

# HILLMAN

## COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNICATION FROM THE COMMISSION TO THE  
COUNCIL AND THE EUROPEAN PARLIAMENT ON  
ACTION TAKEN TO SIMPLIFY THE AGRICULTURAL  
LEGISLATION

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DRAFT RESOLUTION OF THE COUNCIL  
CONCERNING MEASURES TO SIMPLIFY  
THE AGRICULTURAL LEGISLATION

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COM (75) 532 final



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Simplification of the agricultural legislation

As stated in the two communications to the Council dated 27 February and 5 March 1975 concerning the stocktaking of the common agricultural policy and the simplification programme, the Commission intends to propose or to adopt, inasmuch as it is competent to do so, the measures needed to simplify Community rules.

As regards agricultural legislation in particular, the Commission informed the Council in the above-mentioned communications that it was examining the criticisms made of this legislation in detail, with special reference to the difficulties involved in its implementation. Particular attention was paid to the comments made:

- a) in the Memorandum of 20 June 1974 from the Federal Republic of Germany concerning the simplification of Community legislation;
- b) by the Directors-General of Customs in the Member States;
- c) by participants at the seminar held by the Commission from 24-27 September 1974 on the subject of Community agricultural legislation applying to trade.

The purpose of this communication is to inform the Council of the action being taken by the Commission to simplify the agricultural legislation. The Commission has agreed that it will take action on two levels;

- firstly, by introducing the measures required to make the legislation itself more reliable and more easily applicable, by clarifying and codifying its provisions, adopting, wherever possible and desirable, common rules for the various sectors which would replace the assorted rules applicable to each individual sector, simplifying the procedures for recurrent legislation and attempting to simplify the nomenclature of agricultural products,
- secondly, by adopting a new *modus operandi*, associating the representatives of the bodies which will have to apply the rules more closely with the preparation of proposals and decisions, ensuring that drafts are submitted to the experts in good time for their proper examination and that a reasonable period is allowed between the date of publication of Regulations and their entry into force - except in cases justified by compelling reasons of a public economic nature.

Details of such action are given in annex I.

The Commission would, however, draw the Council's attention to the difficulties it encounters in this field.

It is often impossible to observe the principles outlined above because of the very short time allowed to the Commission to work out the detailed rules for applying decisions taken by the Council. Moreover, apart from administrative difficulties, the dates laid down for the legislation's entry into force usually present operators with considerable problems. Where no advance fixing is possible, the parties concerned can plan their operations on the basis of the existing legislation. Although the legislation in question has not formally given operators any rights in this matter, it would seem appropriate to take account of the situation as far as possible and even in certain cases, the necessary provisions should be adopted, as has been confirmed by the Court of Justice of the European Communities. These provisions may consist of the adoption of transitional measures applying to contracts in force at the time.

Experience has, however, shown that such provisions may be abused and present great administrative difficulties. Wherever possible, provision should be made for a reasonable period of time between the date of publication of a measure and its entry into force, so that adequate consideration is given to such interests.

To conclude, the Commission proposes:

- that, the period laid down between the date of publication and the date of entry into force of Common Agricultural Policy Regulations, should take account in every case of the periods necessary for administrative application and of the justifiable position of operators;
- that, wherever an unforeseeable amendment to the existing rules imposes a burden on individuals, this period should be increased so as to obviate having to adopt other transitional measures: for this purpose a period of one month might, as a general rule, be considered satisfactory.

