

Official Journal

of the European Communities

ISSN 0378-6978

L 181

Volume 35

1 July 1992

English edition

Legislation

Contents

I *Acts whose publication is obligatory*

- ★ **Council Regulation (EEC) No 1762/92 of 29 June 1992 on the implementation of the Protocols on financial and technical cooperation concluded by the Community with Mediterranean non-member countries** 1
- ★ **Council Regulation (EEC) No 1763/92 of 29 June 1992 concerning financial cooperation in respect of all Mediterranean non-member countries** 5
- ★ **Council Regulation (EEC) No 1764/92 of 29 June 1992 amending the arrangements for the import into the Community of certain agricultural products originating in Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria and Tunisia** 9
- ★ **Council Regulation (EEC) No 1765/92 of 30 June 1992 establishing a support system for producers of certain arable crops** 12
- ★ **Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organization of the market in cereals** 21

2

Acts whose titles are printed in light type are those relating to day-to-day management of agricultural matters, and are generally valid for a limited period.

The titles of all other Acts are printed in bold type and preceded by an asterisk.

I

(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1762/92

of 29 June 1992

on the implementation of the Protocols on financial and technical cooperation concluded
by the Community with Mediterranean non-member countries

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the decisions concerning the conclusion of protocols on financial and technical cooperation between the Community and non-member Mediterranean countries, hereinafter referred to as 'the Protocols',

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Whereas the Protocols provide for operations financed from the Community budget in the form of grants, special loans, contributions to the constitution of risk capital and loans from the own resources of the European Investment Bank, hereinafter referred to as 'the Bank';

Whereas it is necessary to lay down the detailed arrangements and the rules for the administration of financial cooperation;

Whereas, in loan operations involving interest-rate subsidies, the granting of a loan by the Bank from its own resources and the granting of an interest-rate subsidy financed by the budgetary resources of the Community must be linked and are conditional upon each other; whereas the Bank may, in accordance with its statute, and in particular by a unanimous decision of its Board of Directors in the presence of an unfavourable opinion by the Commission, decide to grant a loan from its own resources, subject to granting of the interest-rate subsidy; whereas, on account of this aspect, it is necessary to ensure that the procedure adopted for granting interest-rate subsidies results in every case in an express decision, whether to grant the subsidy or to refuse it, where appropriate;

Whereas it is necessary to make provision for a Committee consisting of representatives of the Member States to assist the Bank in the tasks attributed to it to implement this Regulation;

Whereas on 5 June 1984 and on 16 May 1989 the Council adopted resolutions on the coordination of cooperation policies and operations within the Community;

Whereas, for the purposes of adoption of this Regulation, the only powers provided for by the Treaty are those under Article 235,

HAS ADOPTED THIS REGULATION:

Article 1

In implementing aid to the recipient countries, the Commission shall ensure the application of the policy guidelines for financial and technical cooperation agreed with these countries in the context of the new Mediterranean policy and its updating and of the development cooperation policy laid down by the Council.

Article 2

1. In order to ensure consistency of cooperation and to improve complementarity between operations, Member States, the Commission and the Bank shall exchange any relevant information on financing that they envisage granting.

Possibilities for co-financing shall be sought when information is exchanged.

2. Member States, the Commission and the Bank shall also communicate, within the framework of the committee referred to in Article 6, information in their possession on other bilateral and multilateral aid for the recipient countries.

⁽¹⁾ OJ No C 157, 15. 6. 1991, p. 7.

⁽²⁾ OJ No C 67, 16. 3. 1992.

Article 3

1. Operations in support of a structural adjustment programme shall be implemented on the basis of the following principles:

- support programmes shall be adapted to the particular situation of each country and take economic and social conditions into account,
- support programmes shall provide in particular for measures to alleviate any negative effects which the structural adjustment process may have in social terms and with regard to employment, in particular for disadvantaged population groups,
- rapid disbursement shall be one of the main characteristics of the support programmes.

2. The following eligibility criteria must be met:

- the country concerned must carry out a reform programme approved by the Bretton Woods institutions or implement programmes recognized as similar in concert with those institutions, although not necessarily backed by them, in line with the scale and effectiveness of the reforms at macro-economic level,
- account will be taken of the economic situation of the country, with particular reference to its level of indebtedness and debt service burden, the balance of payments situation and the availability of foreign currency, the budgetary situation, the monetary situation, per capita gross domestic product and the level of unemployment.

3. Projects eligible for financing shall take the form, for example, of:

- (a) technical assistance measures linked to the support programme concerned, at macro-economic level and in sectors particularly affected by structural adjustment;
- (b) sectoral or general import programmes or job creation programmes.

4. The aim of the import programmes is to contribute to the expansion of production capacity. The counterpart funds generated by the import programmes shall be used to finance measures aimed at mitigating the adverse social repercussions of structural adjustment, and, in particular, for job creation.

5. In analysing the situation of the countries eligible in accordance with paragraph 2 and on the basis of the criteria referred to in that paragraph, the Commission shall appraise the scope and effectiveness of the reforms undertaken in the areas covered by these criteria.

Aid given for structural adjustment must be linked directly to the adjustment operations and measures of the recipient country.

6. The procedures for the award of contracts must be sufficiently flexible for adaptation to the recipient country's normal administrative and commercial practices. In cases in the private sector where it is genuinely impractical to adhere to the procedures detailed in the Protocols, Articles 116, 117 and 118 of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities⁽¹⁾ shall be applied and the precise procedures to be followed explicitly established on a case-by-case basis under the terms of individual finance proposals. For imports in the public and semi-public sectors, however, the usual procedures stipulated in the Protocols for the award of public contracts shall be followed.

7. The Commission shall inform the Member States, whenever necessary and at least once a year, of the implementation of structural adjustment operations and of any problem arising in connection with the continuing eligibility of these operations.

Article 4

1. Financing decisions relating to projects or operations financed from the Community budget shall be adopted in accordance with the following procedures.

2. Financing decisions other than those concerning interest-rate subsidies on Bank loans, risk capital and special loans shall be adopted in accordance with the procedure laid down in Article 6.

Financing decisions relating to global credits for technical cooperation, training and trade promotion projects shall be adopted in accordance with the procedure laid down in Article 6; the Commission shall regularly inform the Committee referred to in that Article of the utilization of such global credits.

⁽¹⁾ OJ No L 356, 31. 12. 1977, p. 1. Financial Regulation as last amended by Regulation (Euratom, ECSC, EEC) No 610/90 (OJ No L 70, 16. 3. 1990, p. 1).

Decisions amending decisions adopted in accordance with the procedure laid down in Article 6 shall be adopted by the Commission where they do not contain any substantial amendments or additional commitments in excess of 20 % of the original commitment.

3. Financing decisions relating to interest-rate subsidies on Bank loans shall be adopted in accordance with the procedure laid down in Article 7.

4. Financing decisions relating to risk capital and loans on special terms shall be adopted in accordance with the procedure laid down in Article 8.

Article 5

1. Measures referred to in this Regulation which are financed from the budget of the Communities shall be administered by the Commission, without prejudice to the management by the Bank of interest-rate subsidies, risk-capital operations and loans on special terms under authority conferred on it by the Commission on behalf of the Community pursuant to Article 105 (3) of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.

2. At least once a year, the Commission and the Bank shall send the Member States the information collected from the eligible countries concerning the sectors and projects already known which could be supported under this Regulation.

