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Proposal for a

COUNCIL REGULATION (EEC)

amending for the third time Regulation (EEC) No 2453/76  
on the transfer to the Italian intervention agency of  
frozen beef held by the intervention agencies of other  
Member States

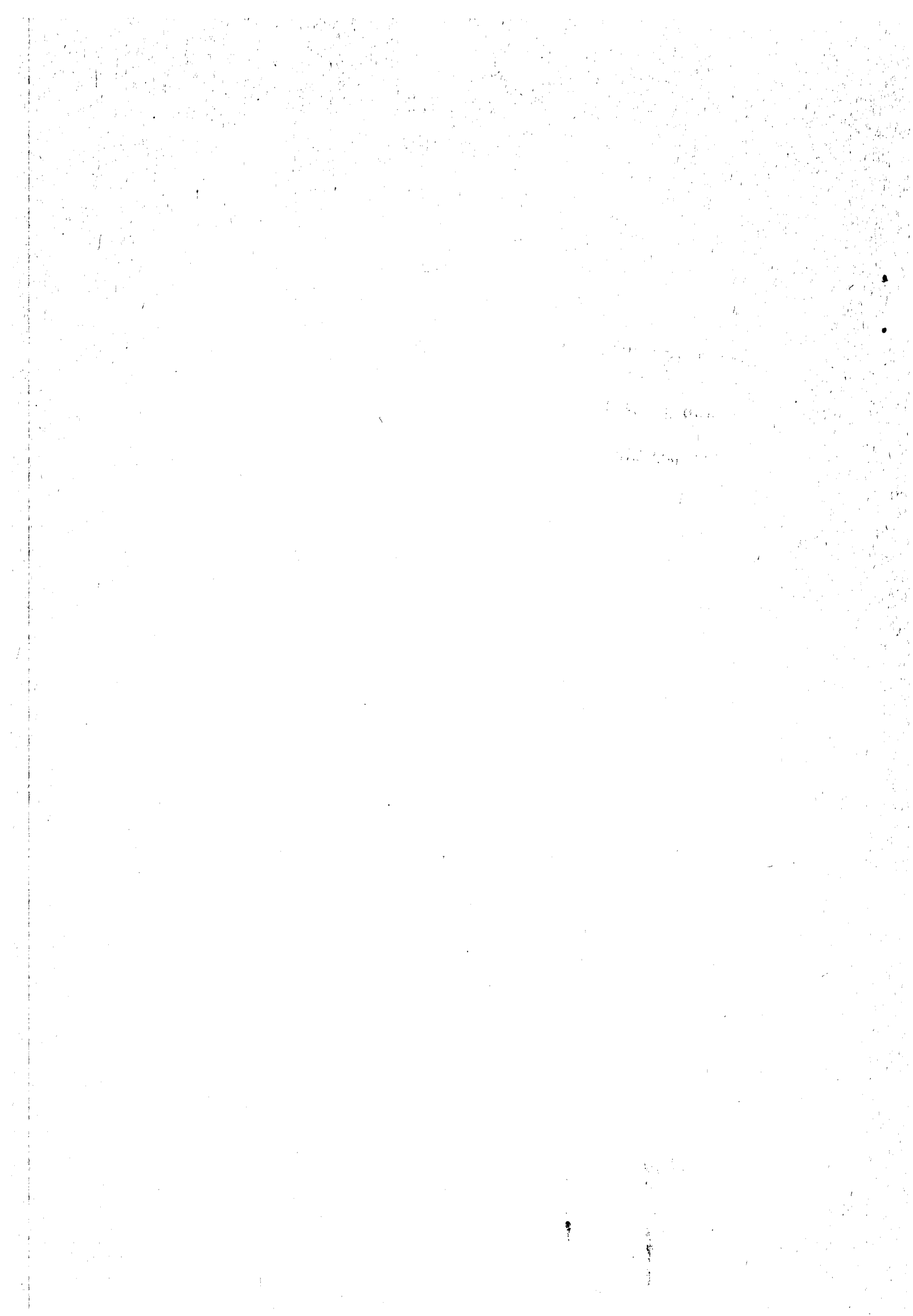
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Proposal for a  
COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 2452/76 on the transfer to  
the Italian intervention agency of butter held by the  
intervention agencies of other Member States

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(submitted to the Council by the Commission)