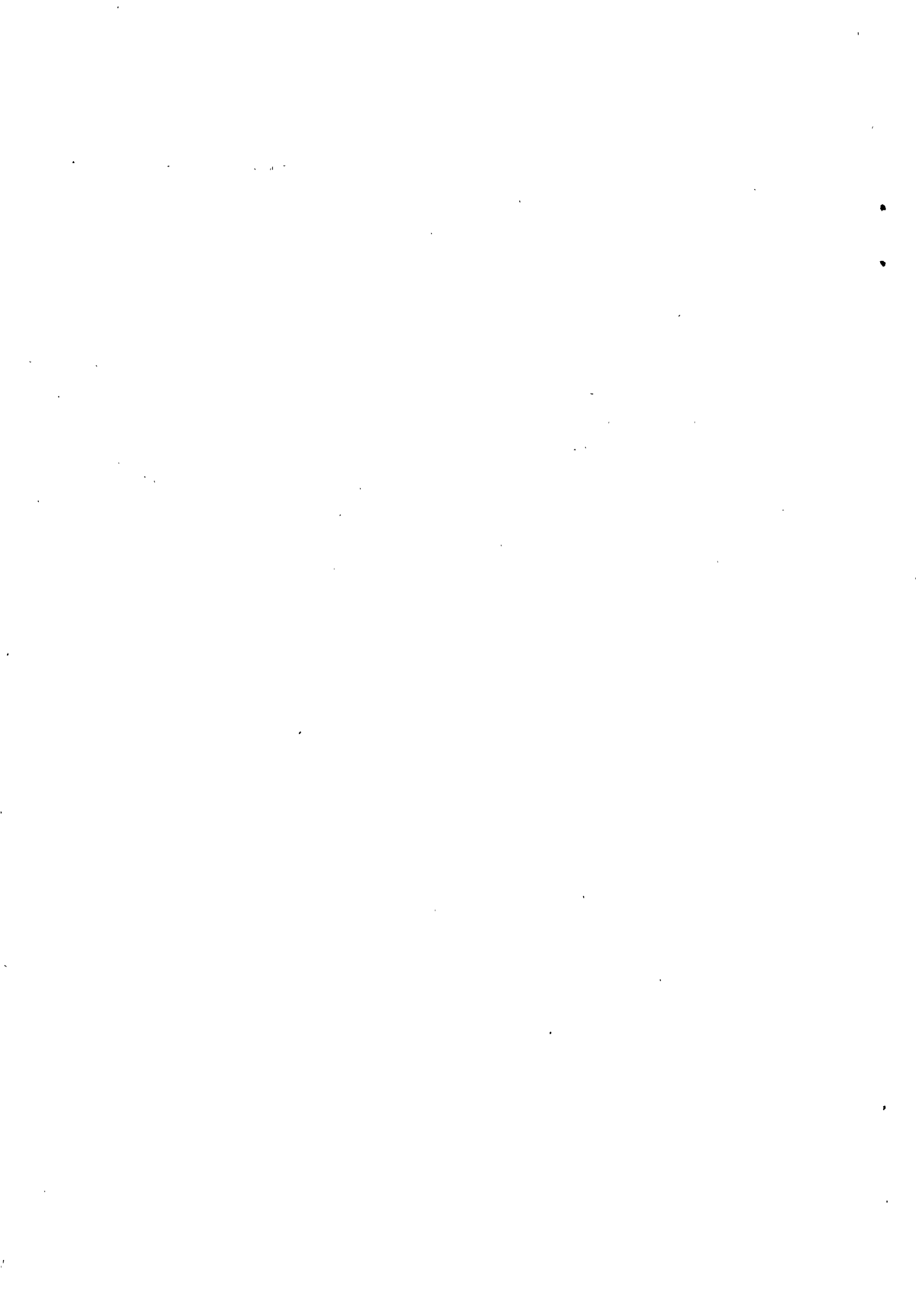
These rules would apply except in cases of a demonstrable emergency and in the case of recurrent legislation (changes in the rate of levies and refunds, for example).

-- Experience has shown that very often the necessary coordination between the various competent bodies in the Member States, e.g. between the customs and agricultural authorities, has not taken place.

-- Certain simplification measures may depend on the multilateral trade negotiations now in progress.

The Commission requests the Council and the Member States to take note of the problems posed and to support the action taken. The Commission has submitted and will shortly submit to the Council a number of proposals concerning such action, in all those cases where a Council decision is required.

Lastly, the Commission is submitting to the Council a draft resolution which takes account both of the need to improve the agricultural legislation and of the difficulties involved (annex II).



ANNEX I

Conclusions reached by the Commission concerning  
the simplification of the agricultural legislation

For the sake of clarity, the main comments made regarding the complexity of the agricultural legislation and the difficulties to which its implementation may give rise will be considered in turn; in each case, the progress made so far and the solutions adopted will be outlined.

I. Problems common to the various sectors

1. Codification and adapting of the legislation

To make the legislation clearer and more consistent, and its underlying concepts easier to understand, work has begun on its legal codification in accordance with the guidelines laid down by the Council meeting of the Ministers of Justice. The advantage of such codification will be to make available to users the entire legislation governing a given sector in one and the same edition of the Official Journal. As regards Council legislation, the Commission has submitted proposals for the codification of the regulations governing the pigmeat, egg and poultrymeat<sup>and cereals</sup>/sectors, and will shortly submit proposals relating to rice. The basic regulation governing the fruit and vegetable sector has already been codified. In addition, the Commission has already codified those regulations common to the various sectors dealing with refunds, export certificates, import licences and advance fixing, and has had these instruments published in a single edition of the Official Journal.