Article 6

1. The Commission shall be assisted by a Committee known as the 'MED Committee', made up of representatives of the Member States and chaired by a representative of the Commission. A representative of the Bank shall take part in the proceedings, without the right to vote.

2. The representative of the Commission shall submit to the Committee a draft of the measures to be taken. The Committee shall deliver its opinion on the draft within a time limit which the Chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty in the case of decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the Committee shall be weighted in the manner set out in that Article. The Chairman shall not vote.

(3) (a) The Commission shall adopt the measures envisaged if they are in accordance with the opinion of the Committee.

(b) If the measures envisaged are not in accordance with the opinion of the Committee, or if no opinion is delivered, the Commission shall, without delay, submit to the Council a proposal relating to the measures to be taken. The Council shall act by a qualified majority.

If, on the expiry of a period of three months from the date of referral to it, the Council has not acted, the proposed measures shall be adopted by the Commission.

4. The Committee shall adopt its rules of procedure unanimously on the basis of a draft to be submitted to it by the Commission.

Article 7

1. As regards the projects to be financed by subsidized loans, the Bank shall draw up the financing proposal in accordance with the provisions of its Statute.

The Bank shall seek the opinion of the Commission, in accordance with Article 21 of its Statute, and of the Committee provided for in Article 9 of this Regulation.

2. The Committee shall issue an opinion on the Bank's proposal. The representative of the Commission shall convey to the Committee the Commission's position on the project concerned, and in particular on its conformity with the objectives of the Protocol concluded with the country concerned and with the general guidelines adopted by the Council.

In addition, the Committee shall be informed by the Bank of non-subsidized loans which the Bank envisages granting from its own resources.

3. On the basis of that consultation, the Bank shall request the Commission to take a financing decision to grant the interest-rate subsidy for the project concerned.

4. The Commission shall submit to the MED Committee a draft decision authorizing or, where appropriate, refusing the funding of the interest-rate subsidy. The decision shall be taken in accordance with the procedure laid down in Article 6.

5. The Commission shall communicate the decision referred to in paragraph 4 to the Bank, which, where the decision grants the subsidy, may grant the loan.

Article 8

1. The Bank shall submit projects concerning risk-capital operations to the Committee provided for in Article 9 for its opinion. The representative of the Commission shall convey to the Committee the Commission's position on the project concerned and in

particular on its conformity with the objectives of the Protocol concluded with the country concerned and with the general guidelines adopted by the Council.

2. On the basis of that consultation, the Bank shall forward the project to the Commission.

3. The Commission shall take the financing decision within a period appropriate to the characteristics of the project.

4. The Commission shall forward the decision referred to in paragraph 3 to the Bank, which shall take the appropriate measures.

Article 9

1. A Committee consisting of the representatives of the Member States, hereinafter referred to as the 'Article 9 Committee', shall be set up at the Bank.

The Committee shall be chaired by the representative of the Member State currently holding the presidency of the Board of Governors of the Bank; its secretariat shall be provided by the Bank. A representative of the Commission shall take part in its proceedings.

2. The rules of procedure of the Committee shall be adopted unanimously by the Council.

3. The Committee shall act by a qualified majority in accordance with Article 148 (2) of the Treaty.

4. Within the Committee, the votes of the representatives of the Member States shall be weighted in accordance with Article 148 (2) of the Treaty.

Article 10

1. Without prejudice to the Bank's mandate provided for in Article 5, the Commission shall be responsible for the implementation of aid and for the terms under which

the projects and operations financed with this aid are implemented by the recipient countries or by any other recipients for which provision is made in each of the Protocols concluded with such countries.

2. In close liaison with the relevant authorities of the recipient country or countries, the Commission shall also be responsible for the terms under which the projects financed with Community aid are used by the recipients.

3. In carrying out the controls required by paragraphs 1 and 2, the Commission shall examine, jointly with the Bank, the extent to which the objectives chosen in accordance with the agreements and protocols concluded with the recipient countries have been achieved.

4. The Commission shall send an annual report on the implementation of aid, notably as regards compliance with the terms of paragraphs 1, 2 and 3, to the European Parliament and the Council.

Article 11

The Commission and the Bank, each acting in respect of the projects for which it is responsible, shall evaluate the main projects with the aim of finding out whether the objectives set when the projects were identified have been achieved and of establishing guidelines designed to improve the efficiency of future aid. These evaluation reports shall be forwarded to the Member States.

Article 12

Regulation (EEC) No 3973/86 (*) is hereby repealed.

Article 13

This Regulation shall enter into force on the third day following that of 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 Luxembourg, 29 June 1992.

For the Council

The President

Jorge BRAGA DE MACEDO

(*) OJ No L 370, 30. 12. 1986, p. 5.

COUNCIL REGULATION (EEC) 1763/92

of 29 June 1992

concerning financial cooperation in respect of all Mediterranean non-member countries

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Whereas, with a view to establishing a new Mediterranean policy, at its meeting held on 18 and 19 December 1990 the Council adopted a resolution concerning financial cooperation in respect of all Mediterranean non-member countries;

Whereas in that resolution it was agreed, *inter alia*, that the measures implemented pursuant to the financial protocols concluded with the Mediterranean non-member countries should be supplemented by other types of measure, namely those the scope of which extends beyond the context of a single country and those which concern the environment;

Whereas there should be a programme lasting five years (1992 to 1996);

Whereas an amount of ECU 230 million is deemed necessary, in terms of financial resources from the budget, for implementing this multiannual programme, including ECU 25 million for risk capital; whereas for 1992, under the current financial perspective, the amount deemed necessary is ECU 46 million;

Whereas the amounts to be committed for financing the programme for the period subsequent to 1992 will have to form part of the Community financial framework in force;

Whereas the Council has decided that the part of the loans granted by the European Investment Bank, hereinafter referred to as 'the Bank', from its own resources under conditions laid down by it, in accordance with its Statute, in respect of environmental projects will receive an interest-rate subsidy and whereas an amount should therefore be set aside from budgetary resources for that purpose;

Whereas it is necessary to lay down the detailed arrangements and the rules governing cooperation relating to measures financed from budgetary resources;

Whereas in loan operations involving interest-rate subsidies, the granting of a loan by the Bank from its own resources and the granting of an interest-rate subsidy financed by the budgetary resources of the Community must be linked and are conditional upon each other; whereas the Bank may, in accordance with its Statute, and in particular by a unanimous decision of its Board of Directors in the presence of an unfavourable opinion by the Commission, decide to grant a loan from its own resources, subject to granting of the interest-rate subsidy; whereas, on account of this aspect, it is necessary to ensure that the procedure adopted for granting interest-rate subsidies results in every case in an express decision, whether to grant the subsidy or to refuse it, where appropriate;

Whereas it is necessary to make provision for a Committee consisting of representatives of the Member States to assist the Bank in the tasks attributed to it to implement this Regulation;

Whereas, for the purposes of adoption of this Regulation, the only powers provided for by the Treaty are those under Article 235,

HAS ADOPTED THIS REGULATION:

Article 1

1. In order to give effect to the new Mediterranean policy, the Community shall implement measures intended to supplement those financed pursuant to the financial protocols concluded with the Mediterranean non-member countries.

2. Paragraph 1 shall apply to all Mediterranean non-member countries with which the Community has concluded association or cooperation agreements.

3. In order to focus more clearly on the regional character of such cooperation, which should not be disproportionately advantageous to any one country in particular, the Community shall endeavour to strike a balance in its intervention measures between the various regions and countries concerned. With this in mind, the Commission and the Bank shall conduct annual assessment of the financing involved and of its regional apportionment.