## EXPLANATORY MEMORANDUM

1. These Regulations take into account the practical difficulties encountered in Italy in marketing beef and butter made available to the Italian intervention agency by the intervention agencies of other Member States. Since the sale of these products on the Italian market cannot be completed before 1 December 1977 as provided for by Article 1 of Council Regulations (EEC) No 2453/76 and No 2452/76 of 5 October 1976, as amended by Regulations (EEC) No 1330/77 and No 1392/77, this final date must be replaced by that of 1 July 1978.
2. As regards the beef, the reasons for this delay in its sale on the Italian market can be summarized as follows :
  - (a) Legal and administrative difficulties; the Italian Government had to amend the provisions relating to retail sales of frozen beef and, in two cases, the current prices for the sale to consumers of various cuts and presentations of the beef;
  - (b) economic and marketing difficulties; sale of this meat had to be carried out without wholesale agents and the retail butchers are neither organized nor equipped to carry out rapidly the operations relating to the financing of the purchases, the technical preparation of the frozen meat and its marketing in conditions acceptable to consumers.

In view of the above the Commission has had to amend the regulations implementing Regulation (EEC) No 2453/76. It should however be noted that although the proposed amendment of this Regulation is due to the fact that the Italian authorities will not be able to sell more than 1 000 tonnes per week of this meat, it will however only be accepted by the Council provided that no further extension is planned. For this reason it is also proposed (Article 2) that the Italian intervention agency should take delivery of all this meat before 1 January 1978. In application of this provision it is also stated in the implementing regulations which will be presented to the Commission shortly that the Italian intervention agency should take over all this meat at the latest by 31 December 1977.

Nor can this date be extended for meat already stored in Italy and put at the disposal of the Italian intervention agency by the French intervention agency. In this implementing provisions referred to above it is provided that this meat should be returned to the original intervention agency from 1 January 1978 to enable it to be sold immediately under the normal rules relating to sales of intervention stocks.

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3. As regards the butter the delay in its sale on the Italian market is due primarily to difficulties relating to customs and veterinary controls and to the recent introduction of the sales of reduced price butter for direct consumption (Christmas butter) which has reduced the opportunities for selling a large portion of these stocks under normal conditions.

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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 (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal<sup>(1)</sup>, as last amended by Regulation (EEC) No 425/77<sup>(2)</sup>, and in particular Article 7(2) thereof,

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

Having regard to the proposal from the Commission,

Whereas Article 1 of Council Regulation (EEC) No 2453/76 of 5 October 1976 on the transfer to the Italian intervention agency of frozen beef and veal held by the intervention agencies of other Member States<sup>(5)</sup>, as last amended by Regulation (EEC) No 1330/77<sup>(6)</sup>, provides for the disposal of certain quantities of carcasses, compensated quarters and boned beef on the Italian market before 1 December 1977;

Whereas, in view of the practical difficulties encountered in organizing the selling of this beef, this date should be changed to 1 July 1978,

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(1) OJ No L 148, 28.6.1968, p. 24

(2) OJ No L 61, 5.3.1977, p. 1

(3) OJ No L 94, 28.4.1970, p. 13

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

(5) OJ No L 279, 9.10.1976, p. 3

(6) OJ No L 154, 23.6.1977, p. 1

HAS ADOPTED THIS REGULATION:

Article 1

In Article 1(1) of Regulation (EEC) No 2453/76, '1 December 1977' is hereby replaced by '1 July 1978'.

Article 2

The following paragraph 1 bis shall be added to Article 1 of Regulation (EEC) No 2453/76:

1 bis "The Italian intervention agency shall take delivery before 1 January 1978 of all the quantities of frozen beef and veal put at its disposal and shall ensure transportation to Italy before 1 March 1978."

Article 3

This Regulation shall enter into force on 1 December 1977.