Conclusion:

The work now in progress will be pushed forward. Moreover, as soon as the Council has adopted the codification proposals now before it, the Commission will codify the legislation for which it is itself responsible along the same lines, sector by sector.

Once this task is accomplished, it will be necessary to republish, in codified form, any regulation which has been amended so frequently that it is becoming difficult to use.

However, wherever a constitutive codification would appear premature or untimely, the Commission reserves for itself the possibility of using another method of codification such as that laid down in Council Resolution of the 26 November 1974 on the Codification of its Acts (Official Journal of the Communities No C 20 of 23.1.1975).



## 2. Reducing the number of regulations

The Commission stresses that the principle of using regulations for the management of the common agricultural policy can not be called into question once more; this system helps to make plain the action taken by the Community, since regulations must be published in the Official Journal, and makes matters simpler for those concerned, since they are directly applicable; besides in numerous cases regulations must be used because of the legal provisions of the Treaty.

The Commission believes, however, that the number of regulations can be reduced in certain cases:

- by attempting to deal with certain technical details by administrative action by means of "circulars" which would be either notified to the Member States or published in the Official Journal of the European Communities, as appropriate as is already the case for the detailed rules for applying the system of import and export licences and advance fixing certificates;
- by abandoning the use of regulations in the few cases where this serves simply to fix a reference value, as with the wine prices recorded each week;
- by abandoning the use of recurrent legislation wherever this seems possible and desirable; this would particularly apply to legislation for the sole purpose of fixing, at recurrent intervals, unchanged amounts - especially "zero" amounts; moreover, where the recurrent legislation changes the rates for certain products only, a special information procedure will be introduced so that the attention of the bodies responsible for implementation is drawn to those amounts which have been altered.

## 3. Stability of the legislation

The Commission notes that the markets in agricultural products are particularly unstable and that the legislation is merely anticipating or following market developments. Within these limits, however, to achieve maximum stability for the legislation, the Commission will try to ensure that texts are drafted with this in mind, finalized in close cooperation with all the bodies concerned and forwarded to the experts for examination in good time.

The representatives of Member States should contribute to this task.

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4. Time limit for the entry into force of Regulations

It follows from Council Resolution of 27 June 1974 concerning measures to be taken with a view to simplifying the task of the customs authorities that, apart from exceptional cases justified by compelling reasons of an economic order, any provision intended to be applied by the Customs Authorities of the Member States should be published in the Official Journal of the Communities 6 weeks at least before the date laid down for its application. It should, moreover, be recalled that Article 191 of the Treaty provides that, unless there is a special provision, regulations enter into force on the twentieth day following their publication.

If in certain cases (for example: measures of administrative technique, horizontal regulations, codification) these time limits can be respected, the requirements of the Common Agricultural Policy do not most of the time allow their being respected. Not only in terms of prices and quantities but also in terms of trade, developments on the market in agricultural products are so rapid and their political or financial consequences so considerable that no such delay can be permitted in adopting the necessary measures. On the contrary, the national delegations which participate in Community decision-making at Council level and within the Management Committees generally insist that such periods should be as short as possible. Moreover, with regard to recurrent legislation (changing the rates of levies and refunds for example) the new rates must sometimes be applied on the next day. The application of recurrent legislation does not otherwise pose great problems, since a refund and efficient procedure to deal with these requirements has been put into force by the Commission and the Member States.

Conclusion

A reasonable period should be laid down between the date of publication of Common Agricultural Policy Acts and their entry into force but this period could, in the majority of cases, only be perceptibly less than the period of 6 weeks mentioned in Council Resolution of 27 June 1974. It should be fixed, case by case, by reason of the economic urgency and the importance of the administrative measures to be taken nationally so as to allow an efficient application of these Acts. Nevertheless, in any case except in the case of recurrent legislation, it should not in principle be less than one week.



5. Alignment of texts in the various Community languages

The Commission is aware of the difficulties in this area, and intends to take the necessary internal measures to improve the alignment of the texts in the various Community languages so that the various versions cannot subsequently be interpreted in different ways and thus become the subject of proceedings before the Community Court of Justice.

The Community will, as far as possible, ensure that the vocabulary used in the legislation is harmonized. It wishes to stress, however, that the use of one and the same term to denote ideas which are not identical can also be a source of confusion.

6. Legislation common to the various sectors

To avoid the proliferation of sectoral regulations covering the same ground and consequently giving rise to a wide variety of differing measures, the Commission has begun work on regulations common to the various sectors. At present such regulations cover most trading arrangements, including those governing export refunds, import and export licences, advance fixing certificates and, since 1 April 1975, export levies and charges.

