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(Acts whose publication is obligatory)

REGULATION (EEC) No 2759/75 OF THE COUNCIL

of 29 October 1975

on the common organization of the market in pigmeat

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof:

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament (1);

Whereas since their adoption the basic provisions concerning the organization of the market in pigmeat have been amended a number of times; whereas, by reason of their number, their complexity and their dispersal among various Official Journals, the relevant texts are difficult to use and thus lack the clarity which should be an essential feature of all legislation; whereas they should therefore be consolidated in a single text;

Whereas the operation and development of the common market in agricultural products must be accompanied by the establishment of a common agricultural policy to include in particular a common organization of agricultural markets, which may take various forms depending on the product;

Whereas the aim of the common agricultural policy is to attain the objectives set out in Article 39 of the Treaty; whereas, in the pigmeat sector, in order to stabilize markets and to ensure a fair standard of living for the agricultural community concerned, provision should be made for measures to facilitate the adjustment of supply to market requirements and for intervention measures; whereas the latter may take the form of buying in by intervention agencies; whereas, however, aid should also be provided for private storage since such aid least disturbs the normal marketing of products and can help to reduce

the volume of buying in by intervention agencies; whereas to this end provision should be made in particular for the fixing of a basic price at which intervention measures may come into operation, and the conditions governing intervention should be specified;

Whereas the creation of a single Community market for pigmeat involves the introduction of a single trading system at the external frontiers of the Community; whereas a trading system including levies and export refunds, combined with intervention measures, also serves to stabilize the Community market, in particular by preventing price fluctuations on the world market from affecting prices ruling within the Community;

Whereas to achieve this aim it should as a general rule be sufficient to introduce, in respect of imports from third countries, levies which take account of the incidence on feeding costs of the difference between prices for feed grain within the Community and on the world market, and of the need to protect the Community processing industry;

Whereas it is necessary to avoid disturbances on the Community market caused by offers made on the world market at abnormally low prices; whereas to this end sluice-gate prices should be fixed and levies should be increased by an additional amount when free-at-frontier offer prices are lower than those prices; whereas the system of sluice-gate prices will not operate, however, where it is difficult to determine a sufficiently representative offer price for all the products falling within one Tariff heading; whereas provision should be made for a method of calculating the additional amount in such cases;

Whereas, in order that a check may be kept on the volume of imports, provision should be made for a system of import licences involving the provision of security as a guarantee that importation will be effected;

⁽¹⁾ OJ No C 60, 13. 3. 1975, p. 42.

Whereas provision for a refund on exports to third countries equal to the difference between prices within the Community and on the world market would serve to safeguard Community participation in international trade in pigmeat; whereas, in order to give Community exporters a certain amount of security as regards the stability of refunds, provision should be made to enable refunds in the pigmeat sector to be fixed in advance;

Whereas, in addition to the system described above, provision should be made for prohibiting in whole or in part, when the situation on the market so requires, the use of inward processing arrangements;

Whereas the levy system makes it possible to dispense with all other protective measures at the external frontiers of the Community; whereas, however, the common price and levy machinery may, in exceptional circumstances, prove defective; whereas in such cases, so as not to leave the Community market without defence against disturbances which may arise therefrom after the import barriers which existed previously have been removed, the Community should be enabled to take all necessary measures without delay;

Whereas restrictions on free circulation resulting from the application of measures intended to prevent the spread of animal disease may cause difficulties on the market of one or more Member States; whereas provision should be made for the introduction of exceptional measures of market support to remedy such a situation;

Whereas, in order to facilitate implementation of the proposed measures, a procedure should be provided for establishing close cooperation between the Member States and the Commission within a Management Committee;

Whereas the establishment of a single market based on a common price system would be jeopardized by the granting of certain aids; whereas, therefore, the provisions of the Treaty which allow the assessment of aids granted by Member States and the prohibition of those which are incompatible with the common market should be made to apply to pigmeat;

Whereas the common organization of the market in pigmeat must take account, in appropriate manner and at the same time, of the objectives set out in Articles 39 and 110 of the Treaty;

Whereas the expenditure incurred by the Member States as a result of the obligations arising out of the application of this Regulation fall on the Community in accordance with the provisions of Articles 2 and 3 of Council Regulation (EEC) No 729/70 (¹) of 21 April 1970 on the financing of the Common Agricultural Policy, as amended by Regulation (EEC) No 1566/72 (²),

