

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM (75) 533 final.

Brussels, 24 October 1975.

PROPOSAL FOR A REGULATION (EEC) OF THE COUNCIL  
AMENDING REGULATION (EEC) No 1955/75 ON PRODUCTION  
REFUNDS IN THE CEREALS AND RICE SECTORS.

---

(Submitted by the Commission to the Council.)

## EXPLANATORY MEMORANDUM

1. This amendment to Council Regulation No 1955/75 is proposed in order to permit Italy to continue paying a supplement to the maize starch production refund, but at a reduced rate compared with that in previous years.
2. This supplement which has remained at 3,0 ua/ton since its introduction in 1967, is designed to compensate Italian starch producers for the higher imported maize prices they are obliged to pay compared with their more favourably placed Northern European competitors.
3. As, however, the general rate of refund has now reduced to 10 ua, a supplement of 3 ua (+ 30 %) would be excessive. Furthermore, since the enlargement of the Community the position of Italy is less disadvantageous compared with other Member States (eg. Denmark) than was the case previously. On the other hand, to suppress the supplement entirely could, in present conditions, lead to difficulties in the Italian starch industry. The rate proposed for 1975/1976, 1,50 ua/ton should permit a smoother transition to a situation without supplement in the future. It represents a reduction of 50% compared with the rate in 1967. This is the same percentage reduction as that on the general rate of refund over the same period.
4. To reduce the supplement in Italy by 1,50 ua/ton should save about 0,6 mio. ua in a full year.

REGULATION (EEC) No /75 OF THE COUNCIL

of

amending Regulation (EEC) No 1955/75 on production refunds in the cereals and  
rice sectors

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation No 120/67/EEC <sup>1)</sup> of 13 June 1967 on the  
common organization of the market in cereals, as last amended by Regulation  
(EEC) No 665/75 <sup>2)</sup>, and in particular Article 11 (3) thereof;

Having regard to the proposal from the Commission;

Whereas an assessment of the special situation of the maize starch industry in  
Italy indicates that, in order to allow that industry to adapt to the conditions  
normally obtaining in other Member States the production refund on maize for the  
manufacture of starch specified in paragraph 1 of Article 1 of Regulation (EEC)  
No 1955/75 of 22 July should be increased in Italy by 1.50 units of account per  
metric ton during the 1975/1976 marketing year;

HAS ADOPTED THIS REGULATION:

Article 1

The text of Article 1 of Regulation (EEC) No 1955/75 shall be completed by the  
addition of the following paragraph:

"4. The production refund on maize used for the manufacture of starch in Italy  
during the 1975/1976 marketing year shall be increased by 1.50 units of  
account per metric ton of maize".

Article 2

This Regulation shall enter into force on the day of its publication in the  
Official Journal of the European Communities. It shall apply as from 1 August 1975.

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

For the Council

1) OJ No L 117, 19.6.1967, p. 2269.  
2) OJ No L 72, 20.3.1975, p. 14.

The President

✓

# FINANCIAL STATEMENT

Annex to Doc. ....

Date 16.10.75 /MR.

1. Line of the Budget concerned : 601 (Cereals Intervention)

2. Title of the action : Draft Council Regulation amending R. 1955/75 on production refunds in the cereals and rice sectors.

3. Legal basis : Article 11 of Regulation No 120/67/EEC.

4. Objectives of the action : To compensate Italian starch producers for the higher import prices they have to pay for maize.

5.0 Cost of the action	during the campaign	current exercise ( )	following exercise( )
charge to the EC Budget	600,000 ua	300,000 ua	300,000 ua
charge to the national administrations			
charge to other national sectors			

5.1 Estimated costs	Year 1976..	Year ..1977.	Year 1978..
	300,000 ua	0	0

5.2 Method of calculation

& 400,000 tons x 1,5 ua

6.1 Possible financing by credits written into the relative chapter of the current Budget

Yes                      X N X X

6.2 ~~Possible financing by transfers between chapters of the current Budget~~

~~X X X X                      X N X X~~

6.3 Necessity for a supplementary Budget

X X X X                      No

6.4 Credits to be written into future budgets                      1976

Comments : It should be noted that this supplement to the refund is reduced by half compared with previous years.

3 As a result, this measure should result in economies compared with previous year.