Experience has shown that such "horizontal" legislation, taking the place of the various existing rules and regulations, has considerably facilitated the task of the authorities responsible for applying the law, particularly the customs besides that of economic transactions.

Conclusion :

The Commission will continue to take action along these lines in any fields where such legislation proves desirable and possible, particularly as regards invitations to tender and destination control. The problem of the detailed rules for applying and recovering import levies and charges should <sup>essentially</sup> be dealt with by general legislation relating to the free circulation of goods; a proposal for a directive was forwarded by the Commission to the Council in December 1973 and is now under examination by the latter.

7. Products subject to the arrangements governing import licences and export certificates

The Commission has adopted a number of measures designed to exclude, from the arrangements governing import licences and export certificates, certain transactions in respect of which such formalities are not, in the Commission's opinion, indispensable for the management of the markets; these comprise non-commercial transactions, transactions subject to customs procedures whereby the duties or other amounts applicable under the common agricultural policy are suspended, deliveries of goods for use as ships' and aircraft stores, deliveries to the international organizations established in the Community and to foreign armed forces stationed on the territory of a Member State.

The Commission has also prepared a list of the products subject to the system of import licences and export certificates.

Conclusion

The Commission will adopt, or propose, the measures required to remove, from the list of products subject to this system, those in respect of which the system need not, in the Commission's opinion, be applied; this is particularly the case for certain products in the wine and fats sectors.

8. Cases where import licences, export certificates and advance-fixing certificates apply to products coming under adjacent tariff sub-headings

For the sake of simplification, the Commission has already provided that each certificate or licence should be valid for operations involving any of the products coming under a given tariff sub-heading and not merely for one single type of product.

Some exceptions have, however, proved necessary in cases where the tariff classification of a product depend on the results of its analysis or were changes in the chemical structure of certain products during transport entails their reclassification under a different sub-heading.



Conclusion:

The scope of the certificates and licences has already been extended to cover several tariff sub-headings in the case of certain products belonging to the grain, milk and milk products which were affected by this problem; in the wine sector, moreover, the certificates and licences now cover a wider range of alcoholic strength.

If difficulties occur with other products, the Commission will take the necessary steps.

9. The nomenclature of agricultural products

It should be stressed at the outset that originally a special nomenclature was adopted for the legislation governing import levies: for the sake of consistency, this nomenclature was adopted for the Common Customs Tariff when the latter was introduced. Subsequently, the nomenclature used for the purposes of the legislation governing export refunds was developed as required on the basis of the Common Customs Tariff.

Some years ago, the international monetary situation led the Council to introduce a system of monetary compensatory amounts, the rates for which are not aligned on the abovementioned nomenclatures in every case for valid economic reasons; the transitional arrangements provided for in the Act of Accession have led certain new Member States to superimpose the nomenclature of the Common Customs Tariff on their own original nomenclature, although the Act placed them under no obligation to do so.

The difficulties caused by the system of monetary compensatory amounts will gradually disappear as the list of products subject to this system is shortened. Similarly, the problems caused by the accession of the new Member States will be solved once the transitional period provided for in the Act comes to an end.

The study was, therefore, restricted to the problems posed by the "permanent" nomenclatures.

The Common Customs Tariff nomenclature for agricultural products

The Commission requested the customs authorities in the Member States to supply it with a list of those tariff sub-headings which were difficult to apply, showing reasons, with special reference to agricultural products, and to submit their suggestions on this matter. The Commission had a careful analysis made of the comments and suggestions submitted.

It was noted that a number of criticisms put forward by the Customs Authorities of Member States related to precisely those sub-headings which had been introduced for pressing economic reasons at the request of the Member States to whom these authorities belong. This situation seems to arise either from insufficient coordination at national level or from a divergence of views between the national authorities in question. Coordination of the national authorities should therefore be improved at national level to help the Commission in its task.

From an examination of the reports submitted by the customs authorities of Member States it is clear that most problems relate to those sub-headings for which the rates have been consolidated by negotiation. As stated in the simplification programme adopted on 26 February 1975, the Commission intends to take advantage of coming multilateral trade negotiations to carry out the simplification measures required in this field.

The development of the nomenclature for products subject to levies is a reflection of the fact that the mode of taxation is specific to the individual products used. In this system, where two products have a substantially different value - even if similar in nature or made from cuts of the same animal - two tariff sub-headings are necessary so that a levy taking account of the value difference may be applied.

