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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1883/78

of 2 August 1978

laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy⁽¹⁾, as last amended by Regulation (EEC) No 2788/72⁽²⁾, and in particular Article 3 (2) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament⁽³⁾,

Whereas, in accordance with Article 3 (2) of Regulation (EEC) No 729/70, the general rules for the Community financing of interventions should be laid down ;

Whereas, to this end, the list of measures complying with the concept of intervention intended to stabilize the markets should be drawn up ;

Whereas it is desirable to lay down that expenditure resulting from intervention measures for which a sum per unit is determined within the framework of a common organization of markets shall be met entirely from Community funds ;

Whereas in the case of intervention measures in respect of which a sum per unit is not determined within the framework of the common organization of markets, basic rules should be laid down with regard in particular to the method for determining the amounts to be financed, the financing of expenditure resulting from the tying-up of the funds necessary for intervention purchasing of products, the valuation of stocks to be carried forward from one financial year to the next and the financing of expenditure resulting from storage and, where appropriate, processing operations ;

Whereas the various items of expenditure and revenue to be adopted for each sector on the basis of these

rules should be the subject of more detailed regulations ; where the financing regulations for each sector should, in the meantime, be maintained in force ;

Whereas the general rules for Community financing of interventions should be embodied in a single Regulation ; whereas Council Regulation (EEC) No 2824/72 of 28 December 1972 laying down general rules for the financing of interventions by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund⁽⁴⁾ should be repealed,

HAS ADOPTED THIS REGULATION :

Article 1

The measures listed in the Annex shall comply with the concept of intervention intended to stabilize the agricultural markets within the meaning of Article 3 (1) of Regulation (EEC) No 729/70.

Article 2

Where, within the framework of a common organization of the market, a sum per unit is determined for an intervention measure, the resulting expenditure shall be met entirely by Community funds.

Article 3

Where, within the framework of a common organization of the market, a sum per unit is not determined in respect of an intervention measure, the measure concerned shall be financed by the EAGGF, Guarantee Section, in accordance with the provisions contained in Articles 4 to 8.

Article 4

1. Where an intervention measure referred to in Article 3 involves the buying-in and storage of products, the amount financed shall be determined by the annual accounts drawn up by the payment

⁽¹⁾ OJ No L 94, 28. 4. 1970, p. 13.

⁽²⁾ OJ No L 295, 30. 12. 1972, p. 1.

⁽³⁾ OJ No C 131, 5. 6. 1978, p. 70.

⁽⁴⁾ OJ No L 298, 31. 12. 1972, p. 5.

services or agencies, in which the various items of expenditure and revenue have been respectively debited and credited.

2. The financing of the other intervention measures referred to in Article 3 shall be equal to the expenditure, less any revenue, resulting from the intervention measure.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall in respect of the intervention measures referred to in paragraph 1, lay down the rules and conditions governing the annual accounts and, where necessary in respect of the intervention measures referred to in paragraph 2, determine the items to be taken into account for purposes of financing where these have not been determined within the framework of a common organization of the market.

Until these matters are determined, and save any provision to the contrary of this Regulation, Regulations (EEC) No 786/69⁽¹⁾, (EEC) No 787/69⁽²⁾, (EEC) No 788/69⁽³⁾, (EEC) No 2334/69⁽⁴⁾, (EEC) No 2305/70⁽⁵⁾, (EEC) No 2306/70⁽⁶⁾, (EEC) No 1697/71⁽⁷⁾, (EEC) No 272/72⁽⁸⁾ and (EEC) No 273/72⁽⁹⁾ relating to the financing of intervention expenditure in the various sectors shall remain in force.

Article 5

In the case of funds originating in the Member States used for intervention purchasing of products, the amount of the interest charges to be financed by the EAGGF, Guarantee Section, shall be calculated using a method and an interest rate uniform throughout the Community, to be determined in accordance with the procedure laid down in accordance with Article 13 of Regulation (EEC) No 729/70. The interest rate must be representative of the interest rates actually paid.

Article 6

Material operations arising from the storage and, where appropriate, processing of intervention products shall be financed by the EAGGF, Guarantee Section, by means of standard amounts uniform throughout the Community, to be laid down in accordance with the procedure provided for in Article 13 of Regulation (EEC) No 729/70 and, where necessary, after examination of the matter by the management committee concerned.

Article 7

Where the products in question have experienced a depreciation as a result of storage, the financial effect thereof shall be recorded and taken into account at the time of entry into intervention. To that end, the

⁽¹⁾ OJ No L 105, 2. 5. 1969, p. 1.

