

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 466 final

Brussels, 6 September 1979

Recommendation for a  
COUNCIL REGULATION (EEC)

on the conclusion of the Agreements in the form of exchanges of letters between the European Economic Community and Barbados, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Surinam, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda, and the Republic of India on the guaranteed prices for cane sugar for 1979/80

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Recommendation for a  
COUNCIL REGULATION (EEC)

fixing for 1979/80 the guaranteed prices applicable for cane sugar originating in the overseas countries and territories

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(submitted to the Council by the Commission)

COM(79) 466 final



## EXPLANATORY MEMORANDUM

1. (a) By decision of the Council, the Commission was authorized to enter into negotiations on the guaranteed prices for cane sugar for 1979/80 with the States referred to in article 3 of the Protocol No 3 on ACP sugar annexed to the ACP-EEC Convention of Lomé, the Republic of Surinam and with the Republic of India. The results of those negotiations have to be approved by the relevant authorities of the Community and the countries referred to above. The Commission recommends to the Council that the results be embodied in agreements in the form of exchanges of letters between the Community on the one hand and each of the ACP States concerned and the Republic of India on the other according to the annexed drafts.
  - (b) According to the Declaration XXI annexed to the Final Act of the ACP-EEC Convention of Lomé, the Community undertook to ensure for sugar originating in certain overseas countries and territories (OCT) the same treatment as provided for in Protocol No 3 on ACP sugar. The Commission recommends that the Council fix for sugar originating in the countries specified by the said Declaration the same guaranteed prices for 1979/80 as those agreed with the ACP States.
2. ANNEXES: I. Recommendation for a Council Regulation concerning the conclusion of the Agreements in the form of exchanges of letters on the guaranteed prices for cane sugar for 1979/80 between the European Economic Community and Barbados, the People's Republic of the Congo, Fiji, the Republic of Guyana, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Surinam, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda and the Republic of India.
- II. Drafts exchanges of letters.
- III. Recommendation for a Council Regulation fixing the guaranteed prices applicable for cane sugar originating in the overseas countries and territories (OCT) for 1979/80.
3. Financial implications
- The financial implications have been taken into account in the framework of the financial implications of the agricultural prices for 1979/80 and of the draft budget proposals for 1980.

Recommendation for a  
COUNCIL REGULATION (EEC)

on the conclusion of the Agreements in the form of exchanges of letters between the European Economic Community and Barbados, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Surinam, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda, and the Republic of India on the guaranteed prices for cane sugar for 1979/80

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the recommendation from the Commission,

Whereas Protocol 3 on ACP sugar annexed to the ACP-EEC Convention of Lomé (1), and the Agreement between the European Economic Community and the Republic of India on cane sugar (2), are implemented in the context of the management of the common organization of the sugar market;

Whereas it is appropriate to approve the Agreements in the form of exchanges of letters between the European Economic Community and the States referred to in article 3 of the Protocol 3 on ACP sugar and the Republic of Surinam, and also the Republic of India, on the guaranteed prices for cane sugar for 1979/80,

HAS ADOPTED THIS REGULATION:

(1) OJ No L 25, 30.1.1976, p. 1.

(2) OJ No L 190, 23.7.1975, p. 36.

Article 1

The Agreements in the form of exchanges of letters between the European Economic Community and Barbados, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Surinam, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago and the Republic of Uganda, on the guaranteed prices for cane sugar for 1979/80, and the Agreement in the form of an exchange of letters between the European Economic Community and the Republic of India on the guaranteed prices for cane sugar 1979/80, are hereby approved on behalf of the Community.

The texts of these Agreements are annexed to this Regulation.

Article 2

The President of the Council is authorized to designate the person empowered to sign the Agreements referred to in Article 1 in order to bind the Community.

Article 3

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

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

Done at Brussels,

For the Council  
The President

## AGREEMENT'S

in the form of exchanges of letters between the European Economic Community and Barbados, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Surinam, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago and the Republic of Uganda, on the guaranteed prices for cane sugar for 1979/80

Letter No 1

Brussels, .....