To simplify matters, the Commission put before the Council on 16 January 1974 a proposal for a regulation containing certain measures described in the memorandum of 31 October 1973 concerning the improvement of the common agricultural policy; in the beef and veal sector the effect of these measures would have been to replace the system of specific levies by a system of ad valorem levies. This proposal could have greatly simplified the nomenclature of products in this sector, where implementation presents real difficulties. The Council, however, reject the proposal. At the same time, the Commission is aware of the difficulties which might be raised by its adoption.



### Conclusion

The Commission will continue to work to improve products nomenclature by reviewing the definitions which might give rise to problems in practice and abolishing those sub-headings which seem unnecessary for sound market management.

In the wine, milk and milk products sectors, measures to this effect have recently been adopted by the Council, acting on proposals from the Commission. Other proposals will follow, if possible, in the course of 1975, dealing with the products of secondary processing specified in Regulation (EEC) No 1059/69 and with certain products in the fats and cereals sectors.

### The nomenclature of products qualifying for export refunds

This nomenclature had to be developed for two reasons:

- (a) as in the case of the Common Customs Tariff nomenclature it results from the fact that the amounts paid are fixed on a specific basis. It should, however, be recognized that fixing the rates in this way has two advantages; it is fair and easily applicable in that it is based on weight or number and involves none of the problems of assessing the value of each product in respect of which a given operation is carried out (such assessment could give rise to endless litigation, in view of the many factors determining the price of such products);
- (b) for the export of each category of product, an amount has to be paid which is as close as possible to the difference between the world market price and the Community price. A change in the nomenclature would therefore mean either that excessive amounts would be paid at the expense of the Community, or - to avoid this problem - that the amounts would be fixed at a level lower than they should be to allow Community products to find an export market.

It goes without saying that the payment of unjustified refunds should be prevented and public opinion is rightly sensitive on this issue.

Lastly, the structure of this nomenclature is sometimes different from that of the Common Customs Tariff, since in certain sectors, particularly the milk and milk products sector, the products imported are different in kind from those exported and account has to be taken of this situation.

Consideration was given to the possibility of unifying the nomenclatures applicable to exports and imports in order to facilitate the task of the authorities responsible. A study carried out in the milk and milk products sector showed that such unification would, at the very least, triple the size of the nomenclature, which would thus become an obscure and ponderous instrument, with many of the sub-headings created for export purposes being meaningless in the context of imports. For these reasons it does not seem possible to adopt this solution.

#### Conclusion

The essential thing is to ensure that product nomenclature provides clearly worded definitions, rather than rearrange the sub-headings, the expansion of which is frequently requested by Member States. This principle will guide the Commission in its task of attempting to simplify the nomenclature wherever possible.

#### 10. Intervals at which trade information must be supplied by the Member States

The management of the agricultural markets requires that certain data, relating mainly to trade, should be taken into consideration. Such data must be supplied by Member States at regular intervals laid down by regulation. Experience has shown that, in view of the characteristics of each market and to prevent the lines of communication (telex) becoming congested, the intervals at which data must be forwarded to the Commission vary from one case to another. This situation tends, however, to complicate the task of the bodies responsible for the collection and forwarding of this data.

Thus, the Commission proposes to facilitate the task of the authorities concerned by:

- standardizing the intervals in the case of data usually supplied by the customs authorities of the Member States;
- harmonizing, as far as possible, the data usually supplied by national bodies dealing with agriculture, while taking any real needs into account;
- harmonizing the procedure for notification.



Conclusion

The Commission is examining the possibility of rationalizing the transmission of data supplied by statistical means, and will submit proposals to the Management Committees. At the same time, it will try to ensure that the regular intervals provided for are strictly observed.

Moreover, in the long run the final solution to the problem could lie in the introduction of new methods and procedures for the transmission and processing of data. The Commission is now having the necessary studies carried out by specialist firms.

11. Taxation accounts

Certain delegations appear to have difficulty in making a breakdown of the data to be notified to the Commission so that accounts can be prepared of the customs duties and other amounts to be levied under the common agricultural policy.

The data requested are used:

- for a breakdown of the Community's own resources, making it easier to select which categories of receipts or products should be checked;
- to aid in the preparation of the budget estimates for the Community's own resources.

Conclusion

It is the earnest wish of the Commission that Member States should take all possible steps to include in their monthly declarations a breakdown of own resources sufficiently wide to enable the nature and importance of the different resources available to the Community to be seen (for example to distinguish import levies and export levies).

12. Destination control

It has been noted that both for trade with non-member countries and for the internal management of the markets, many products are subject to destination control, which may tend to complicate the task of the bodies responsible for applying the rules.

has already adopted certain provisions (in particular Regulation (EEC) No 2315/69) and is taking action of two kinds, depending on whether the destination of the product gives entitlement to a tariff concession on imports or to internal financial aid.