⁽²⁾ OJ No L 105, 2. 5. 1969, p. 4.

⁽³⁾ OJ No L 105, 2. 5. 1969, p. 7.

⁽⁴⁾ OJ No L 298, 27. 11. 1969, p. 1.

⁽⁵⁾ OJ No L 249, 17. 11. 1970, p. 1.

⁽⁶⁾ OJ No L 249, 17. 11. 1970, p. 4.

⁽⁷⁾ OJ No L 175, 4. 8. 1971, p. 1.

⁽⁸⁾ OJ No L 35, 9. 2. 1972, p. 1.

⁽⁹⁾ OJ No L 35, 9. 2. 1972, p. 3.

coefficients of depreciation and the prices to which they apply shall be determined in accordance with the procedure laid down in Article 26 of Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals⁽¹⁰⁾, as last amended by Regulation (EEC) No 1254/78⁽¹¹⁾, or, as the case may be, in the corresponding Article in the other Regulations on the common organization of agricultural markets, and where necessary, after examination by the EAGGF Committee.

Article 8

In the annual accounts referred to in Article 4 (1), the quantities of products in storage to be carried forward to the following financial year shall, as a rule, be valued at their purchase price. To this end, on the basis of the purchase prices paid by the intervention agencies over a reference period and taking into account the depreciation referred to in Article 7, the price to be applied for quantities to be carried forward to the following financial year shall be determined for the various products in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

However, if, for a given product, the estimated price on leaving intervention is substantially lower than the value of stocks to be carried forward as determined in accordance with the first subparagraph, a decision may be taken to replace the purchase prices paid by the intervention agencies by another price. The latter price shall be fixed in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70, and if necessary after examination by the management committee concerned. It may not be below the average of the purchase prices and the prices obtained on disposal of intervention stocks.

Article 9

Where necessary, detailed implementing rules of this Regulation shall be adopted in accordance with the procedure laid down in Article 13 Regulation (EEC) No 729/70.

Article 10

Regulation (EEC) No 2824/72 is hereby repealed.

Article 11

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

It shall apply to expenditure incurred as from 1 January 1978. However, Article 7 shall apply as from 1 January 1979.

⁽¹⁰⁾ OJ No L 281, 1. 11. 1975, p. 1.

⁽¹¹⁾ OJ No L 156, 14. 6. 1978, p. 1.

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

Done at Brussels, 2 August 1978.

For the Council

The President

K. von DOHNANYI

ANNEX

MEASURES REFERRED TO IN ARTICLE 1

I. CEREALS

1. Buying-in and consequent transactions carried out by an intervention agency pursuant to Article 7 (1), (2) and (3) of Regulation (EEC) No 2727/75.
2. The particular and special intervention measures provided for in Article 8 (1) and (2) of Regulation (EEC) No 2727/75.
3. Carry-over payments provided for in Article 9 of Regulation (EEC) No 2727/75.
4. The production aid for durum wheat provided for in Article 10 of Regulation (EEC) No 2727/75.
5. The production refunds provided for in Article 11 of Regulation (EEC) No 2727/75.
6. Subsidies provided for in Article 23 of Regulation (EEC) No 2727/75.

II. RICE

1. The buying-in and consequent transactions carried out by an intervention agency pursuant to Article 5 (1) and (2) of Regulation (EEC) No 1418/76.
2. The special intervention measures provided for in Article 6 of Regulation (EEC) No 1418/76.
3. Carry-over payments provided for in Article 8 of Regulation (EEC) No 1418/76.
4. Production refunds provided for in Article 9 of Regulation (EEC) No 1418/76.

III. MILK AND MILK PRODUCTS

1. Buying-in of butter and consequent transactions carried out by an intervention agency pursuant to Article 6 (1) and the first sentence of the first or second subparagraph of Article 6 (3) of Regulation (EEC) No 804/68.
2. The private storage aid for butter and cream provided for in Article 6 (2) of Regulation (EEC) No 804/68.
3. The special measures for the disposal of butter provided for in the second sentence of the second subparagraph of Article 6 (3) of Regulation (EEC) No 804/68.
4. Buying-in of skimmed-milk powder and consequent transactions carried out by an intervention agency pursuant to Article 7 (1) and (2) of Regulation (EEC) No 804/68.
5. The private storage aids for skimmed-milk powder provided for in Article 7 (3) of Regulation (EEC) No 804/68.
6. Buying-in of Grana Padano and Parmigiano Reggiano cheeses and consequent transactions carried out by an intervention agency pursuant to Article 8 (1) and (2) of Regulation (EEC) No 804/68.
7. The private storage aid for Grana Padano and Parmigiano Reggiano cheeses provided for in Article 8 (3) of Regulation (EEC) No 804/68.
8. The intervention measures for long-keeping cheeses provided for in Article 9 of Regulation (EEC) No 804/68.
9. The aid for skimmed milk and skimmed-milk powder provided for in Article 10 of Regulation (EEC) No 804/68.
10. The aid for skimmed milk processed into casein provided for in Article 11 of Regulation (EEC) No 804/68.