Sir,

1. The representatives of the ACP States referred to in the Protocol No 3 on ACP sugar annexed to the ACP-EEC Convention of Lomé, the Republic of Surinam, and of the Commission, on behalf of the European Economic Community, have agreed within the framework of the negotiations provided for in Article 5 (4) of the said Protocol, the following :

For the period 1 July 1979 to 30 June 1980 the guaranteed prices referred to in Article 5 (4) of the Protocol shall, for the purpose of intervention within the terms of Article 6 of the Protocol, be

- a) for raw sugar, 34.13 ECU per 100 kilograms,
- b) for white sugar, 42.30 ECU per 100 kilograms.

These prices, which represent an increase of 1.5% over those of the preceding year, shall refer to sugar of standard quality as defined in Community legislation, unpacked, c.i.f., European ports of the Community.

2. It is noted by the parties to the agreement that, having regard to market conditions generally and to other relevant factors and following discussions with the importers, the ACP States concerned strongly hoped that it would be possible to secure, in addition to the agreed guaranteed prices, a premium on Community markets during the delivery period 1979/80.
3. Although retroactivity is not provided for in respect of the 1979/80 prices it is agreed that this year's decision does not prejudice the position of the ACP States in relation to retroactivity in any future negotiation in accordance with Article 4 (3) of Protocol No 3 annexed to the ACP-EEC Convention of Lomé.

4. It was noted that the Council of Ministers of the Community had not authorized the inclusion of any factor in respect of freight charges in the determination of the guaranteed prices for the delivery period 1979/80. The ACP States reiterated their concern at the burden of these charges and requested that the subject should remain open for further consideration. The Community took note of this request.

I should be obliged if you would acknowledge receipt of this letter and confirm that this letter and your reply constitute an Agreement between the Governments of the above mentioned ACP States and the Community.

Please accept, Sir, the assurance of my highest consideration.

For the Council  
of the European Communities

Letter No 2

Brussels, .....

Sir,

I have the honour to acknowledge receipt of your letter of today which reads as follows :

"....."

I have the honour to confirm the agreement of the Governments of the ACP States referred to in this letter with the foregoing.

Please accept, Sir, the assurance of my highest consideration.

For the Governments

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AGREEMENT

in the form of an exchange of letters between the European Economic Community and the Republic of India on the guaranteed prices for cane sugar for 1979/80

Letter No 1

Brussels, .....

Sir,

1. The representatives of the Republic of India and of the Commission, on behalf of the European Economic Community, have agreed within the framework of the negotiations provided for in Article 5 (4) of the Agreement between the European Economic Community and the Republic of India on cane sugar, the following :

For the period 1 July 1979 to 30 June 1980 on the guaranteed prices referred to in Article 5 (4) of the Protocol shall, for the purpose of intervention within the terms of Article 6 of the Protocol, be

- a) for raw sugar, 34.13 ECU per 100 kilograms,
- b) for white sugar, 42.30 ECU per 100 kilograms.

These prices, which represent an increase of 1.5% over those of the preceding year, shall refer to sugar of standard quality as defined in Community legislation, unpacked, c.i.f., European ports of the Community.

2. It is noted by the parties to the agreement that, having regard to market conditions generally and to other relevant factors,  
the Republic of India  
strongly hoped that it would be possible to secure, in addition to the agreed guaranteed prices, a premium on Community markets during the delivery period 1979/80.
3. Although retroactivity is not provided for in respect of the 1979/80 prices it is agreed that this year's decision does not prejudice the position of the Republic of India in relation to retroactivity in any future negotiation in accordance with Article 4 (3) of Agreement on cane sugar.

4. It was noted that the Council of Ministers of the Community had not authorized the inclusion of any factor in respect of freight charges in the determination of the guaranteed prices for the delivery period 1979/80. The Republic of India reiterated its concern at the burden of these charges and requested that the subject should remain open for further consideration. The Community took note of this request.

I should be obliged if you would acknowledge receipt of this letter and confirm that this letter and your reply constitute an Agreement between your Government and the Community.

Please accept, Sir, the assurance of my highest consideration.

For the Council  
of the European commission

Letter No 2

Brussels, .....