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Conclusion

In the former case, the Commission will propose a single all-purpose procedure for such controls; in the latter case, the Commission will also try to standardize the control procedure.

II. Problems peculiar to certain sectors

A. Cereals

1. Fixing the carry-over payments for cereals (monthly increases in the intervention prices) (Item No 25 in the German Memorandum)

It would not be desirable for the actual costs of temporarily offsetting supply and demand to be almost fully covered. At the present very early stage in the achievement of economic and monetary union, the organization of the single market in cereals can only function within a highly flexible framework.

The actual cost of storing cereals varies greatly from one Member State to another. This being the case, it has been necessary to restrict the size of the monthly increases in the intervention prices and to stress that such increases are meant as an incentive to facilitate the sale of stocks in accordance with the requirements of the market.

The various components of the cost of storing cereals (financing, wastage, treatment, storage, etc.) vary not only from one Member State to another but also from one time of year to another. The use of a coefficient reflecting the interest rate applied by the various Member States would only complicate the Community rules without providing a satisfactory solution to the problem of covering the actual costs.

The annual increase must be sufficient to encourage storage and to dissuade the holder of stocks from any sudden incursion onto the market, but should not cover all of the actual costs, so that holders are encouraged to seek to recover on the market the actual costs incurred. Any monthly increase which covered or exceeded the actual costs would tend to make storage an end in itself, which it must never be.

Conclusion

The solution adopted by the Commission, namely:

- adequate minimum flat-rate cover for the costs of financing and storage;
- application of <sup>representative</sup> rates for the conversion of the unit of account into national currencies,

makes it possible to deal with the problems arising from divergent trends in the economies of the various Member States.

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2. Increase in the minimum quantities acceptable for intervention in the cereals sector

(Item 26 in the German Memorandum)

It would be difficult in this case to fix a uniform minimum quantity at a very high level, since the situation of certain Member States such as Luxembourg has to be taken into account. By the adoption of a minimum quantity of 80 metric tons for common wheat, rye, barley and maize, and 40 metric tons for durum wheat, Member States are left free to fix the minimum quantity at a higher level. Thus, France and Denmark have fixed a minimum quantity of 500 metric tons for common wheat and barley. The Netherlands have adopted the figure of 250 metric tons for common wheat and 100 metric tons for barley.

There is nothing to prevent a Member State from stipulating a tonnage considerably higher than the minimum.

It would seem, however, that if the prices guaranteed to producers are not to be excessively low, then the minimum quantities must not be too high. The figure of 500 metric tons seems to be an acceptable level for most Member States.

Conclusion

The Commission sees no need to amend the existing rules; those Member States which have fixed a minimum lower than 500 metric tons could increase it towards that level.

3. Increases and reductions in the intervention price to take account of the specific weight of cereals

(Item 27 in the German Memorandum)

As regards the increases and reductions in the intervention price for cereals to take account of their specific weight, the Commission is ready to consider possible amendments to the rules now in force so that the procedures for purchases and payments by the intervention agencies may be simplified.

However, no consideration could be given to any proposal to amend the rules governing cereals (Commission Regulations (EEC) No 1492/71 and 1493/71) which sought to exclude weight per hectolitre as a criterion of quality, unless a thorough study of the technical and economic consequences was first made by a working party.



Conclusion

Any amendments to the legislation must be designed to establish a simpler and more efficient method for assessing the quality of cereals, both for intervention and on the free market. Such is the aim of the measures to be taken by the Commission.

4. Changing the system of price reductions for impurities in cereals  
(Item No 28 of the German Memorandum)

In the event that the calculation of the reductions applicable for impurities in tenths of 1% proves too exacting, making it difficult to apply the rules in certain Member States, provisions could be included in current legislation (Commission Regulation (EEC) No 1493/71) to enable intervention agencies in the Member States concerned to adopt a coarser scale.

Conclusion

The Commission is now studying an amendment to be submitted to the competent Management Committee.

5. Sales of intervention stocks on the internal market of the Community  
(Item 29 in the German Memorandum)

The publication of the quality criteria (specific weight, moisture content, impurities, year of harvest) provides important information for those tendering for contracts. There should be no doubt surrounding the quality of cereals offered for sale, since this can only impair any assessment made by the traders concerned.

Conclusion

The Commission does not envisage any amendments to the existing legislation.

