

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 317 final.

Brussels, 18 June 1976.

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Proposal for a
COUNCIL REGULATION (CEE)

laying down, for the 1976/1977 sugar marketing year, measures to facilitate the marketing of sugar produced in the French overseas departments.

(submitted to the Council by the Commission)

COM(76) 317 final.

Explanatory Note

Because of the difficulties in marketing raw sugar produced in the French Overseas Departments ⁱⁿ the European regions of the Community, Community measures were applied from 1 February 1973 (date from which on Commonwealth Sugar Agreement Sugar was imported into the Community) to facilitate these sales. These measures, in principle applied for ^{one} sugar marketing year, consisted in the granting of a Community subsidy for the refining of this sugar, if certain conditions were fulfilled.

The quantities of this sugar refined during each marketing year were in the order of 300 000 tons.

Since the difficulties already recognized by the Commission continue to exist, the Commission finds it necessary to propose similar actions to be taken for the 1976/77 sugar marketing year. These measures should therefore consist in the granting of a Community subsidy for refining this sugar, allowing thus the most possible facilitation for the marketing of this sugar in the Community as well as increasing its fluidity as far as the local situation or technical nature of the refinery is concerned.

Such a subsidy must be fixed in taking into account the value of the raw sugar at the place of the refinery, the possibilities of marketing this sugar after refining, the necessary margin for a pure refinery, as well as the differential amount fixed for the same marketing year - which leads to the proposal of a subsidy of 1.29 AU for 100 kilogrammes, expressed as white sugar.

PROPOSAL FOR COUNCIL REGULATION

laying down, for the 1976/77 sugar marketing year, measures to facilitate the disposal of sugar produced in the French overseas departments

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 3330/74 of 19 December 1974 on the common organization of the market in sugar (1), as last amended by Regulation (EEC) No 832/76 (2), and in particular Article 9 (5) thereof,

Having regard to the proposal from the Commission,

Whereas Article 9(3) of the said Regulation provides that appropriate measures are to be taken in the event of difficulties arising in the disposal of sugar produced in the French overseas departments; whereas the existence of such difficulties has been recognized in the past and appropriate Community measures have already been taken; whereas these difficulties still remain;

Whereas the economic relationship between the French overseas departments and the European regions of the Community requires that the bulk of the sugar from the French overseas departments should be disposed of in those regions;

Whereas a subsidy should be granted for the refining of the sugar concerned to ensure that these quantities are disposed of in those regions; whereas the amount of the subsidy should be determined on the basis of the value of the raw sugar delivered at the place of refining, the outlets after processing, the necessary refining margin for sugar refined in a refinery as defined in Article 9 (7) of Regulation (EEC) No 3330/74 and the differential amount fixed by Council Regulation (EEC) No/76 fixing, for the 1976/77 sugar marketing year, the differential charge to be levied on raw preferential sugar and the differential amount to be granted for raw cane sugar produced in the French overseas departments (3);

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation shall apply for the 1976/77 sugar marketing year.

Article 2

1. A subsidy shall be granted for raw sugar produced in the French overseas departments within the maximum quota and refined in the Community.
2. The subsidy referred to in paragraph 1 shall be 1.29 unit of account per 100 kilogrammes of sugar expressed as white sugar.

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

Done at Brussels,

For the Council

1) OJ No L 359, 31.12.1974, p.1

2) OJ No L 100, 14.4.1976, p.1

3)

FINANCIAL STATEMENT

DATE : 15.6.1976

1. BUDGET LINE CONCERNED : Idem 6414 (provisions DOM sugar)

2. ACTION : Proposal of Council Regulation laying down for the 1976/77 sugar marketing year, measures to facilitate the marketing of sugar produced in the French overseas departments

3. LEGAL BASIS : Art 9 (5) of Council Regulation No 3330/74

4. OBJECTIVES : In order to ensure the marketing of 300.000 t of DOM sugar in the shortfall areas of the Community it is necessary to grant a subsidy on refining of the sugar in question

| 5. FINANCIAL CONSEQUENCE | FOR THE MARKETING YEAR | CURRENT FINANCIAL YEAR () | FOLLOWING FINANCIAL YEAR () |
|--|------------------------|-------------------------------|---------------------------------|
| 5.0 EXPENDITURE | | | |
| -CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) | 3,87 mio UA | 1,61 mio UA | 2,26 mio UA |
| -CHARGED TO NATIONAL ADMINISTR. | | | |
| -CHARGED TO OTHER NATIONAL GROUPS | | | |
| 5.1 RECEIPTS | | | |
| -OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) | — | — | — |
| -NATIONAL | | | |

YEAR YEAR YEAR

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

provisions limited to the marketing year 1976/77

5.2 METHOD OF CALCULATION $300.000 \times 12,90 \text{ UA/t} = 3,87 \text{ mio UA}$

Having regard to the delay of the payment of 1 month the amount of 3,87 mio UA shares out on the 1976 exercise with 1,61 mio UA and in 1977 exercise with 2,26 mio UA
(1)

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? ~~YES~~/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? ~~YES~~/NO

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? ~~YES~~/NO
(2) yes

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? ~~YES~~/NO
no

COMMENTS :

- 1) to the amount of 3,87 mio UA is to be added the incidence of the double rate with an amount of 0,42 mio UA ($60.000 \text{ t} \times 12,90 \text{ UA/t} \times 0,54 \%$)
- 2) the financing of those expenses is to be provided at the time of a subsequent adjustment of the 1976 Budget.