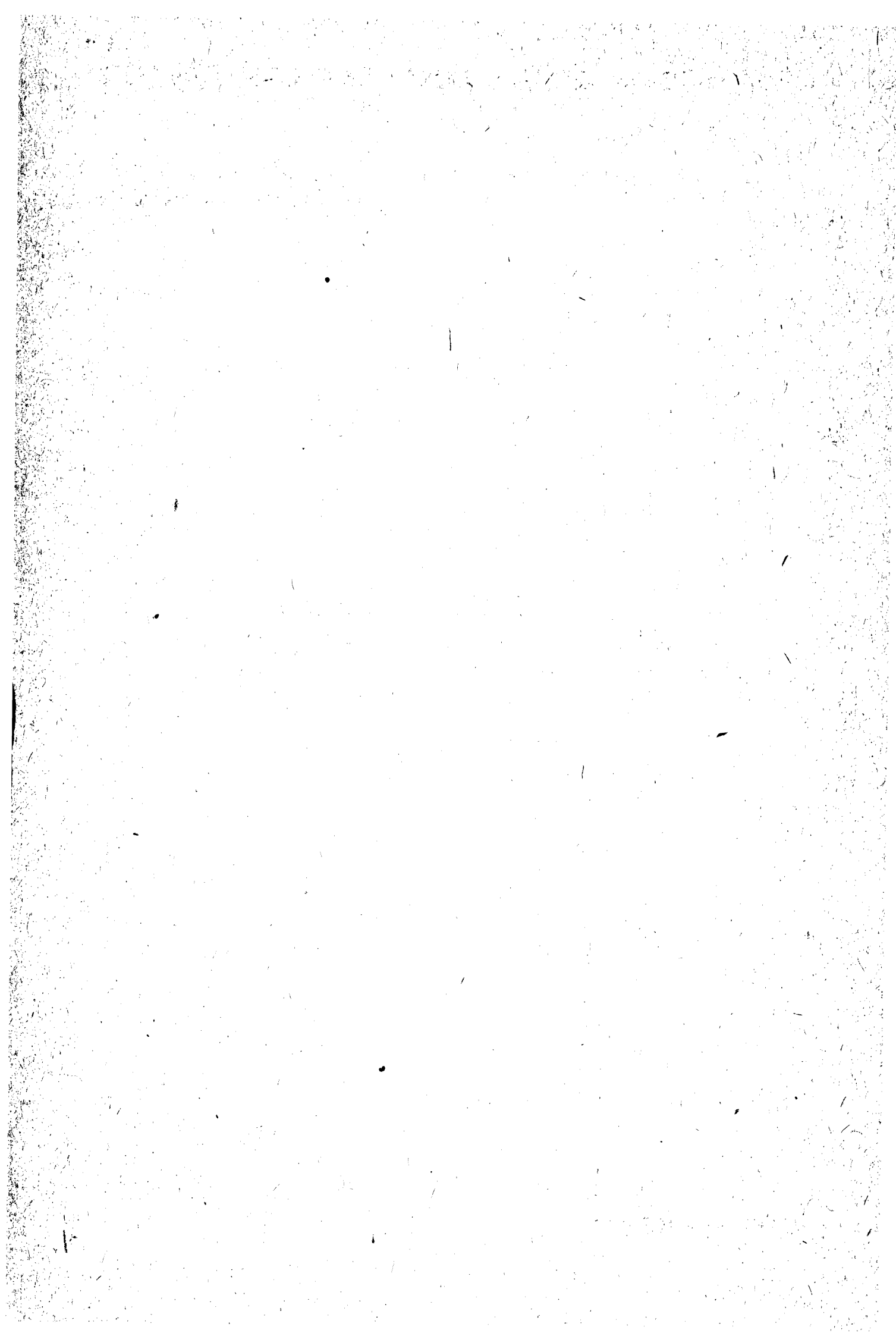
PROPOSAL FOR A

REGULATION (EEC) OF THE COUNCIL

amending Regulation (EEC) No 1955/75 on pro-  
duction refunds in the cereals and rice  
sectors

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(submitted to the Council by the Commission)