Article 2

1. The programme shall be of five years' duration (1992 to 1996).

⁽¹⁾ OJ No C 68, 16. 3. 1991, p. 11 and OJ No C 48, 22. 2. 1992, p. 16.

⁽²⁾ OJ No C 39, 17. 2. 1992.

2. The amount of Community financial resources deemed necessary for its implementation shall be ECU 230 million, including ECU 46 million for 1992 under the 1988 to 1992 financial perspective ⁽¹⁾.

For the subsequent period of application of the programme, the amount will have to come within the Community financial framework in force.

3. The budgetary authority shall determine the appropriations available for each financial year taking into account the principles of sound management referred to in Article 2 of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities ⁽²⁾.

4. The greater part of the amount deemed necessary for environmental protection measures in the Mediterranean basin shall cover interest-rate subsidies on loans granted by the Bank.

Article 3

1. The purpose of the measures to be carried out pursuant to Article 1 shall be:

- the implementation of operations of regional interest,
- cooperation with regard to the environment,
- the encouragement of investment, by means of risk capital, on behalf of European operators for the financing of partnership.

Cooperation may also concern demographic matters linked to development measures, in particular those relating to population growth.

The cultural dimension of development shall be taken into account in the measures carried out by way of the cooperation established by this Regulation.

2. The types of measure relating to the operations of regional interest referred to in paragraph 1 shall be as follows:

- feasibility studies in respect of regional infrastructure projects,
- support for measures of interest for one or more Mediterranean non-member countries and the Community and support for the process of

⁽¹⁾ An indicative breakdown of the amount deemed necessary is provided in the Annex.

⁽²⁾ OJ No L 356, 31. 12. 1977, p. 1. Financial Regulation as last amended by Regulation (Euratom, ECSC, EEC) No 610/90 (OJ No L 70, 16. 3. 1990, p. 1).

integration in the region through technical cooperation, in particular technical assistance, training measures, seminars and studies.

Such support in the form of technical assistance shall be furnished also to institutions and bodies working to promote integration in the region.

3. The types of measures relating to cooperation on the environment shall be as follows:

- the financing of 3 % interest-rate subsidies for loans granted, outside the framework of the financial protocols, by the Bank from its own resources for investment purposes,
- measures which have a catalytic effect, such as pilot or demonstration projects, including those relating to the protection of the waters of the Mediterranean and training measures.

4. Risk capital shall be used first and foremost to make available own funds, or funds regarded as such, to undertakings (private or mixed) in the production sector which bring together natural or legal persons who are nationals of a Community Member State and of a Mediterranean non-member country. They may also be used to fund measures for identifying projects and partners and specific studies for the preparation and development of projects of interest to this type of undertaking and to provide assistance to the latter during the starting-up period.

Article 4

Apart from the risk capital provided for in Article 3 (1), Community financing for the measures referred to in this Regulation shall take the form of grants.

The aid referred to in this Regulation may be combined with the Bank's own-resources funding and granted on a co-financing basis with Member States, non-member countries in the region, multilateral bodies or beneficiary countries themselves. Wherever possible, the Community nature of the aid shall be preserved.

Contracts for the implementation of Community-funded projects or measures under this Regulation shall enjoy, in the Mediterranean non-member countries concerned, fiscal and customs arrangements no less favourable than those applied by such countries in respect of the most favoured State or most favoured international development organization. The content of such arrangements shall be fixed by common agreement between the parties.

Article 5

1. Financing decisions other than those relating to interest-rate subsidies on Bank loans and risk capital shall be adopted in accordance with the procedure laid down in Article 7.

Financing decisions relating to global credits for technical cooperation, training and trade promotion projects shall be adopted in accordance with the procedure laid down in Article 6; the Commission shall regularly inform the Committee referred to in that Article of the utilization of such global credits.

Decisions amending decisions adopted in accordance with the procedure provided for in Article 7 shall be adopted by the Commission where they do not contain any substantial amendments or additional commitments in excess of 20 % of the original commitment.

2. Financing decisions relating to interest-rate subsidies on Bank loans shall be adopted in accordance with the procedure laid down in Article 8.

3. Financing decisions relating to risk capital shall be adopted in accordance with the procedure laid down in Article 9.

Article 6

1. Measures referred to in this Regulation which are financed from the budget of the Communities shall be administered by the Commission, without prejudice to the management by the Bank of interest-rate subsidies and risk-capital operations under authority conferred on it by the Commission on behalf of the Community pursuant to Article 105 (3) of the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.

2. At least once a year the Commission and the Bank shall send the Member States the information collected from the eligible countries concerning the sectors and projects already known which could be supported under this Regulation.

Article 7

1. The Commission shall be assisted by the MED Committee set up by Article 6 of Council Regulation (EEC) No 1762/92 of 29 June 1992 on the implementation of the Protocols on financial and technical cooperation concluded by the Community with Mediterranean non-member countries ⁽¹⁾.

2. The representative of the Commission shall submit to the Committee a draft of the measures to be taken.

⁽¹⁾ See p. 1 of this Official Journal.

The Committee shall deliver its opinion on the draft within a time limit which the Chairman may lay down according to the urgency of the matter. The opinion shall be delivered by the majority laid down in Article 148 (2) of the Treaty in the case of decisions which the Council is required to adopt on a proposal from the Commission. The votes of the representatives of the Member States within the Committee shall be weighted in the manner set out in that Article. The Chairman shall not vote.

3. (a) The Commission shall adopt the measures envisaged if they are in accordance with the opinion of the Committee.

(b) If the measures envisaged are not in accordance with the opinion of the Committee, or if no opinion is delivered, the Commission shall, without delay, submit to the Council a proposal relating to the measures to be taken. The Council shall act by a qualified majority.

If, on the expiry of a period of three months from the date of referral to it, the Council has not acted, the proposed measures shall be adopted by the Commission.

Article 8

1. As regards the projects to be financed by subsidized loans, the Bank shall draw up the financing proposal in accordance with its Statute.

The Bank shall seek the opinion of the Commission, in accordance with Article 21 of the Statute, and of the Article 9 Committee set up by Article 9 of Regulation (EEC) No 1762/92.

2. That Committee shall issue an opinion on the Bank's proposal. The Commission representative shall convey to the Committee the position of his Institution on the project concerned, and in particular on its conformity with the objectives of this Regulation and with the general guidelines adopted by the Council.

In addition, the Committee shall be informed by the Bank of the non-subsidized loans which the Bank envisages granting from its own resources.

3. On the basis of that consultation, the Bank shall ask the Commission to take a financing decision to grant the interest-rate subsidy for the project concerned.

4. The Commission shall submit to the MED Committee a draft decision authorizing or, if appropriate, refusing the financing of the interest-rate subsidy.

The decision shall be taken according to the procedure laid down in Article 6 of Regulation (EEC) No 1762/92.

5. The Commission shall forward the decision referred to in paragraph 4 to the Bank, which, where the decision grants the subsidy, may grant the loan.

Article 9

1. The Bank shall submit to the Article 9 Committee, for its opinion, projects concerning risk-capital operations. The Commission representative shall convey to the Committee the position of his Institution on the project concerned and in particular on its conformity with the objectives of this Regulation and with the general guidelines adopted by the Council.

2. On the basis of this consultation, the Bank shall forward the project to the Commission.

3. The Commission shall take the financing decision within a period appropriate to the characteristics of the project.

4. The Commission shall forward the decision referred to in paragraph 3 to the Bank, which shall take the appropriate measures.