11. The measures relating to the reduction of surpluses of milk products provided for in Article 12 of Regulation (EEC) No 804/68.
12. The Community contribution referred to in the second subparagraph of Article 26 of Regulation (EEC) No 804/68, for providing milk to schools.
13. The measures concerning the compulsory purchase, for use in feedingstuffs, of skimmed-milk powder held by intervention agencies, laid down in Regulation (EEC) No 563/76.
14. The non-marketing premiums for milk and milk products and the premiums for the conversion of dairy herds to meat production provided for in Article 1 of Regulation (EEC) No 1078/77⁽¹⁾.
15. The co-responsibility levy and the measures to expand the markets for milk products pursuant to Articles 1 and 4 of Regulation (EEC) No 1079/77.

IV. OILS AND FATS

A. Olive oil

1. The production aid provided for in Article 10 (1) of Regulation No 136/66/EEC.
2. The buying-in and consequent transactions carried out by an intervention agency pursuant to Article 11 (1) and (3) of Regulation No 136/66/EEC.
3. The storage contracts provided for in Article 11 (2) of Regulation No 136/66/EEC.
4. The measures provided for in Article 12 of Regulation No 136/66/EEC.
5. The production refunds in respect of olive oil used in preserves as provided for in Article 19 of Regulation No 136/66/EEC.

B. Colza, rape and sunflower seeds

1. The buying-in and consequent transactions carried out by an intervention agency pursuant to Article 26 (1) of Regulation No 136/66/EEC.
2. The aid in respect of harvested and processed oil seeds provided for in Article 27 (1) of Regulation No 136/66/EEC.
3. The measures provided for in Article 27 (2) of Regulation No 136/66/EEC.
4. The additional aid for colza and rape seed processed in Italy decided upon pursuant to Article 36 of Regulation No 136/66/EEC.
5. The differential amounts granted or levied at the time of the processing of colza and rape seed, pursuant to Regulation (EEC) No 1569/72.

C. Other oil seeds

1. The subsidies for cotton seeds provided for in Article 1 of Regulation (EEC) No 1516/71.
2. The aid for soya bean production provided for in Article 2 of Regulation (EEC) No 1900/74.
3. The aid for linseed provided for in Article 2 of Regulation (EEC) No 569/76.

V. SUGAR

1. The storage costs provided for in Article 8 (1) of Regulation (EEC) No 3330/74.
2. The buying-in and consequent transactions carried out by an intervention agency pursuant to Articles 9 (1), 11 and 44 of Regulation (EEC) No 3330/74.
3. The denaturing premiums provided for in Article 9 (2) of Regulation (EEC) No 3330/74.

⁽¹⁾ EAGGF financing: 60 % by the Guarantee Section and 40 % by the Guidance Section.

4. The measures taken in respect of sugar from the French overseas departments pursuant to Article 9 (3) of Regulation (EEC) No 3330/74.
5. The production refunds provided for in Article 9 (4) of Regulation (EEC) No 3330/74.
6. The special intervention measures to help guarantee supplies provided for in Article 10 of Regulation (EEC) No 3330/74.
7. The import subsidies provided for in Article 17 (2) of Regulation (EEC) No 3330/74.
8. The amounts referred to in Article 6 of Regulation (EEC) No 1488/76 levied on sugar from the minimum stock marketed other than in accordance with the rules laid down.

VI. BEEF AND VEAL

1. Private storage aid provided for in Article 5 (1) (a) of Regulation (EEC) No 805/68.
2. The buying-in and consequent transactions carried out by an intervention agency in accordance with Articles 5, 6 and 7 of Regulation (EEC) No 805/68.
3. The premiums for the birth of calves provided for in Article 4 of Regulation (EEC) No 464/75 and in Article 1 of Regulations (EEC) No 620/76 and (EEC) No 871/77.
4. The premiums for the slaughter of certain adult bovine animals provided for in Article 1 of Regulation (EEC) No 870/77.