Sir,

I have the honour to acknowledge receipt of your letter of today which reads as follows :

"....."

I have the honour to confirm the agreement of my Government with the foregoing.

Please accept, Sir, the assurance of my highest consideration.

For the Government  
of the Republic of India

Recommendation for a  
COUNCIL REGULATION (EEC)

fixing for 1979/80 the guaranteed prices applicable for cane sugar  
originating in the overseas countries and territories

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article 136 thereof,

Having regard to the recommendation from the Commission,

Whereas, in accordance with the terms of Annex XXI to the Final Act of the  
ACP-EEC Convention of Lomé<sup>1</sup>, the Community guarantees, for cane sugar  
originating in the overseas countries and territories mentioned in the said  
Annex, the same treatment as provided for in Protocol 3 on ACP sugar  
annexed to the said convention;

Whereas Council Decision 76/568/EEC of 29 June 1976 on the association of  
the overseas countries and territories with the European Economic Community<sup>2</sup>  
embodies the application of this principle; whereas in accordance with  
Article 4(4) of Annex IV to that Decision the guaranteed prices are fixed  
annually;

Whereas the guaranteed prices valid for 1979/80 for cane sugar originating  
in the ACP States have been fixed by Agreements in the form of exchanges of  
letters with the relevant ACP States; whereas it is now necessary for the  
Council to fix the same guaranteed prices for cane sugar originating in the  
overseas countries and territories concerned,

HAS ADOPTED THIS REGULATION:

Article 1

For the period 1 July 1979 to 30 June 1980 the guaranteed prices referred  
to in Article 4(4) of Annex IV to Decision 76/568/EEC shall be as follows:

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<sup>1</sup>OJ No L 25, 30. 1.1976, p. 1

<sup>2</sup>OJ No L 176, 1. 7.1976, p. 8

- (a) for raw sugar, 34.13 units of account per 100 kilograms;
- (b) for white sugar, 42.30 units of account per 100 kilograms.

These prices refer to sugar of standard quality as defined in Community rules, unpacked and cif European ports in the Community.

Article 2

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

It shall apply with effect from

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

Done at Brussels,

For the Commission

The President



# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(79) 289 final

Brussels, 4 June 1979

Proposal for a  
COUNCIL REGULATION (EEC)

fixing, for the 1979/80 sugar marketing year, the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments

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(submitted to the Council by the Commission)

COM(79) 289 final





## EXPLANATORY MEMORANDUM

I. Proposed Council Regulation fixing, for the 1979/80 sugar marketing year, the differential charge applicable to raw preferential sugar and the differential amount to apply to raw cane sugar produced in the French overseas departments

The basic sugar regulation provides that where the margin necessary for the refining of raw preferential sugar exceeds the raw beet sugar refining margin taken into account in the determination of the relevant Community prices then a differential charge shall be made on raw preferential sugar when it is refined in a "mixed" refinery. As this will be the case in 1979/80 this proposal is for the purpose of fixing the said charge.

The basic regulation also provides that an amount equal to the charge referred to above shall be granted for the raw sugar which is produced in the French overseas departments and refined in a pure refinery, and this is also provided for in this proposal.

Proposal for a  
COUNCIL REGULATION

fixing, for the 1979/80 sugar marketing year, the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments

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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 1396/78 (2), and in particular Articles 9 (5) and 47 (1) thereof,

Having regard to the proposal from the Commission,

Whereas Article 46 (1) of Regulation (EEC) No 3330/74 provides that where there is a difference between, on the one hand, the raw sugar refining margin used to determine the intervention and threshold prices for raw sugar and, on the other hand, the margin necessary for the refining of raw preferential sugar, a differential charge to be made on the latter sugar shall be fixed for the sugar marketing year in question;

Whereas the bulk of the raw preferential sugar cannot be refined unless use is made of the refineries defined in Article 9 (7) of Regulation (EEC) No 3330/74; whereas the margin required for the refining of the said sugar in such refineries is greater, according to the information at present to hand, than that taken into account when determining the intervention and threshold prices for raw sugar for the 1979/80 sugar marketing year; whereas a differential charge should therefore be fixed for that year; whereas the amount thereof may be fixed at a flat rate of 2.04 Ecu of sugar expressed as white sugar, taking into account certain differences in the costs concerned;