Article 10

1. The Commission shall, together with the Bank, examine progress achieved in implementing the cooperation undertaken pursuant to this Regulation and shall inform the European Parliament and the Council thereof once a year.

2. The Commission and the Bank shall evaluate the main projects completed in respect of the projects that concern each of them, in order to determine whether the objectives defined at the time of the examination of the projects have been achieved and to establish guidelines for stepping up the effectiveness of future aid activities. These evaluation reports shall be made available to all Member States.

Article 11

This Regulation shall enter into force on the third day following that of 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 Luxembourg, 29 June 1992.

For the Council

The President

Jorge BRAGA DE MACEDO

ANNEX

Indicative breakdown of the amount deemed necessary for the programme

The breakdown of the total amount of ECU 230 million deemed necessary includes the following indicative amounts:

- from ECU 115 to 120 million for measures in the field of environmental protection, ECU 100 million of which is for interest-rate subsidies on Bank loans,
- from ECU 85 to 90 million for measures of regional interest (feasibility studies, technical assistance for regional integration and any interest-rate subsidies for sectors other than the environment),
- ECU 25 million for risk capital.

On the basis of information sent by the Commission and the Bank to Member States as stipulated in Article 6 (2), an exchange of views may take place on a more accurate breakdown of amounts by type of measure in the field of environmental protection and measures of regional interest.

COUNCIL REGULATION (EEC) No 1764/92

of 29 June 1992

amending the arrangements for the import into the Community of certain agricultural products originating in Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria and Tunisia

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 proposal from the Commission,

Whereas, in the general context of a new Mediterranean policy, in order to strengthen the links and increase cooperation with the countries of the region, the Council and the Commission adopted a Resolution on trade with Mediterranean non-member countries at the Council meeting on 18 and 19 December 1990;

Whereas that Resolution provides in particular for the implementation of measures to promote agricultural exports from those countries to the Community and whereas the detailed arrangements for the application of such measures must therefore be defined;

Whereas, in order to do this, it is necessary to amend the arrangements for imports into the Community under the provisions of the Protocols to the Association or Cooperation Agreements with Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, Syria and Tunisia,

HAS ADOPTED THIS REGULATION:

Article 1

1. The customs duties applicable on 31 December 1991 in the Community as constituted on 31 December 1985 to products listed in Annex II to the Treaty, which originate in the Mediterranean non-member countries in question and for which tariff dismantling is to extend beyond 1 January 1993 pursuant to the Protocols to the Association or Cooperation Agreements shown in Annex

I hereto, shall be abolished in two equal stages, from 1 January 1992 and from 1 January 1993.

2. Paragraph 1 shall apply within the limits, if any, of the tariff quotas and timetables laid down in the Protocols referred to in that paragraph and shall take account of any special provisions laid down therein.

3. When, as a result of the application of paragraph 1, customs duties reach a level of 2 % or less, they shall be suspended in full.

This measure shall apply *mutatis mutandis* to specific customs duties which do not exceed 2 % *ad valorem*.

Article 2

1. The tariff quotas and reference quantities laid down, for products listed in Annex II to the Treaty, in the Protocols referred to in Article 1 shall be increased, in four equal stages of 5 % each year from 1992 to 1995 within the limits of the timetables referred to in Article 1 (2).

This increase shall be 3 % for tariff quotas for products listed in Annex II to this Regulation.

2. The increase in tariff quotas shall be applied to products originating in Cyprus only if an increase is not already provided for in the Protocol concluded between the Community and the Republic of Cyprus referred to in Annex I to this Regulation.

Article 3

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

It shall apply from 1 June 1992.

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

Done at Luxembourg, 29 June 1992.

For the Council

The President

Jorge BRACA DE MACEDO

ANNEX I

List of protocols referred to in Article 1

- Additional Protocol to the Cooperation Agreement between the European Economic Community and the People's Democratic Republic of Algeria (OJ No L 297, 21. 10. 1987, p. 1);
 - Protocol laying down the conditions and procedures for the implementation of the second stage of the Agreement establishing an Association between the European Economic Community and the Republic of Cyprus and adapting certain provisions of the Agreement (OJ No L 393, 31. 12. 1987, p. 1);
 - Additional Protocol to the Cooperation Agreement between the European Economic Community and the Arab Republic of Egypt (OJ No L 297, 21. 10. 1987, p. 10);
 - Fourth Additional Protocol to the Agreement between the European Economic Community and the State of Israel (OJ No L 327, 30. 11. 1988, p. 35);
 - Additional Protocol to the Cooperation Agreement between the European Economic Community and the Hashemite Kingdom of Jordan (OJ No L 297, 21. 10. 1987, p. 18);
 - Additional Protocol to the Cooperation Agreement between the European Economic Community and the Lebanese Republic (OJ No L 297, 21. 10. 1987, p. 28);
 - Supplementary Protocol to the Agreement establishing an Association between the European Economic Community and Malta (OJ No L 81, 23. 3. 1989, p. 1);
 - Additional Protocol to the Cooperation Agreement between the European Economic Community and the Kingdom of Morocco (OJ No L 224, 13. 8. 1988, p. 17);
 - Additional Protocol to the Cooperation Agreement between the European Economic Community and the Syrian Arab Republic (OJ No L 327, 30. 11. 1988, p. 57);
 - Additional Protocol to the Cooperation Agreement between the European Economic Community and the Republic of Tunisia (OJ No L 297, 21. 10. 1987, p. 35).
-

ANNEX II

List of products referred to in Article 2 (1) for which the annual increase in tariff quotas laid down in the protocols shall be limited to 3 %

CN code	Description
0603 10	Cut flowers and flower buds of a kind suitable for bouquets or for ornamental purposes, fresh
0701 90 51 0701 90 59	New potatoes, fresh or chilled
0702 00 10	Tomatoes, fresh or chilled
ex 0805 10	Fresh oranges
ex 0805 20	Mandarines, clementines and similar citrus hybrids, fresh
ex 0812 90 20	Oranges, finely ground
2002 10 10	Tomatoes, peeled
2009 11 } 2009 19 }	Orange juice
2204 21 } 2204 29 }	Wine of fresh grapes

COUNCIL REGULATION (EEC) No 1765/92

of 30 June 1992

establishing a support system for producers of certain arable crops

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas the common agricultural policy aims to attain the objectives referred to in Article 39 of the Treaty, taking account of the market situation;

Whereas, in order to ensure better market balances, a new support system has to be established; whereas the best way to achieve this objective is to approximate the Community prices of certain arable crops to the prices of the world market and to compensate the loss of income caused by the reduction of the institutional prices by a compensatory payment for producers who sow such products; whereas therefore the area eligible should be restricted to the area down to arable crops or publicly funded set aside in the past; whereas application of this principle at the level of the individual producer would give rise to problems which differ between Member States; whereas therefore the Member States should have the opportunity to choose between individual past references and regional ones in the light of their specific circumstances;

Whereas the new support system shall be applied with effect from the marketing year 1993/94 onwards;

Whereas the compensatory payments should be introduced for existing holdings and the participation in the support system should be voluntary,

Whereas such compensatory payments should reflect the specific structural characteristics that influence yield and whereas the drawing up of a regionalization plan based on objective criteria should be left to the Member

States; whereas uniform average yields should be established by the regionalization plans; whereas these plans must be consistent with the average yields of each region achieved in a given period; whereas a specific procedure should be provided in order to examine these plans at Community level;