HAS ADOPTED THIS REGULATION:

Article 1

1. The common organization of the market in pigmeat shall comprise a price and trading system and cover the following products:

CCT heading No	Description of goods
(a) 01.03 A II	Live swine, of domestic species, other than pure-bred breeding animals
(b) 02.01 A III a)	Meat of domestic swine, fresh, chilled or frozen
02.01 B II c)	Offals of domestic swine, fresh, chilled or frozen
02.05 A and B	Pig fat free of lean meat (not rendered or solvent-extracted), fresh, chilled, frozen, salted, in brine, dried or smoked
02.06 B	Meat and edible meat offals of domestic swine, salted, in brine, dried or smoked
15.01 A	Lard and other pig fat rendered or solvent-extracted
(c) 16.01	Sausages and the like, of meat offal or animal blood
16.02 A II	Other prepared or preserved meat or meat offal, containing liver other than goose or duck liver
16.02 B III a)	Other prepared or preserved meat or meat offal, not specified, con- taining meat or offals of domestic swine

2. For the purposes of this Regulation, a 'quarter' means a period of three months beginning on 1 February, 1 May, 1 August or 1 November.

⁽¹⁾ OJ No L 94, 28 4. 1970, p. 13.

⁽²⁾ OJ No L 167, 25. 7. 1972, p. 5.

TITLE I

Prices

Article 2

In order to encourage action by trade and joint trade organizations to facilitate the adjustment of supply to market requirements, the following Community measures may be taken in respect of the products listed in Article 1 (1):

- measures to promote better organization of production, processing and marketing,
- measures to improve quality,
- measures to permit the establishment of short- and long-term forecasts on the basis of the means of production used,
- measures to facilitate the recording of market price trends.

General rules concerning these measures shall be adopted in accordance with the procedure laid down in Article 43 (2) of the Treaty.

Article 3

The following intervention measures may be taken to prevent or mitigate a substantial fall in prices:

- aid for private storage,
- buying in by intervention agencies.

Private storage aid may be granted for products to be determined in accordance with the rules laid down in Article 5.

Intervention agencies shall buy in carcases or half-carcases, fresh or chilled (Common Customs Tariff subheading ex 02.01 A III a) 1); they may buy in belly of pork (streaky), fresh or chilled (Common Customs Tariff subheading ex 02.01 A III a) 5), and unrendered pig fat, fresh or chilled (Common Customs Tariff subheading ex 02.05 A I).

Article 4

1. Before 1 August of each year a basic price shall be fixed, valid from 1 November of the same year, for meat of domestic swine in carcases or half-carcases

(hereinafter called 'pig carcases') of a standard quality defined with reference to a Community scale for grading pig carcases.

When the basic price is being fixed account shall be taken of:

- the sluice-gate price and the levy applicable during the quarter beginning 1 August of each year;
- -- the need to fix this price at a level which contributes towards stabilizing market prices without, however, leading to the formation of structural surpluses within the Community.
- 2. Intervention measures may be taken when the Community market price for pig carcases, as established by reference to the prices recorded in each Member State on the representative markets of the Community and weighted by means of coefficients reflecting the relative size of the pig herd in each Member State, is, and is likely to remain, at less than 103 % of the basic price.
- 3. The intervention agencies designated by the Member States shall take intervention measures under the conditions laid down in Articles 5 to 7.
- 4. The procedure laid down in Article 43 (2) of the Treaty shall apply for the purposes of:
- fixing the basic price,
- determining a standard quality for pig carcases.
- 5. The Council, acting by a qualified majority on a proposal from the Commission, shall
- adopt the list of representative markets,
- lay down the Community scale for grading pig carcases.
- 6. The procedure laid down in Article 24 shall apply for the purposes of:
- deciding to take intervention measures and the date on which they shall cease to apply,
- adopting detailed rules for the application of this Article.

