

REGULATION (EEC) No 750/68 OF THE COUNCIL

of 18 June 1968

laying down general rules for offsetting storage costs for⁷sugar

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation No 1009/67/EEC¹ of 18 December 1967 on the common organisation of the market in sugar, and in particular Article 8 (2) thereof;

Having regard to the proposal from the Commission;

Whereas Article 8 (1) of Regulation No 1009/67/EEC provides for the reimbursement at a flat rate of storage costs for certain sugars; whereas, pursuant to Article 25 of that Regulation, these sugars must have been produced within the maximum quota;

Whereas this flat-rate reimbursement is financed by a levy charged on manufacturers; whereas, therefore, the principle to be observed when the amount of this levy is being fixed should be that total reimbursements made should equal total levies charged;

Whereas the reimbursement system is confined to sugars manufactured from beet or cane harvested within the Community; whereas control is needed to ensure that this rule is observed; whereas in the sugar trade sugar is normally held in store by manufacturers; whereas for this reason reimbursement should as a general rule be restricted to manufacturers who are the owners of the sugar held in store;

Whereas, however, in some Member States sugar is held in store by persons engaged in certain related trades which are assimilated to manufacturing by those Member States for the purposes of the reimbursement; whereas these persons cannot therefore be excluded from entitlement to the reimbursement;

Whereas intervention agencies usually find it necessary to hold in store the sugar which they have bought-in and should therefore be entitled to reimbursement on the same terms as manufacturers;

whereas, given the special position of intervention agencies, the period for which a reimbursement is granted should however be limited;

Whereas reimbursement cannot be granted unless some measure of control is possible; whereas warehouses must therefore be officially approved; whereas for this reason reimbursements should be made by the Member State on whose territory the sugar is held in store;

Whereas calculation of the reimbursement should be based on periods for which the movement of stocks can be checked;

Whereas special measures may be needed to deal with the special situation of sugar in transit at the beginning of a month; whereas such measures should be adopted in the same way as the rules required for the application of this Regulation, that is to say, in accordance with the procedure laid down in Article 40 of Regulation No 1009/67/EEC;

Whereas the purpose of the reimbursement is to offset storage costs necessarily incurred; whereas, therefore, when the amount of the reimbursement is being fixed the main charges included in storage costs must be taken into account;

Whereas effective control of manufacturing can best be exercised when the sugar is being disposed of; whereas the levy should therefore be collected from the manufacturer at this stage; whereas, for administrative reasons, provision should be made for the levy to be collected between the date of disposal and the end of the following month;

Whereas since some time must elapse before the exact amount of the levy can be established, this amount must therefore be based on forecasts which must be adjusted in the light of results for previous marketing years;

Whereas from 1 July 1968 intervention agencies will be required to buy in sugar offered to them by manufacturers; whereas the reimbursement of storage costs is intended to obviate, in whole or in part, the

¹ OJ No 308, 18.12.1967, p. 1.

need for intervention buying; whereas reimbursement should therefore be extended to quantities of sugar in free circulation held in store by manufacturers on 1 July 1968; whereas, for the purposes of this Regulation, these quantities should be regarded as having been produced within the maximum quota for the 1968/69 marketing year; whereas, therefore, the levy applicable to that marketing year should be collected from those manufacturers when these quantities are disposed of;

Whereas the introduction of the Community system to offset storage costs will inevitably have certain repercussions since some Member States do not operate such a system at present; whereas provision must therefore be made for a transitional period in respect of reimbursements to persons other than manufacturers;

HAS ADOPTED THIS REGULATION:

Article 1

Reimbursement shall be made within a specified period by the Member State on whose territory the sugar is held in store.

Article 2

1. Reimbursement shall be made to:
 - (a) any sugar manufacturer to whom a basic quota has been allocated;
 - (b) any sugar refiner;
 - (c) any manufacturer of powdered, lump or candy sugar who has been approved by the Member State on whose territory he is established;
 - (d) any specialised sugar trader who has been approved by the Member State on whose territory he is established;
 - (e) any intervention agency

provided that they are the owners of the sugar held in store at the beginning of the period referred to in Article 4 (2).

2. Approval shall be granted subject to certain conditions.

3. However, where sugar which has been the subject of intervention measures is held in store by an intervention agency, reimbursement shall be limited to a specified maximum period.

Article 3

1. Reimbursement shall only be made in respect of quantities of non-denatured white and raw sugar produced within the maximum quota and stored in

a warehouse approved by the Member State on whose territory the warehouse is situated.

In special circumstances special provisions may be adopted in accordance with the procedure laid down in Article 40 of Regulation No 1009/67/EEC to deal with sugar in transit at the beginning of the period referred to in Article 4 (2).

2. Approval shall be granted under certain conditions.

Article 4

1. Calculation of the reimbursement shall be based on monthly returns for quantities in store.

2. The quantity to be taken into account for any one month shall be equal to the average quantities of sugar held in store at the beginning and at the end of the month in question.

Article 5

The amount of the reimbursement shall be fixed per month and per unit of weight, insurance and specific storage costs being taken into consideration.

Article 6

1. The levy shall be so fixed that, in any one marketing year, anticipated total levies are equal to anticipated total reimbursements.

2. If in any one marketing year total levies collected do not equal total reimbursements made, the difference shall be carried forward to a subsequent marketing year.

Article 7

The Member State shall collect the levy from each sugar manufacturer in respect of the quantities of white and raw sugar produced within his maximum quota.

Article 8

The levy shall be due on a date determined by the Member State concerned, within the period between the date on which the sugar in question is disposed of and the end of the month following that of disposal.

Article 9

The amount of the levy per unit of weight shall be calculated as follows:

total anticipated reimbursements for the relevant marketing year shall be increased or decreased as the case may be by the amounts carried forward pursuant to Article 6 (2). The result shall be divided

by the anticipated quantity of sugar which will be disposed of during that marketing year and produced within the maximum quotas.

Article 10

1. By way of derogation from the provisions of Article 2, until 30 September 1968 reimbursement shall only be made to sugar manufacturers who have been allocated a basic quota.

2. For the purposes of Articles 3, 7 and 9, quantities of sugar manufactured from beet or cane harvested within the Community and held in store on 1 July 1968 by manufacturers who have been allocated a basic quota shall be regarded as having been pro-

duced within the maximum quota for the 1968/69 marketing year.

However, this Regulation shall not apply to quantities of sugar which, pursuant to Community provisions, are under customs control, or are undergoing an administrative inspection offering an equivalent guarantee, on 1 July 1968.

Article 11

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities*.

It shall apply from 1 July 1968.

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

Done at Brussels, 18 June 1968.

For the Council

The President

E. FAURE