Whereas maize has a different yield which distinguishes it from other cereals and therefore may justify a separate treatment;

Whereas, in order to calculate the cereals compensatory payment, a basic amount per tonne should be multiplied by the average cereals yield determined for the region concerned;

Whereas the present policy concerning durum wheat is to discourage production especially outside the traditional production zones and whereas this policy should be continued; whereas, however, a supplement to the cereals compensatory payment should be paid for producers of durum wheat in the traditional production zones as currently defined; whereas this supplement should compensate durum wheat producers in these regions for the income loss due to alignment on the price for other cereals;

Whereas, in order to calculate the compensatory payment for oilseeds, it is necessary to establish a projected reference price, a Community reference amount, the calculation method and appropriate corrective measures;

Whereas rules must be established in order to take into account the specific situation in Spain and Portugal, including the different rates of progress towards integration as foreseen in the 1985 Act of Accession;

Whereas, in order to facilitate administration and control, the compensatory payments should be granted under a 'general scheme' open to all producers and a 'simplified scheme' open only to small producers;

Whereas small producers should be defined on the basis of an area equivalent to annual production of not more than 92 tonnes of cereals; whereas the yield averages for cereals in the different regions, which have been defined in the regionalization plans for the aid, should be also used to determine small producers;

Whereas, in order to benefit from the compensatory payments under the 'general scheme', producers must set aside a predetermined percentage of their arable area; whereas the set-aside should normally be organized on

⁽¹⁾ OJ No C 303, 22. 11. 1991, p. 1.

⁽²⁾ OJ No C 125, 18. 5. 1992.

⁽³⁾ OJ No C 98, 21. 4. 1992, p. 15.

the basis of a rotation of areas; whereas non-rotational fallow should be permitted but at a higher percentage rate which should be determined on the basis of a scientific study of the comparative effectiveness in terms of production restraint of rotational and non-rotational fallow; whereas the land set aside would have to be cared for so as to meet certain minimum environmental standards; whereas the areas set aside as temporary fallow can also be used for non-food purposes, provided effective control systems can be applied;

Whereas the set-aside requirement should be fixed initially at 15 % of the land of the holding for which claims for payments are made; whereas this percentage should be re-examined to take account of production and market developments;

Whereas the set-aside obligation should be subject to due compensation; whereas the compensation should be equivalent to the definitive compensatory aid per hectare for cereals calculated at the regional level;

Whereas under the 'simplified scheme' for small producers, no set-aside requirement is imposed and the compensatory payment for cereals shall be paid for all areas irrespective of the crops actually sown; whereas, however, producers applying for this scheme have to accept certain procedures to facilitate controls;

Whereas compensatory payments should be paid once a year for a given area; whereas areas previously not cultivated should not be eligible for aid, with the exception of an area that has been set aside in previous years under the existing voluntary set-aside arrangements;

Whereas it is necessary to determine certain conditions for applying for compensatory payments and to specify when producers shall be paid;

Whereas a quality policy for rape seed is required;

Whereas expenditure incurred by the Member States as a result of the obligations arising out of the application of this Regulation will be financed by the Community in accordance with Articles 2 and 3 of 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 2048/88 ⁽²⁾;

Where it is necessary to provide for transitional measures and to enable the Commission to adopt, if necessary, additional transitional measures;

Whereas the new support system will not be fully introduced before the marketing year 1995/96; whereas for the transitional, as well as for the definitive application period, existing Community legislation for the products concerned should be adapted; whereas these adaptations should be the subject of separate regulations,

HAS ADOPTED THIS REGULATION:

Article 1

1. This Regulation hereby establishes a system of compensatory payments for producers of arable crops.
2. For the purposes of this Regulation:
 - the marketing year shall run from 1 July to 30 June,
 - 'arable crops' are taken to mean those listed in Annex I.

TITLE 1

Compensatory payment

Article 2

1. Community producers of arable crops may apply for a compensatory payment under the conditions set out in this Title.
2. The compensatory payment shall be fixed on a per hectare basis and regionally differentiated.

The compensatory payment is granted for the area which is down to arable crops or subject to set-aside in accordance with Article 7 of this Regulation and which does not exceed a regional base area. This is established as the average number of hectares within it down to arable crops or where appropriate fallowed in conformity with a publicly funded scheme during 1989, 1990 and 1991. A region in this sense should be understood to mean a Member State or a region within the Member State, at the option of the Member State concerned.

Where an area is not the subject of an application for aid under this Regulation but is used to justify an application for aid under Regulation (EEC) No 805/68 ⁽³⁾ the said area shall be subtracted from the regional base area for the period in question.

⁽¹⁾ OJ No L 94, 28. 4. 1970, p. 13.

⁽²⁾ OJ No L 185, 15. 7. 1988, p. 1.

⁽³⁾ OJ No L 148, 28. 6. 1968.

3. Instead of a system of regional base areas, a Member State may apply an individual base area system for all of its territory. A base area for each holding is established as the average number of hectares which were down to arable crops, or which were fallowed in conformity with a publicly funded scheme, during 1989, 1990 and 1991. However, where a producer alters the use to which his areas are put, his base area shall be reduced at his request.

For the purposes of establishing individual base areas, areas used with a view to taking advantage of the provisions of Regulation (EEC) No 805/68 shall not be taken into account.

4. Where an initial choice is made for the scheme referred to in paragraph 2, subsequent recourse to the scheme referred to in paragraph 3 shall be authorized.

5. The compensatory payment shall be granted under:

- (a) a 'general scheme', open to all producers, or
- (b) a 'simplified scheme' open to small producers.

Producers applying for the compensatory payment under the general scheme shall be subject to an obligation to set aside part of the land of their holding from production and shall receive a compensation for this obligation.

6. In the case of a regional base area, and when the sum of the individual areas for which aid is claimed under the arable producers' scheme, including the set-aside provided for under that scheme, and set-aside provided for under Council Regulation (EEC) No 2328/91 of 15 July 1991 on improving the efficiency of agricultural structures⁽¹⁾, is in excess of the regional base area, the following will be applied in the region in question:

- during the same marketing year, the eligible area per farmer will be reduced proportionately for all the aids granted under this Title,
- in the following marketing year, producers in the general scheme will be required to make, without compensation, a special set-aside. The percentage rate for special set-aside shall be equal to the percentage by which the regional base has been exceeded. This shall be additional to the set-aside requirement given in Article 7.

Article 3

1. Each Member State shall establish a regionalization plan setting out the criteria for the establishment of separate production regions. The criteria used must be appropriate, objective and provide the necessary flexi-

bility for the recognition of distinctive homogeneous zones, which are of a minimum size and allow for specific characteristics that influence yields such as soil fertility, including when appropriate due differentiation between irrigated and non-irrigated areas. These regions must not cross the boundaries of the base area regions mentioned in the second subparagraph of Article 2.

Member States may in their regionalization plans apply a different yield figure for maize compared with other cereals. In this case, regional or individual base areas as referred to in Article 2 (2) and (3), with the same boundaries, must be established separately for maize and other arable crops.

2. For each production region, the Member State shall give details of the areas and yields of cereals, oilseeds, and protein crops produced in that region during the five year period 1986/87 to 1990/91. Average cereals and where possible oilseed yields shall be separately calculated for each region by excluding the year with the highest and the year with the lowest yield during that period.