- 1. The buying-in price for pig carcases of standard quality may not be more than 92 % or less than 85 % of the basic price.
- 2. For products of standard quality other than pig carcases, buying-in prices shall be derived from the buying-in price for pig carcases on the basis of the ratio of each of the sluice-gate prices for these products to the sluice-gate prices for pig carcases.
- 3. For products other than those of standard quality, buying-in prices shall be derived from those in force for the relevant standard qualities, by reference to differences in quality in relation to the standard quality. These prices shall apply to defined qualities.
- 4. The procedure laid down in Article 24 shall apply for the purposes of:
- (a) determining the products to which intervention measures are to apply and specifying the qualities which may be bought in; moreover, as regards certain regions of the Community, some weight categories may be excluded from intervention where they are not representative of pigmeat production in that region;
- (b) fixing the buying-in prices and the amount of private storage aid;
- (c) adopting detailed rules for the application of this Article, in particular the conditions governing the buying-in and storage of products in respect of which the intervention measures provided for in Article 3 are applied.

Article 6

- 1. Disposal of products bought in by the intervention agencies in accordance with Articles 3, 4 and 5 shall take place in such a way as to avoid any disturbance of the market and to ensure equal access to goods and equal treatment of purchasers.
- 2. Detailed rules for the application of this Article, in particular as regards selling prices, conditions for release from storage and, where appropriate, the processing of products bought in by the intervention agencies, shall be adopted in accordance with the procedure laid down in Article 24.

Article 7

- 1. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for granting private storage aid.
- 2. Detailed rules of application shall be adopted in accordance with the procedure laid down in Article 24.

TITLE II

Trade with third countries

Article 8

A levy, fixed in advance for each quarter in accordance with the procedure laid down in Article 24, shall be charged on imports into the Community of the products specified in Article 1 (1).

Article 9

- 1. The levy on pig carcases shall be composed of:
- (a) one component equal to the difference between prices within the Community and on the world market for the quantity of feed grain required for the production in the Community of one kilogramme of pigmeat.

The prices for feed grain within the Community shall be determined once a year for a period of 12 months beginning 1 August, on the basis of the threshold prices for such grain and the monthly increase thereof.

The prices for feed grain on the world market shall be determined quarterly on the basis of the prices for such grain for the six months preceding the quarter during which the said component is calculated.

However, when the levies applicable from 1 November, 1 February and 1 May are being fixed, trends in world market prices for feed grain shall be taken into account only if at the same time a new sluice-gate price is being fixed.

(b) one component equal to 7 % of the average of the sluice-gate prices ruling for the four quarters preceding 1 May of each year.

This component shall be calculated once a year for a period of 12 months beginning 1 August.

- 2. The Council, acting by a qualified majority on a proposal from the Commission, shall
- determine the quantity of feed grain required for the production in the Community of one kilogramme of pigmeat, and the percentages of the various feed grains included in that quantity,
- adopt rules for the application of this Article.

- 1. As regards the products listed in Article 1 (1) (a) and (b), other than pig carcases, the levy shall be derived from the levy on pig carcases on the basis of the ratio within the Community of the prices for such products to the price for pig carcases.
- 2. As regards the products listed in Article 1 (1) (c), the levy shall be equal to the sum of the following components:
- (a) one component derived from the levy on pig carcases on the basis of the ratio within the Community of the prices for such products to the price for pig carcases;
- (b) a second component equal to 7 % of the average offer price determined on the basis of imports effected during the 12 months preceding 1 May of each year. However, for products falling within Common Customs Tariff heading No ex 16.02, the aforesaid percentage shall be 10 %.

This component shall be calculated once a year for the 12 months beginning 1 August.

- 3. By way of derogation from the provisions of paragraphs 1 and 2, for products falling within any of Common Customs Tariff subheadings ex 02.01 B II, ex 15.01 A, ex 16.01 A and ex 16.02 A II, in respect of which the rate of duty has been bound within GATT, the levies shall be limited to the amount resulting from that binding.
- 4. The coefficients expressing the ratios mentioned in paragraphs 1 and 2 shall be fixed in accordance with the procedure laid down in Article 24.

Article 11

When a substantial price rise is recorded on the Community market and this situation is likely to

continue, thereby disturbing or threatening to disturb the market, the necessary measures may be taken.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article.

Article 12

- 1. Sluice-gate prices shall be fixed in advance for each quarter in accordance with the procedure laid down in Article 24.
- 2. The sluice-gate price for pig carcases shall be composed of:
- (a) an amount equal to the value on the world market of the quantity of feed grain equivalent to the quantity of feedingstuffs required for the production in third countries of one kilogramme of pigmeat;
- (b) a standard amount representing the extra cost, in relation to feed grain of feedingstuffs other than grain required for the production of one kilogramme of pigmeat;
- c) a standard amount representing overhead costs of production and marketing.