VII. PIGMEAT

1. The private storage aid provided for in the first indent of the first subparagraph of Article 3 of Regulation (EEC) No 2759/75.
2. The buying-in and consequent transactions carried out by an intervention agency pursuant to Articles 3, 4, 5 and 6 of Regulation (EEC) No 2759/75.
3. Private storage aid pursuant to Article 20 of Regulation (EEC) No 2759/75.

VIII. FRUIT AND VEGETABLES

1. The financial compensation granted to producers' organizations provided for in Article 18 of Regulation (EEC) No 1035/72.
2. The buying-in provided for in Article 19 of Regulation (EEC) No 1035/72 when the Community market is in a serious state.
3. The measures relating to the marketing of products withdrawn from the market provided for in Article 21 (1) and (3) of Regulation (EEC) No 1035/72.
4. The compensation granted to farmers in accordance with Article 21 (2) of Regulation (EEC) No 1035/72.
5. The financial compensation designed to promote the marketing of Community citrus fruits provided for in Article 8 of Regulation (EEC) No 2511/69.
6. The financial compensation designed to encourage the processing of certain varieties of oranges provided for in Article 3 of Regulation (EEC) No 2601/69.
7. The production aid for tinned pineapple provided for in Article 1 of Regulation (EEC) No 525/77.
8. The compensatory amounts applicable in certain intra-Community trade in tomato concentrates and peeled tomatoes provided for in Article 1 of Regulation (EEC) No 522/77.
9. The financial compensation to encourage the marketing of products processed from lemons provided for in Regulation (EEC) No 1035/77.

IX. WINE

1. Aid for the private storage of table wines and grape must provided for in Articles 5, 5a and 6 of Regulation (EEC) No 816/70.
2. The aid for the restorage of table wines provided for in Article 6a of Regulation (EEC) No 816/70.
3. The additional storage aid provided for in the first indent of paragraph 2 of Article 6c of Regulation (EEC) No 816/70.
4. The distillation of wines provided for in Articles 6b, 6c, paragraph 2, second indent, and 6d, and in Articles 7, 24a and 24b of Regulation (EEC) No 816/70.
5. The intervention measures taken for products other than table wines provided for in Article 33 of Regulation (EEC) No 816/70.
6. The special distillation of table wines provided for in Article 33a of Regulation (EEC) No 816/70.
7. The derogations in respect of natural disasters provided for in Article 38 of Regulation (EEC) No 816/70.
8. The aid for products similar to the wine product exported under the name 'Cyprus sherry' provided for in Article 4 of Regulation (EEC) No 3576/73.

X. RAW TOBACCO

1. The premiums provided for in Articles 3 and 4 of Regulation (EEC) No 727/70.
2. The buying-in and consequent transactions carried out by an intervention agency pursuant to Articles 5, 6 and 7 of Regulation (EEC) No 727/70.
3. Special aid per hectare for tobaccos of the Beneventano variety, provided for in Article 4 of Regulation (EEC) No 339/77.

XI. FISHERY PRODUCTS

1. The financial compensation to producers' organizations provided for in Article 11 of Regulation (EEC) No 100/76.
2. The buying-in of sardines and anchovies provided for in Article 12 of Regulation (EEC) No 100/76.
3. The private storage aid provided for in Article 15 of Regulation (EEC) No 100/76.
4. The compensation to producers of tunny provided for in Article 16 of Regulation (EEC) No 100/76.
5. The free distribution of goods withdrawn from the market or bought in pursuant to Articles 11 and 12 respectively of Regulation (EEC) No 100/76.

XII. OTHER SECTORS AND MEASURES**A. Fibre flax and hemp**

1. The aid provided for in Article 4 of Regulation (EEC) No 1308/70.
2. The private storage aid provided for in Article 5 of Regulation (EEC) No 1308/70.

B. Seeds

The production aid provided for in Article 3 of Regulation (EEC) No 2358/71.

C. Hops

The production aid provided for in Article 12 of Regulation (EEC) No 1696/71.

D. Silkworms

1. The aid for silkworm rearing provided for in Article 2 of Regulation (EEC) No 845/72.
2. The supplementary aid provided for in Article 1 of Regulation (EEC) No 867/77.

E. Dehydrated fodder

The aid for the production of dehydrated fodder provided for in Article 3 of Regulation (EEC) No 1067/74.

F. Proteins

The temporary private storage aid for certain protein products provided for in Article 1 of Regulation (EEC) No 1531/76.

XIII. PROVISIONS COMMON TO SEVERAL SECTORS

1. The monetary compensatory amounts levied and granted in trade between Member States in accordance with Regulation (EEC) No 974/71.
 2. The accession compensatory amounts granted in trade between Member States in accordance with Articles 47 and 55 of the Act of Accession.
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