However, this obligation may be fulfilled in the case of Portuguese cereals by providing data having been supplied pursuant to Council Regulation (EEC) No 3653/90 of 11 December 1990 introducing transitional measures governing the common organization of the market in cereals and rice in Portugal⁽²⁾ and in the case of the five new German Länder by providing the average crop yield applicable in the other German Länder.

Where a Member State decides to treat maize separately from other cereals, the average cereals yield, which shall not be changed, shall also be broken down between maize alone, and cereals without maize.

3. Member States shall submit their regionalization plan to the Commission by 1 August 1992 together with all available supporting information. In order to fulfil this obligation, they may refer to their regionalization plan submitted to the Commission in accordance with Council Regulation (EEC) No 3766/91 of 12 December 1991 establishing a support system for producers of soya beans, rapeseed and colza seed and sunflower seed⁽³⁾.

⁽¹⁾ OJ No L 218, 6. 8. 1991, p. 1.

⁽²⁾ OJ No L 362, 27. 12. 1990, p. 28.

⁽³⁾ OJ No L 356, 24. 12. 1991, p. 17.

4. The Commission shall examine the regionalization plans submitted by the Member States and shall ensure that each plan is based on appropriate, objective criteria and is consistent with available historical information. The Commission may object to plans which are not compatible with the aforementioned relevant criteria in particular with the average yield of the Member State. In this case the plans shall be subject to adjustment by the Member State concerned after consultation with the Commission.

5. The regionalization plan may be revised by the Member State concerned at the request of the Commission or at the initiative of that Member State in accordance with the same procedure as outlined in paragraphs 1 to 4.

Article 4

1. The cereals compensatory payment is calculated by multiplying the basic amount per tonne by the average cereals yield determined in the regionalization plan for the region concerned. Where maize is treated separately, maize and other cereals' respective average yields shall be used.

2. The basic amount per tonne is fixed at:

- ECU 25 for the 1993/94 marketing year,
- ECU 35 for the 1994/95 marketing year and
- ECU 45 from the 1995/96 marketing year onwards.

3. A supplement to the compensatory payment shall be granted for the area down to durum wheat in the traditional production zones listed in Annex II, within the limit of the number of hectares which were down to durum wheat and eligible for durum wheat aid during 1988/89, 1989/90, 1990/91 or 1991/92. The producer chooses which marketing year shall be used.

The supplement is fixed at ECU 297 per hectare from the marketing year 1993/94 on.

Article 5

1. The compensatory payment per hectare for oil seeds is calculated in the following way:

- (a) a projected reference price for oil seeds is set at ECU 163 per tonne;
- (b) a Community reference amount for oil seeds is set at ECU 359 per hectare from the 1993/94 marketing year onwards;
- (c) for each production region determined in the regionalization plan, a projected regional reference amount

for oil seeds shall be established by the Commission which reflects the comparison between either the cereals yield for that region and the average cereals yield for the Community (4,6 tonnes per hectare) or the oil seeds yield for that region and the average oil seeds yield for the Community (2,36 tonnes per hectare). Each Member State shall specify for each region on the basis of appropriate objective criteria which formula should be used; when exercising this choice, the Member State may not come to a global result which would be higher than if it had used exclusively either cereals yields or oil seeds yields;

- (d) before 30 January in each marketing year the Commission, in accordance with the procedure laid down in Article 38 of Council Regulation 136/66/EEC of 21 September 1966 on the establishment of a common organization of the market in oils and fats⁽¹⁾ shall determine a final regional reference amount based on the observed reference price for oil seeds. This amount shall be calculated by substituting the observed reference price for the projected reference price; no account shall be taken of price variations within 8% of the projected reference price.

2. For Spain and Portugal a national projected reference amount for producers of sunflower seed will be set as the point of departure for regionalization within those Member States. The amount for Portugal will be set at ECU 272 per hectare. The amount for Spain will be set at ECU 295 per hectare for 1993/94 and ECU 311 per hectare for 1994/95.

Until the end of the 1994/95 marketing year, the compensation payment for non-professional producers of sunflower seed in Spain and Portugal will be fixed by the Commission in such a way as to avoid any distortion which might arise from transitional arrangements for sunflower seed producers in these Member States.

3. The Commission shall publish the aforementioned amounts in the *Official Journal of the European Communities*. The publication shall include a succinct explanation of the calculations made.

Article 6

From the 1993/94 marketing year onwards, the compensatory payment per hectare of protein crops is ECU 65 multiplied by the regional yield for cereals, excluding maize yields in those regions where a separate yield is applied for maize.

⁽¹⁾ OJ No L 172, 30. 9. 1966, p. 3025.

Article 7

1. The set-aside requirement for each producer applying for compensatory payments under the general scheme is fixed:

- in the case of a regional base area, as a proportion of his area down to the arable crops concerned and for which a claim is made, and left in set-aside, pursuant to this Regulation,
- in the case of an individual base area, as a percentage reduction of his relevant base area.

The set-aside requirement to apply with effect from the sowings for the 1993/94 marketing year onwards, shall be 15 %. The land set aside shall be subject to rotation. However non-rotational set-aside shall be permitted in return for a higher set-aside percentage rate. This rate will be decided before 31 July 1993 by the Council by qualified majority acting on a proposal from the Commission and it may vary in different regions of the Community.

2. In the case of a farm where there are areas set aside in compliance with Article 2 of Regulation EEC No 2328/91 these areas cannot be used to fulfill the set-aside requirement given in paragraph 1.

3. Member States shall apply appropriate environmental measures which correspond to the specific situation of the land set aside.

4. The land set aside may be used for the provision of materials for the manufacture within the Community of products not primarily intended for human or animal consumption, provided that effective control systems are applied.

5. The compensation for the obligation to set aside land is fixed at the level of the compensatory payment which would be paid from the marketing year 1995/96 for the same areas if cultivated with cereals. This compensation will be paid for the number of hectares needed to satisfy the requirement set out in paragraph 1. In the case of Portugal, the compensation takes account of the aid scheme provided for in Regulation EEC No 3653/90.

6. Where national environmental rules have the implication that a farmer who sets aside some of his arable land would be forced to reduce his animal production, this farmer may arrange to transfer his set-aside obligation to another farmer in the same Member State. His right to compensation will depend on the full performance of this obligation by the farmer to whom it has been transferred. If the transfer is made to a different yield region, the area to be set aside shall be adjusted accordingly. Such transferred obligations will be subject

to the general rules on non-rotational set-aside unless they provided for rotation on the holding on which the responsibility is undertaken. The Member State may require that such transfers remain within the same region within the meaning of Article 2 (2).

Article 8

1. Small producers of arable crops may apply for the compensatory payment under the simplified scheme.

2. Small producers are producers who make a claim for compensatory payments for an area no bigger than the area which would be needed to produce 92 tonnes of cereals, if they achieve the average cereals yield which has been determined for their region or, in the case of the Member States who operate the system of individual base areas, whose individual base area is no bigger than that area.

3. Under the simplified scheme:

- no set-aside requirement is imposed,
- the compensatory payment shall be paid at the rate applicable for cereals for all areas sown to arable crops.

Article 9

Applications for the compensatory payment and for fulfilling the set-aside obligations may not be made in respect of land which was under permanent pasture, permanent crops, forest, or non-agricultural uses on 31 December 1991.

Article 10

1. The compensatory payments for cereals, and protein crops, as well as the compensation for the set-aside obligation, shall be paid between 16 October and 31 December next following the harvest.

2. In order to qualify for the compensatory payment, a producer must, at the latest by 15 May preceding the relevant harvest:

- have sown the seed,
- have lodged an application.

