

## 1975 No. 1939

## SUGAR

**The British Sugar Corporation Limited (Incentive Agreement)  
(Variation) Order 1975**

*Made - - - - 25th November 1975*

*Laid before Parliament 4th December 1975*

*Coming into Operation 25th December 1975*

The Minister of Agriculture, Fisheries and Food and the Secretary of State acting jointly in exercise of the powers conferred on them by section 19 of the Sugar Act 1956(a), and of all other powers enabling them in that behalf, with the approval of the Treasury, hereby make the following order:—

1. This order may be cited as the British Sugar Corporation Limited (Incentive Agreement) (Variation) Order 1975; and shall come into operation on 25th December 1975.

2. It is hereby directed that effect shall be given in accordance with section 20 of the Sugar Act 1956 to the Agreement incorporated in the Schedule to this order (being an Agreement under section 19 of that Act further varying an Agreement incorporated in the British Sugar Corporation Limited (Incentive Agreement) Order 1970(b), as varied by an Agreement incorporated in the British Sugar Corporation Limited (Incentive Agreement) (Variation) Order 1971(c)).

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed on 18th November 1975.

(L.S.)

*Frederick Peart,*  
Minister of Agriculture, Fisheries and Food.

20th November 1975.

*William Ross,*  
Secretary of State for Scotland.

Approved on 25th November 1975.

*Donald R. Coleman,*  
*James A. Dunn,*  
Two of the Lords Commissioners  
of Her Majesty's Treasury.

(a) 1956 c. 48.  
(c) S.I. 1971/1570 (1971 III, p. 4387).

(b) S.I. 1970/1393 (1970 III, p. 4639).

## SCHEDULE

## SECOND SUPPLEMENTAL INCENTIVE AGREEMENT MADE PURSUANT TO SECTION 19 OF THE SUGAR ACT 1956 BETWEEN THE MINISTER OF AGRICULTURE, FISHERIES AND FOOD, THE SECRETARY OF STATE FOR SCOTLAND AND BRITISH SUGAR CORPORATION LIMITED

This second supplemental Agreement (hereinafter called "this Agreement") is made on the 30th day of September nineteen hundred and seventy-five between the Minister of Agriculture, Fisheries and Food and the Secretary of State for Scotland (hereinafter called "the Ministers") of the one part and British Sugar Corporation Limited (hereinafter called "the Corporation") of the other part with the approval of the Treasury and after consultation with the Sugar Board pursuant to Section 19 of the Sugar Act 1956 (hereinafter called "the Act") in order to promote economy and efficiency in the undertaking of the Corporation.

Whereas:—

- (1) An Agreement (hereinafter called "the principal Agreement") for the making of incentive payments was made pursuant to Section 19 of the Act on 8th September 1970 between the Ministers and the Corporation.
- (2) The principal Agreement was given effect, pursuant to Section 19(7) of the Act, by incorporation in the British Sugar Corporation Limited (Incentive Agreement) Order 1970 (S.I. 1970 No. 1393) made by the Ministers with the approval of the Treasury and coming into operation on 30th September 1970.
- (3) The principal Agreement was varied by a supplemental Agreement made on 8th September 1971 which was given effect, pursuant to Section 19(7) of the Act, by incorporation in the British Sugar Corporation Limited (Incentive Agreement) (Variation) Order 1971 (S.I. 1971 No. 1570) made by the Ministers with the approval of the Treasury and coming into operation on 27th September 1971.
- (4) By Article 151 of the Act annexed to the Treaty concerning the Accession of new Member States to the European Communities signed at Brussels on 22nd January 1972, the Community rules relating to production of and trade in sugar applied to the United Kingdom as from 1st February 1973.
- (5) The Ministers and the Corporation are desirous of further varying the principal Agreement, as varied by the supplemental Agreement, pursuant to Section 19(3) of the Act.

Now therefore it is agreed as follows:—

1. The principal Agreement, as varied by the supplemental Agreement, shall be further varied—

(a) by adding at the end of paragraph 3 thereof the following words:—

“save that as respects the financial year ending on 30th September 1973 the said cost shown in the Revenue Account of purchasing sugar beet at prices determined by the Ministers shall be replaced—

(a) as respects that proportion of such sugar beet which bears the same relation to the total quantity of sugar beet purchased by the Corporation in that financial year as the quantity of sugar produced in the 1972/73 campaign and contracted for sale by the Corporation from the beginning of that financial year up to and including 31st January 1973, adjusted to 96° polarisation, bears to the total quantity of sugar produced by the Corporation in the 1972/73 campaign, similarly adjusted, by an amount equal to the cost of purchasing that proportion on the same terms and conditions but at a Standard Price calculated in accordance with the Schedule to this Agreement; plus

(b) as respects the remainder of such sugar beet, by an amount equal to the cost of purchasing it on the same terms and conditions but at prices determined by the Ministers pursuant to Section 17 of the said Act;

and for the purposes of sub-paragraph (a) above the expression 'adjusted to 96° polarisation' has the meaning assigned to it in paragraph 1 of the Schedule to this Agreement.”;

(b) by adding at the end of paragraph 7 thereof the following sub-paragraph:—

“(c) This Agreement shall in any case not have effect with respect to any financial years of the Corporation beginning after 30th September 1973.”;

(c) by adding at the end of the definition of the “average price of raw sugar” in paragraph 1 of the Schedule thereto, the following proviso:—

“ Provided that as respects the financial year of the Corporation ending on 30th September 1973 no account shall be taken in any of the above calculations of any sugar contracted for sale or purchase after 31st January 1973.”;

(d) by adding after paragraph 5 of the Schedule the following paragraph:—

“6. As respects the financial year of the Corporation ending on 30th September 1973, the price as adjusted in paragraph 5 above shall be further adjusted by an addition of £0.1385295 in order to repay to the Sugar Board the net sum of £326,363 in respect of the increased refining margin offset by other adjustments, up to 31st January, 1973.”

2. The principal Agreement, as varied by the supplemental Agreement, shall in all other respects be hereby confirmed.

In Witness whereof the Official Seal of the Minister of Agriculture, Fisheries and Food is hereunto affixed.

(L.S.)

*D. A. Hadley,*

For and on behalf of the Minister of  
Agriculture, Fisheries and Food.

*B. Gordon,*

For and on behalf of the Secretary  
of State for Scotland.

The Common Seal of British Sugar Corporation Limited was hereunto affixed in the presence of

*Sir G. Thorley,*  
Chairman.

*A. J. F. Brown,*  
Secretary.

## EXPLANATORY NOTE

*(This Note is not part of the order.)*

This order directs that effect shall be given, in accordance with section 20 of the Sugar Act 1956, to a supplemental incentive agreement (reproduced in the Schedule to the order) concluded between the Minister of Agriculture, Fisheries and Food, the Secretary of State for Scotland and the British Sugar Corporation Limited. This supplemental agreement provides that the principal incentive agreement, which was made on 8th September 1970 and which has become unnecessary as a result of the United Kingdom's accession to the European Economic Community, should cease to have effect in respect of the financial years of the Corporation beginning after 30th September 1973; and further varies the operation of the principal agreement, as varied by a supplemental agreement made on 8th September 1971, in respect of the financial year of the Corporation ending on 30th September 1973.

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