## EXPLANATORY MEMORANDUM

1. The purpose of this proposed amendment is to fix the production refund on maize used for the manufacture of groats and meal for use in the brewing of beer.
2. In document COM (75) 327 of 26 June 1975) proposing amendments to Regulations No 120/67 and No 359/67 and a new Regulation on starch production refunds (the present Regulation 1955/75), the Commission included a proposal to grant production refunds on maize used for this purpose and on broken rice used for brewing at the same rates as those paid on maize and broken rice used for starch.
3. However, before a refund could be fixed for these purposes it was first necessary to introduce the possibility of granting such refunds in Regulations No 120/67 and No 359/67. (This was the reason for the proposed amendments to these two regulations mentioned in paragraph 2). Amendments to either of these Regulations require the opinion of Parliament. At its session of 26 September, the Parliament declined to adopt a resolution drafted by the Agriculture Committee approving the Commission proposals.
4. The present proposal seeks to modify slightly the one contained in Doc. COM (75) 327 in so far as no refund is proposed for broken rice for beer. To grant a production refund on broken rice (for beer) would at the present time merely serve to emphasise the advantageous position this product already enjoys vis a vis competing products as a result of market conditions.
5. The maintenance of a refund on maize for groats equal to that on maize for starch is proposed because to suppress or reduce the refund on the former but to grant it on the latter would seriously damage its competitive position as a brewing raw material. Both products are substitutable one for the other in the brewing process so that to grant a refund on only one would give it considerable advantage.
6. The proposals for modifying Regulations No 120/67 and No 359/67 remain unaltered.
7. Because of the substitutability of these products in the brewing process it is estimated that this proposal will have no effect on Budget provisions.

REGULATION (EEC) OF THE COUNCIL

amending Regulation (EEC) No 1955/75 on production refunds in the  
cereals and rice sectors

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation No 120/67/EEC <sup>1)</sup> of 13 June 1967 on the common organization of the market in cereals, as last amended by Regulation (EEC) No /75<sup>2)</sup>, and in particular Article 11(3) thereof;

Having regard to Council Regulation No 359/67/EEC <sup>3)</sup> of 25 July 1967 on the common organization of the market in rice, as last amended by Regulation (EEC) No <sup>4)</sup>, and in particular Article 9(2) thereof;

Having regard to the proposal from the Commission;

Whereas Council Regulation (EEC) No 1955/75 <sup>5)</sup> of 22 July 1975 fixes production refunds for certain products used for the manufacture of starch, or intended for the manufacture of glucose and for potato starch, but does not fix a refund for the production of maize groats and meal for use by the brewing industry in the manufacture of beer;

Whereas the absence of such a refund for the production of maize groats and meal for use by the brewing industry in the manufacture of beer could, in the circumstances likely to exist, disturb the balance between the cost of supplying the brewing industry with maize starch on the one hand, and with maize groats and meal on the other; it therefore appears necessary to fix a refund for the production of maize groats and meal, used for the aforementioned purpose,

HAS ADOPTED THIS REGULATION:

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- 1) OJ No 117, 29. 6.1967, p. 2269/67.
  - 2) OJ No L
  - 3) OJ No 174, 31. 7.1967, p. 1.
  - 4) OJ No L
  - 5) OJ No L 200, 31. 7.1975, p. 1.

Article 1

The text of Articles 4 and 5 of Regulation (EEC) No 1955/75 shall be replaced by the following:

'Article 4

1. Member States shall grant a production refund on maize used by the maize industry for the manufacture of groats and meal used by the brewing industry in the production of beer of 10,00 units of account per metric ton less any accession compensatory amount applicable.
2. Member States shall grant a production refund on maize groats and meal for the manufacture of glucose under subheading 17.02 B II of the Common Customs Tariff<sup>1)</sup> by the process known as direct hydrolysis.

The production refund per metric ton of maize groats and meal so used shall be 10 units of account less any applicable accession compensatory amount for maize and multiplied by the coefficient 1.23.

Article 5

Member States shall take all necessary measures to ensure that the refunds mentioned in Article 4 are limited to the quantities of maize groats and meal actually used in the Community by the brewing industry in the production of beer or by the glucose industry.'

Article 2

This Regulation shall enter into force on the day of 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

The President

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1) Pursuant to Reg. No 189/67/EEC the products falling within tariff subheading 17.02 B I are subject to the same arrangements as those laid down for products falling within subheading 17.02 B II.