The value of the quantity of feed grain shall be determined quarterly on the basis of the world market prices for cereals recorded in the course of the six months preceding the quarter during which the sluice-gate price is fixed.

However, when the sluice-gate price applicable from 1 November, 1 February and 1 May is being fixed, trends in world market prices for feed grain shall be taken into account only if the value of the quantity of feed grain varies by at least a specified minimum in relation to that used in calculating the sluice-gate price for the preceding quarter.

- 3. Sluice-gate prices shall be fixed only for certain of the products other than pig carcases specified in Article 1 (1). Such sluice-gate prices shall be derived from the sluice-gate price for pig carcases on the basis of the ratio fixed for such products under Article 10 (4).
- 4. The Council, acting by a qualified majority on a proposal from the Commission, shall
- determine the quantity of feed grain specified in paragraph 2 (a) and the percentages of the various feed grains included in that quantity,

- adopt a list of the products for which sluice-gate prices are to be fixed,
- adopt rules for calculating the sluice-gate price for pig carcases.

1. Where the free-at-frontier offer price for a product falls below the sluice-gate price, the levy on that product shall be increased by an additional amount equal to the difference between the sluice-gate price and the free-at-frontier offer price.

For certain of the products for which no sluice-gate price is fixed, a system of 'pilot products' and 'derived products' shall be established to enable additional amounts to be fixed.

- 2. However, the levy shall not be increased by the aforesaid additional amount as regards third countries which are prepared and in a position to guarantee that the price for imports into the Community of products originating in and coming from their territory will not be lower than the sluice-gate price for the product in question and that any deflection of trade will be avoided.
- 3. The free-at-frontier offer price shall be determined for all imports from all third countries.

However, if exports from one or more third countries are effected at abnormally low prices, lower than the prices ruling in other countries, a second free-at-frontier offer price shall be determined for exports from these other countries.

- 4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules concerning the system provided for in the second subparagraph of paragraph 1.
- 5. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 24.

Where additional amounts are required these shall be fixed in accordance with the same procedure.

Article 14

1. The importation into the Community of any of the products listed in Article 1 (1) may be made conditional on the submission of an import licence which shall be issued by Member States to any applicant irrespective of the place of his establishment in the Community.

Such licence shall be valid for an importation carried out anywhere in the Community.

The issue of such licences shall be conditional on the provision of security as a guarantee that importation will be effected during the period of validity of the licence; the security shall be wholly or partially forfeit if importation is not effected, or is only partially effected, within that period.

- 2. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt a list of the products for which import licences are required.
- 3. The period of validity of licences and other detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 24.

Article 15

- 1. To the extent necessary to enable the products listed in Article 1 (1) to be exported on the basis of quotations or prices for those products on the world market, the difference between those quotations or prices and prices within the Community may be covered by an export refund.
- 2. The refund shall be the same for the whole Community. It may be varied according to use or destination.

The refund shall be granted on application by the party concerned.

- 3. When the refund is being fixed particular account shall be taken of the need to establish a balance between the use of Community basic products in the manufacture of processed goods for export to third countries and the use of third country products brought in under inward processing arrangements.
- 4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the granting and advance fixing of export refunds and criteria for fixing the amount of such refunds.
- 5. Refunds shall be fixed at regular intervals in accordance with the procedure laid down in Article 24. Where necessary, the Commission may, at the request of a Member State or on its own initiative, alter the refunds in the intervening period.
- 6. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 24.

To the extent necessary for the proper working of the common organization of the market in pigmeat, the Council, acting by a qualified majority on a proposal from the Commission, may prohibit, in whole or in part, the use of inward processing arrangements in respect of products specified in Article 1 (1) which are intended for the manufacture of other products listed in that paragraph.

Article 17

- 1. The general rules for the interpretation of the Common Customs Tariff and the special rules for its application shall apply to the tariff classification of products covered by this Regulation; the tariff nomenclature resulting from the application of this Regulation shall form part of the Common Customs Tariff.
- 2. Save as otherwise provided in this Regulation or where derogation therefrom is decided by the Council acting by a qualified majority on a proposal from the Commission, the following shall be prohibited:
- the levying of any customs duty or charge having equivalent effect,
- the application of any quantitative restriction or measure having equivalent effect.