Whereas Article 46 (2) (b) of Regulation (EEC) No 3330/74 makes provision for the non-application of whole or part of the differential charge

to any raw preferential sugar which is imported into regions of the Community and refined there in a production unit other than a refinery as defined in Article 9 (7) of that Regulation; whereas, having regard to

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

(2) OJ No L 170, 27.6.1978, p.1

the traditional patterns of supplies of the said sugar to Ireland, a maximum quantity of 30 000 tonnes of that sugar, expressed in white value, refined in that region in the 1978/79 sugar marketing year was exempted from the differential charge; whereas, for the same reasons, that exemption should be continued in respect of Ireland for the 1979/80 sugar marketing year; Whereas the second subparagraph of Article 9 (3) of Regulation (EEC) No 3330/74 provides, in particular, that where a differential charge has been fixed, a differential amount equal to that charge shall be granted in respect of the raw sugar produced in the French overseas departments, refined in a refinery defined in paragraph 7 of that Article and situated in the Community; whereas that amount should therefore be fixed at 2,04 Ecu per 100 kilograms of white sugar,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation shall apply to the 1979/80 sugar marketing year.

Article 2

The differential charge provided for in Article 46 (1) of Regulation (EEC) No 3330/74 shall be 2.04 Ecu per 100 kilograms of sugar expressed in white value by reference to a raw sugar yield calculated by doubling the degree of polarization of that sugar and deducting 100 therefrom. However, this charge shall not apply to raw preferential sugar refined during the 1979/80 sugar marketing year in Ireland subject to a maximum of 30 000 tonnes of sugar expressed in white value.

Article 3

The differential amount provided for in the second subparagraph of Article 9 (3) of Regulation (EEC) No 3330/74 shall be 2.04 Ecu per 100 kilograms of white sugar.

Article 4

This Regulation shall enter into force on 1 July 1979.

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

Done at Luxembourg,

For the Council

# FINANCIAL STATEMENT

Date : 17. 5.1979

1. BUDGET HEADING : Chap.11 (sugar receipts) and heading 6414 (measures FOD-sugar)

APPROBIATIONS :

2. TITLE : Proposal of Council Regulation fixing for the 1979/80 sugar marketing year the differential charge to be levied on raw preferential sugar and the differential amount to be granted in respect of raw cane sugar from the French overseas departments

3. LEGAL BASIS : Articles 9 and 47 of Council Regulation (EEC) No 3330/74

4. AIMS OF PROJECT : To charge a levy on raw preferential sugar refined in a sugar factory and to grant a similar amount to raw sugar from FOD in order to avoid distortions of competition

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR ( 79 )	FOLLOWING FINANCIAL YEAR ( 80 )
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (mEua INTERVENTIONS)	5,7	2,3	3,4
5.1 RECEIPTS - OWN RESOURCES OF THE EC (LEVIES/...)	p.m.	p.m.	p.m.

5.0.1 ESTIMATED EXPENDITURE  
5.1.1 ESTIMATED RECEIPTS

Measure limited to the marketing year 1979/80

5.2 METHOD OF CALCULATION

$$300.000 \text{ t} \times 20,43 \text{ Ecu/t} = 6,13 \text{ mEcu} = 5,7 \text{ mEua}$$

charges: negligible quantities

6.0 CAN THE PROJECT BE FINANCED FROM APPROBIATIONS ENTITLED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET ?

YES/NO

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?

YES/NO

6.2 IS A SUPPLEMENTARY BUDGET BE NECESSARY ?

YES/NO

6.3 WILL FUTURE BUDGET APPROBIATIONS BE NECESSARY ?

YES/NO

OBSERVATIONS : The present measure is not of a new nature; it was provided for by the basic Regulation (EEC) No 3330/74 and has been applied in all marketing years since the Protocol no 3 on ACP-sugar annexed to the Lomé-Convention entered into force.