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

Done at Brussels,

For the Council

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# FINANCIAL STATEMENT

DATE : 18.11.1977

1. BUDGET LINE CONCERNED : Point 6511

2. ACTION : Proposal for a Council Regulation amending R. 8453/75 on the transfer to the Italian intervention agency of frozen beef

3. LEGAL BASIS : Article 7 of Council R. 205/68

4. OBJECTIVES : Extension for the reasons described in the explanatory memorandum, of the time limit for the sale of the beef transferred to the Italian intervention agency (Art.1)  
 Extension of the time limit for the transfer by one month until 31.12.77 (Art.2)

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR	FOLLOWING FINANCIAL YEAR
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (PAYMENTS/INTERVENTIONS)			
-CHARGED TO NATIONAL ADMINISTR.		0.4 million U.A.	1.4 million U.A.
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS			
-FROM RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

6.1.1. BIENNIAL PATTERN OF EXPENDITURE  
 6.1.2. BIENNIAL PATTERN OF RECEIPTS

7. METHOD OF CALCULATION

a) Longer storage will result in the following expenditure :

Storage costs  $38\ 000\ t \times 0.38\ U.A./day \times 210\ days \times 0.5 = 1.5\ M.U.A.$

Financing  $38\ 000\ t \times 0.08 \times 1800\ U.A./t \times 6/12 \times 0.5 = 1.4\ M.U.A.$

2.9 M.U.A.

b) Extension of time limit for the transfer ; no additional expenditure

- 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/NO
- 6.2 ~~FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?~~ YES/NO
- 6.3 ~~FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ?~~ YES/NO

COMMENTS : It should be noted that if the transfer had not taken place, the butter would have probably had to be stored for a similar period by the original intervention agency. The additional expenditure due to the extension is therefore less than 2.9 M. U.A.

Proposal for a  
COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 2452/76 on the transfer to the Italian intervention agency of butter held by the intervention agencies of other Member States

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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 (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products<sup>(1)</sup>, as last amended by Regulation (EEC) No 559/76<sup>(2)</sup>, and in particular Article 6 (6) thereof,

Having regard to the proposal from the Commission,

Whereas Council Regulation (EEC) No 2452/76 of 5 October 1976 on the transfer to the Italian intervention agency of butter held by the intervention agencies of other Member States<sup>(3)</sup>, as last amended by Regulation (EEC) No 1392/77<sup>(4)</sup>, provided that 10 000 tonnes of butter was to be made available to the said intervention agency for placing on the Italian market before 1 December 1977;

Whereas the marketing of butter will require a longer period than that provided whereas it is therefore necessary to extend the fixed time limit,

HAS ADOPTED THIS REGULATION :

Article 1

In Article 1 (1) of Regulation (EEC) No 2452/76 the date '1 December 1977' is hereby replaced by '1 July 1978'.

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- (1) OJ No L 148, 28.6.1968, p. 13  
(2) OJ No L 67, 15.3.1976, p. 9  
(3) OJ No L 279, 9.10.1976, p. 1  
(4) OJ No L 158, 29.6.1977, p. 13

.../...



Article 2

This Regulation shall enter into force on 1 December 1977.

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

Done at Brussels,

For the Council

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# FINANCIAL STATEMENT

DATE : 18.11.1977

1. BUDGET LINE CONCERNED : Post 6221

2. ACTION : Proposal for a Council Regulation amending Regulation (EEC) No 2452/76 on the transfer to the Italian intervention agency of butter.

3. LEGAL BASIS : Regulation (EEC) No 805/68 Article 7 (2)

4. OBJECTIVES : Extension for the reasons described in the explanatory memorandum of the time limit for the sale of butter transfer to the Italian intervention agency.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR ( )	FOLLOWING FINANCIAL YEAR ( )
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET ( <del>XXXXXXXX</del> INTERVENTIONS)		60,000 U.A.	max. 520,000 U.A.
-CHARGED TO NATIONAL ADMINISTR.			
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS			
-OWN RESOURCES OF THE EC (LEVIÉS/CUSTOMS DUTIES)			
-NATIONAL			

YEAR ..... YEAR ..... YEAR .....

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE  
5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

5.2 METHOD OF CALCULATION

Longer storage will result in the following expenditure :

Storage cost :  $2\ 000 \times 0.276 \text{ E.A./t} \times 20 \text{ months} \times 0.5 = 230\ 000 \text{ U.A.}$

Handling :  $2\ 000 \times 2\ 309.50 \text{ U.A./t} \times 1.21 \times 0.1^2 \times 6/12 \times 0.5 = 150\ 000 \text{ U.A.}$

Total : 380 000 U.A.

5.3 COMMENTS :

It should be noted that if the transfer had not taken place, the butter would have probably had to be stored for a similar period by the original intervention agency. The additional expenditure is therefore less than 380 000 U.A.