3. The application must be accompanied by references enabling the areas concerned to be identified. The areas down to arable crops and the areas set aside in accordance with this Regulation shall be shown in the form of separate entities.

4. The Commission, in accordance with the procedure laid down in Article 23 of Regulation EEC No 1766/92 (*) may decide that certain varieties of durum wheat are ineligible for the supplement referred to in Article 4 (3).

5. Member States shall take the necessary measures to remind applicants of the need to respect existing environmental legislation.

Article 11

1. Access to the compensatory payment for growers of oil seed rape and colza shall be restricted to those growers using seed of an approved quality and variety. The Commission, in accordance with the procedure laid down in Article 38 of Regulation 136/66/EEC shall establish what rapeseed and colza seed shall be eligible for aid.

2. Producers who apply for an oil seeds compensation payment shall be entitled to an advance payment of no more than 50 % of the Projected Regional Reference Amount. Member States shall carry out the necessary checks to ensure entitlement to the advance is justified. Once entitlement to the payment is established, payment of the advance should be made.

3. In order to qualify for an advance payment, a producer must by the date specified for the region in question, have sown the seed and have lodged with the competent agency of the Member State a detailed cultivation plan for this holding showing the land to be used for cultivating oil seeds.

4. Where an advance has been made, a balance shall be paid equal to the difference, if any, between the amount of the advance and the Final Regional Reference Amount.

5. Where a producer demonstrates that he has retained ownership of the product for a period to be determined, an orderly marketing bonus may be payable. The amount of the bonus and the conditions determining eligibility shall be adopted by the Commission in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC.

6. The timetable of the regionalized system of payments to applicants shall be established by the Commission in accordance with the procedure referred to in Article 38 of Regulation No 136/66/EEC.

Article 12

Detailed rules for the application of this Title shall be adopted in accordance with the procedure laid down respectively in Article 38 of Regulation No 136/66/EEC, in Article 12 of Regulation (EEC) No 1117/78 (*) and in Article 23 of Regulation (EEC) No 1766/92 and in particular:

- those relating to the establishment and management of base areas and those concerning the application of Article 2 (4),
- those relating to the establishment of production regionalization plans, including the determination of the minimum size of a region,
- those relating to the determination of the amounts and the payment of the compensatory aids,
- those relating to the minimum area to be cultivated; such rules shall take particular account of the monitoring requirements and of the sought-after effectiveness of the scheme in question,
- those determining the eligibility requirements for the durum wheat supplement,
- those relating to monitoring; without prejudice to specific provisions on an integrated management and control system, such rules shall include the use of remote sensing and/or plausibility monitoring on the basis of binding official documents that are already available in the national administrations,
- those allowing the dates in Articles 10 (2) and 11 (3) to be varied in certain areas where exceptional climatic conditions render the normal dates inapplicable,
- those relating to the special and normal set aside requirements; such rules shall define especially the notion of rotation, the minimum annual set-aside period and the measures to be taken in favour of the environment and determine the regions where, for climatic reasons, these measures may be replaced by other more appropriate measures,
- those relating to the conditions for applying Article 7 (4) and Article 9,
- those relating to the specific administrative procedures to assist controls for the simplified scheme,

(*) See page 21 of this Official Journal.

(?) OJ No L 142, 30. 5. 1978, p. 1.

— those relating to the effects of property and tenure changes on the application of the scheme.

According to the same procedure, the Commission may add minor crops to the list given in Annex I and determine the consequences of such extensions in particular insofar as base areas and set-aside requirements are concerned.

Article 13

The measures defined in this Title shall be deemed to be interventions intended to stabilize the agricultural markets within the meaning of Article 3 (1) of Regulation (EEC) No 729/70.

TITLE II

General and transitional provisions

Article 14

1. The 1992 harvest is the last harvest in respect of which new applications may be made for participation in the set-aside scheme provided for in Article 2 of Regulation (EEC) No 2328/91. Producers still participating after that time have the option to leave the said scheme, between 1 September and 15 December in 1992 to 1996. This option is restricted to holdings which are subject to the set-aside requirement set out in Article 7.

2. The authorization in the third subparagraph of Article 2 (3) of Council Regulation (EEC) No 2328/91 concerning the use of set-aside arable land for:

- grazing for extensive livestock farming,
 - growing lentils, chick-peas and vetches,
- shall continue to apply.

Article 15

1. The amounts of the compensatory payments and the compensation for the set-aside obligation, as well as the percentage area to be set aside fixed in this Regulation may be changed in the light of developments in

production, productivity and the markets, according to the procedure laid down in Article 43 (2) of the Treaty.

2. From the 1994/95 marketing year onwards, the Council may decide, according to the procedure laid down in Article 43 (2) of the Treaty that the arrangements for making the compensatory payments for oil seeds shall also apply to the case of protein crops.

3. The payments referred to in this Regulation are to be paid over to the beneficiaries in their entirety.

Article 16

Should specific measures be necessary to facilitate the transition from the system in force to that established by this Regulation, in particular if the introduction of this system gives rise to substantial difficulties in respect of certain products, such measures shall be adopted in accordance with the procedure laid down in Article 38 of Regulation 136/66/EEC, in Article 12 of Regulation (EEC) No 1117/78 or in Article 23 of Regulation (EEC) No 1766/92.

Article 17

1. The provisions relating to oil seeds aids contained in this Regulation supersede those contained in Regulation (EEC) No 3766/91 for oil seeds sown for harvest after 1 July 1993.

2. The provisions of this Regulation which concern aid to protein crops shall replace those of Regulation (EEC) No 1431/82⁽¹⁾ for protein crops sown with a view to being harvested after 1 July 1993.

The provisions of Regulation (EEC) No 1431/82 and the corresponding provisions in the Regulations in force on 30 June 1993 shall continue to apply after this date to protein crops harvested in the Community and identified on 30 June 1993.

Article 18

This Regulation shall enter into force on 1 July 1992.

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

Done at Luxembourg, 30 June 1992.

For the Council

The President

Arlindo MARQUES CUNHA

⁽¹⁾ OJ No L 162, 12. 6. 1982, p. 28.

ANNEX I

Definition of products

CN code	Description
I. CEREALS	
1001 10	Durum wheat
1001 90	Other wheat and meslin other than durum wheat
1002 00 00	Rye
1003 00	Barley
1004 00	Oats
1005	Maize
1007 00	Grain sorghum
1008	Buckwheat, millet and canary seed; other cereals
II. OIL SEEDS	
1201 00	Soya beans
1205 00	Rape seed
1206 00	Sunflower seed
III. PROTEIN CROPS	
0713 10	Peas
0713 50	Field beans
1209 29 50	Sweet lupins

ANNEX II

Traditional production zones for durum wheat

ITALY

Regions

Abruzzi
Basilicata
Calabria
Campania
Latium
Marches
Molise
Apulia
Sardinia
Sicily
Tuscany

FRANCE

Regions

Provence-Alpes-Côte d'Azur
Languedoc-Roussillon

GREECE

Regions

Central Greece
Peloponnese
Ionian Islands
Thessaly

Macedonia

Aegean Islands

Thrace

SPAIN

Comunidades Autonomas

Andalucia

Navarra

Provincias

Badajoz

Burgos

Salamanca

Toledo

Zamora

Zaragoza

PORTUGAL

Distritos

Santarém

Lisboa

Setúbal

Portalegre

Evora

Beja

Faro

COUNCIL REGULATION (EEC) No 1766/92

of 30 June 1992

on the common organization of the market in cereals

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community and in particular Articles 42 and 43 thereof,