6. Sale on intervention stocks for export  
(Item No 30 of the German Memorandum)

- (a) The rules governing invitations to tender for export were designed to ensure that intervention stocks can be sold under optimum market conditions and with the minimum loss for the EAGGF. These rules include the provisions of Article 5(5) of Regulation (EEC) No 376/70, pursuant to which it may be stipulated that the tender should be accompanied by an application for an export licence with advance fixing of the export refund or levy. Thus, the tenderer must state the level of refund or levy at which he is able to export, so that a more accurate assessment can be made of the tenders submitted. Any controls or administrative formalities required under such provisions are justified by the objective pursued.
- (b) The submission of tenders has been simplified by the issue of a new version of the list of the warehouses where the cereals offered are being held.
- (c) The Commission intends in the near future to propose a change in the current system of lodging deposits after the award of export contracts. Preliminary talks on this subject have already been held with the national experts.
- (d) For some time the trade has been urging that counter-bids should be possible. The Commission is not opposed to this in principle. The fact remains, however, that the counter-bid is a commercial instrument which can only be used if account is taken of the specific requirements of the procedure for the award of contracts involving intervention stocks.

Conclusion

The Commission will shortly submit appropriate amendments to the system now in force to the competent Management Committee.

B. VINE PRODUCTS

1. Multiplicity of the rules governing wine imports

(Item 42 in the German Memorandum)

(a) Customs duties

The methods of analysis and, in particular, the minimum temperature at which certain analyses must be made, are laid down in Regulation (EEC) No 1539/71 which refers to the methods described in the international compendium issued by the IWO (International Wine Office), as supplemented under the 1954 Convention. Certain Member States have failed to ratify this convention, thus creating some confusion regarding the implementation of these measures.

Conclusion

The Commission will shortly take the necessary measures to include the methods applicable "in extenso" in a Community act.

(b) Monetary compensatory amounts

In the wine sector, the monetary compensatory amounts were suspended from 24 March 1975, except for those applied in Germany, which have remained in force unchanged not only in respect of Common Customs Tariff subheadings 22.05 C I and C II but also in respect of the product descriptions. Monetary compensatory amounts are applicable to all wines from non-member countries, no distinction being made between table wines and quality wines. In the case of Community wines, the amounts apply only to table wines coming under tariff subheadings 22.05 C I and C II. The distinction made between the latter and quality wines should pose no problems, since there is a different accompanying document for the quality wines.

2. Simplification of Regulations (EEC) No 1769/72, 1599/71 and 1770/72

(request by the United Kingdom)

(a) Simplification of the documents required in intra-Community trade

(T documents and VA documents).

On the occasion of the general reformation of Community transit documents undertaken within the framework of simplifying Community procedures applied by the Customs Administrations, the efforts made with a view to combining Community transit documents (document T) with the accompanying documents (documents VA) will be continued. Difficulties lie in the fact that the accompanying documents are required to check each consignment of the products in question, between the consignor and the consignee, even within a Member State. On the other hand T documents are only required for intra-Community trade - which accounts for only 6% of total Community wine production.

It should be stressed that this simplification is earnestly desired by certain professional organizations which have put forward concrete suggestions in this field.

Conclusion:

Despite the difficulties the Commission particularly within the framework of the work of reformulating the T forms, will examine the possibility of merging Community transit documents and the accompanying documents.

- (b) Simplification of the documents required for imports (VI documents and certificate of origin).

The VI documents are not required for liqueur wines; a designation-of-origin certificate must, however, accompany liqueur wines which have a registered designation of origin, such as Port, Madeira, Sherry, Tokay (Aszu and Szamorodni), Samos Muscat, Setubal Muscatel, Boberg and Malaga. The Commission will shortly take the necessary measures to bring the certificate into line with a Community model. In point of fact it is only in the case of the Spanish wines Jumilla, Valdepenas Rioja and Priorato that both documents are required - the VI document as for all other wines intended for direct human consumption, and a designation-of-origin certificate to give entitlement to the tariff preference granted by the Community within the framework of the tariff quota.

Conclusion

Given the circumstances described above, the Commission is not considering any amendment to the existing legislation.



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C. FRUIT AND VEGETABLES

1. Possible abolition of quality control on consignments moving within Member States (item 45 in the German Memorandum)

The Commission put this matter before the Member States at the meeting of the ad hoc Working Party. Subsequent discussion indicated that the strict application of Regulation (EEC) n° 2638/69 did indeed pose certain problems in several Member States, but no easy solution was at hand.