Any measure restricting the issue of import licences to a specified category of person shall be regarded as a measure having effect equivalent to a quantitative restriction.

Article 18

1. If by reason of imports or exports the Community market in one or more of the products listed in Article 1 (1) experiences or is threatened with serious disturbances which may endanger the objectives set out in Article 39 of the Treaty, appropriate measures may be applied in trade with third countries until such disturbances or threat of disturbance has ceased.

The Council acting by a qualified majority on a proposal from the Commission, shall adopt detailed rules for the application of this paragraph and define the cases in which and the limits within which Member States may take protective measures.

2. If the situation mentioned in paragraph 1 arises, the Commission shall, at the request of a Member

State or on its own initiative, adopt the necessary measures; the measures shall be communicated to the Member States and shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within 24 hours following receipt thereof.

3. The measures adopted by the Commission may be referred to the Council by any Member State within three working days following the day on which they were communicated. The Council shall meet without delay. It may by qualified majority amend or repeal the measures in question.

TITLE III

General provisions

Article 19

Products as specified in Article 1 (1), which are manufactured or obtained from products not coming within Articles 9 (2) and 10 (1) of the Treaty, shall not be admitted to free circulation within the Community.

Article 20

In order to take account of any restrictions on free circulation imposed in consequence of measures to prevent the spread of animal disease, exceptional measures may be taken under the procedure provided for in Article 24 to support any market affected by such restrictions. Such measures may be taken only to the extent that and for such period as is strictly necessary for the support of that market.

Article 21

Save as otherwise provided in this Regulation, Articles 92 to 94 of the Treaty shall apply to the production of and trade in the products specified in Article 1 (1).

Article 22

Member States and the Commission shall communicate to each other the information necessary for implementing this Regulation.

Rules for the communication and distribution of such information shall be adopted in accordance with the procedure laid down in Article 24.

- 1. There is hereby set up a Management Committee for Pigmeat, (hereinafter called 'the Committee'), consisting of representatives of Member States with a representative of the Commission as Chairman.
- 2. Within the Committee the votes of Member States shall be weighted in accordance with Article 148 (2) of the Treaty. The Chairman shall not vote.

Article 24

- 1. Where the procedure laid down in this Article is to be followed, the Chairman shall refer the matter to the Committee either on his own initiative or at the request of the representative of a Member State.
- 2. The representative of the Commission shall submit a draft of the measures to be taken. The Committee shall deliver its Opinion on such measures within a time limit to be set by the Chairman according to the urgency of the matter. Opinions shall be adopted by a majority of 41 votes.
- 3. The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the Opinion of the Committee, they shall forthwith be communicated by the Commission to the Council. In that event the Commission may, for not more than one month from the date of such communication, defer application of the measures which it has adopted.

The Council, acting by a qualified majority, may take a different decision within one month.

Article 25

The Committee may consider any other question referred to it by its Chairman either on his own

initiative or at the request of the representative of a Member State.

Article 26

This Regulation shall be so applied that appropriate account is taken, in appropriate manner and at the same time, of the objectives set out in Articles 39 and 110 of the Treaty.

Article 27

Should Italy have recourse to the provisions of Article 23 of Council Regulation (EEC) No 2727/75 (1) of 29 October 1975 on the common organization of the market in cereals, the Council, acting by a qualified majority on a proposal from the Commission, shall take the necessary measures to avoid distortion of competition.

Article 28

- 1. Council Regulation No 121/67/EEC (2) of 13 June 1967 on the common organization of the market in pigmeat, as last amended by Regulation (EEC) No 1861/74 (3) is hereby repealed.
- 2. References to the Regulation repealed by paragraph 1 shall be construed as references to this Regulation.

References to Articles of that Regulation are to be read in accordance with the correlation given in the Annex.

Article 29

This Regulation shall enter into force on 1 November 1975.

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

Done at Luxembourg, 29 October 1975.

For the Council
The President
G. MARCORA

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽²⁾ OJ No 117, 19. 6. 1967, p. 2283/67.

⁽³⁾ OJ No L 197, 19. 7. 1974, p. 3.

ANNEX

Correlation

Regulation No 121/67/EEC

Article 27

Article 29

This Regulation

Article 26

Article 27