2. Possible easing of quality control on fruit and vegetables exported in small quantities to non-member countries

The experts from the Member States also discussed the question of compulsory checks on consignments of fruit and vegetables subject to common quality standards which are exported to countries outside the Community. It was noted that, with the exception of Germany, Member States had no difficulty in applying Commission Regulation (EEC) n° 496/70 of 17 march 1970, so that it seemed preferable to retain the existing legislation. It should be pointed out that both compulsory checks on exports of fruit and vegetables subject to quality standards and the issue of certificates for those lots considered to meet the standards required for the products in question have been adopted by the OECD under the arrangements for the application of international standards to fruit and vegetables, by two Decisions of the Council dated 28 July 1964 (76th session) and 40 July 1973 (49 th session) respectively.

This being the case, it would be difficult for the Community to take unilateral action to limit controls to export consignments of substantial size.

Conclusion : As regards Point 1 above, the Commission is now studying solutions whereby effective quality control could be carried out without infringing the rules concerning the establishment of the common market and will take the necessary measures.

As regards Point 2, however, the Commission does not envisage any amendments to the existing legislation.

D. FATS

The Management Committee for Oils and Fats is now making a study with a view to the simplification of the provisions governing the organisation of markets, involving in particular, changes in the procedure whereby oilseeds and olive oil are offered for intervention and resold by the intervention agencies.

E. PRODUCTS NOT COVERED BY ANNEX II

1. Complexity of the system of variable components chargeable on imports  
(item n° 41 in the German memorandum)

(a) to avoid fixing the variable components at trivial amounts of no economic significance and simplify the task of the authorities responsible for collection, the Commission submitted to the Council last month a draft regulation raising the threshold below which no variable component is charged.

Conclusion :

The proposed measure will, in practice, have the effect of abolishing about 5% of the variable components charged on imported products and 50 % of such components charged on trade between the original Community and the new Member States and on trade between the latter.

(b) It has been proposed that a margin of 1 u.a./100 kg should be introduced, within which the rate of the variable component would be a fixed one, to avoid excessively frequent changes to the rate.

This problem has been examined by the "Article 235" Group of Experts, who concluded that the advantages of the proposed solution would in fact be minimal; on the whole, therefore, the experts were not in favour of this measure.

Conclusion : The Commission does not envisage any amendment to the existing legislation.

(c) with the same purpose in mind, the Commission has examined the possibility of increasing the interval at which the new rates for the variable components are fixed from 3 to 4 months, on set dates. It was pointed out, however, that this problem is closely connected with changes in the threshold price for basic agricultural products.

Conclusion: It will be proposed that the interval between changes in the variable components should be increased so that the dates of such changes correspond, wherever possible, to the dates on which the threshold prices applicable to basic products are changed to avoid the need for a further fixing for the variable components.

2. Simplification of the machinery for granting refunds (item n°44 in the German memorandum)

The Commission has examined this problem with the assistance of experts from the Member States. No agreement has been reached on an amendment to the rules now in force.

Conclusion :

The Commission does not envisage any amendment to the existing legislation.

ANNEX II

DRAFT RESOLUTION OF THE COUNCIL

concerning measures to simplify the agricultural  
legislation

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the draft prepared by the Commission;

Aware of the difficulties facing both Community and national authorities in connection with the management and implementation of the common agricultural policy, particularly in view of the need to react with increasing rapidity to market developments;

Desiring, nevertheless, to improve the situation as far as possible;

HAS ADOPTED THIS RESOLUTION:

I.

The Council stresses the need to ensure that the agricultural legislation can be implemented without excessive difficulty both by the national authorities and by the trade interests concerned.

II.

The Council takes note of the work undertaken by the Commission with a view to simplifying Community legislation on agriculture and requests the Commission to continue its efforts in this direction.

III.

The Council requests the Member States to improve coordination between all the national bodies concerned with implementation of the agricultural legislation, and in particular between the customs authorities and the other bodies.

The Council notes that

acts to be adopted under the common agricultural policy must in the majority of cases, as regards the time limit to be allowed before their entry into force, be regarded as relating to measures justified by compelling reasons of an economic nature within the meaning of the Resolution of 27 June 1974 concerning measures to be taken with a view to simplifying the task of the customs authorities; whereas this is mainly due to the operational requirements of the common agricultural policy.

Consequently, as regards the entry into force of agricultural legislation, the Council noting that the time limit of six weeks laid down in its Resolution of 27 June 1974 cannot always be observed:

- considers that a reasonable time limit should nevertheless be provided so as to take account in each case of the time limits which in practice are necessary for the administrative application of this legislation; this time limit should not in principle be less than one week;
- will ensure that, when adopting its acts, it leaves the Commission adequate time for the preparation, under normal conditions, of the implementing provisions arising therefrom and will request the Commission to submit its proposals in good time.