Having regard to the proposal from the Commission ⁽¹⁾,

Having regard to the opinion of the European Parliament ⁽²⁾,

Having regard to the opinion of the Economic and Social Committee ⁽³⁾,

Whereas the prices and guarantees represented by the machinery introduced by Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals ⁽⁴⁾ encourage the growth of cereals production at a rate which is no longer in line with the absorption capacity of the market; whereas, in order to avoid a succession of increasingly serious crises, the current policy should be radically reformed; whereas that implies that the support provided by the market organization should be reorientated in such a way that it no longer depends solely on guaranteed prices;

Whereas the new orientation of the common agricultural policy must lead to better market equilibrium and to a better competitive position for Community agriculture; whereas that objective can be achieved by lowering the target price to a level representing an anticipated rate on a stabilized world market; whereas, so as not to encourage producers to opt for one particular crop, the target price should be the same for the major cereales;

Whereas the loss of income resulting from the drop in prices is offset by direct aid per hectare introduced by Regulation (EEC) No 1765/92 ⁽⁵⁾;

Whereas the structure of guaranteed prices must permit disposal of surpluses within the Community; whereas an intervention price should therefore be fixed at a lower level and a threshold price at a higher level than the target price;

Whereas the new structure of guaranteed prices leads to the elimination of the current provisions on derived prices;

Whereas the aid scheme provided for by Regulation (EEC) No 1765/92 replaces those for durum wheat and certain minor cereales; whereas those aids should therefore be discontinued;

Whereas the intervention agencies must be able, in special circumstances, to take intervention measures suited to those circumstances; whereas, however, so that the required uniformity of intervention systems may be maintained, those special circumstances should be assessed and the appropriate measures determined at Community level;

Whereas the intervention prices and threshold prices should, in the course of the marketing year, be subject to a certain number of monthly increases in order to take account, to some extent, of storage costs and interest charges for storing cereals in the Community and of the need to ensure that the disposal stocks conforms to market requirements;

Whereas potatoes intended for the production of starch are in direct competition with cereals intended for the production of starch; whereas, in view of the reform measures envisaged for cereals and to ensure equal treatment between the lines of production in question, similar measures should be adopted with regard to potatoes intended for the production of starch;

Whereas the creation of a single Community market for cereals involves, apart from a system of guaranteed prices, the introduction of a single trading system at the external frontiers of the Community; whereas a trading system including levies and export refunds, combined with intervention measures, also serves to stabilize the Community market, in particular by preventing price fluctuations on the world market from affecting prices ruling within the Community; whereas, therefore, provision should be made for charging a levy on imports from third countries and for the payment of a refund on exports to those countries, both being designed to cover

⁽¹⁾ OJ No C 303, 22. 11. 1991, p. 10.

⁽²⁾ OJ No C 125, 18. 5. 1992.

⁽³⁾ OJ No C 98, 21. 4. 1992, p. 15.

⁽⁴⁾ OJ No L 281, 1. 11. 1975, p. 1. As last amended by Regulation (EEC) No 1738/92 (OJ No L 180, 1. 7. 1992, p. 1).

⁽⁵⁾ See page 12 of this Official Journal.

the difference between prices ruling outside and within the Community; whereas, moreover, in respect of products processed from the cereals to which this Regulation applies, account should be taken of the need to ensure a measure of protection for the Community processing industry;

Whereas, in addition to the system described above, and to the extent necessary for its proper working, provision should be made for regulation or, when the situation on the market so requires, prohibiting totally or partially the use of 'inward processing arrangements';

Whereas the competent authorities must be in a position to monitor trade movements in order to assess market trends and to apply the measures laid down in this Regulation as necessary; whereas, to that end, provision should be made for the issue of import and export licences accompanied by the provision of security guaranteeing that the transactions for which such licences are requested are effected;

Whereas the levy system makes it possible to dispense with all other protective measures at the external frontiers of the Community; whereas, however, the common price and levy machinery may, in exceptional circumstances, prove defective whereas, in such cases, so as not to leave the Community market without defence against disturbances, the Community should be enabled to take all necessary measures without delay;

Whereas, in a situation of high prices on the world market, provision should be made for appropriate measures to be taken in order to safeguard Community supplies and to stabilize prices on Community markets;

Whereas the establishment of a single market based on a common price system would be jeopardized by the granting of certain aids; whereas, therefore, the provisions of the Treaty which allow the assessment of aids granted by Member States and the prohibition of those which are incompatible with the common market should be made to apply to cereals;

Whereas the common organization of the market in cereals must include the products of primary processing which contain cereals or certain products which do not

contain cereals but which are directly interchangeable in their use with cereals or with products obtained from cereals;

Whereas, in order to facilitate implementation of the proposed measures, a procedure should be laid down for establishing close cooperation between Member States and the Commission within a Management Committee;

Whereas the common organization of the market in cereals must take appropriate account, at the same time, of the objectives set out in Articles 39 and 110 of the Treaty;

Whereas the expenditure incurred by the Member States as a result of the obligations arising out of the application of this Regulation falls on the Community in accordance with the provisions of Articles 2 and 3 of Council Regulation (EEC) no 729/70 of 21 April 1970 on the financing of the common agricultural policy (1);

Whereas the cut in common prices from the time of the entry into force of this Regulation is liable to disrupt the internal market; whereas provision should therefore be made for the possibility for the Commission to take any appropriate measures to avoid such disruptions;

Whereas, since their consolidation by Regulation (EEC) No 2727/75, several provisions concerning the organization of the market in cereals have been amended a number of times; whereas, by reason of their number, their complexity and their dispersal among various Official Journals, these texts are difficult to use and thus lack the clarity which should be an essential feature of all legislation; whereas they should, therefore, be updated,

HAS ADOPTED THIS REGULATION:

Article 1

1. The common organization of the market in cereals shall cover the following products:

(1) OJ No L 94, 28. 4. 1970, p. 13. As amended by Regulation (EEC) No 2048/88 (OJ No L 185, 15. 7. 1988, p. 1).

CN code	Description
a) 0709 90 60	Sweet corn, fresh or chilled
0712 90 19	Dried sweet corn, whole, cut, sliced, broken or in powder, but not further prepared, other than hybrid for sowing
1001 90 91	Common wheat and meslin seed
1001 90 99	Spelt, common wheat and meslin other than for sowing
1002 00 00	Rye
1003 00	Barley
1004 00	Oats
1005 10 90	Maize (corn) other than hybrid
1005 90 00	Maize (corn) other than seed
1007 00 90	Grain sorghum, other than hybrid, for sowing
1008	Buckwheat, millet and canary seed; other cereals
b) 1001 10	Durum wheat
c) 1101 00 00	Wheat or meslin flour
1102 10 00	Rye flour
1103 11	Groats and meal of wheat
1107	Malt, whether or not roasted
d)	The products listed in Annex A

2. This Regulation shall apply notwithstanding the measures provided for by Regulation (EEC) No 1765/92 on assistance for arable farmers.

Article 2

The marketing year for all products listed in Article 1 shall begin on 1 July and end on 30 June of the following year.

TITLE 1

Pricing and intervention system

Article 3

1. A target price for all cereals shall be fixed at:

- ECU 130 per tonne for the 1993/94 marketing year,
- ECU 120 per tonne for the 1994/95 marketing year, and
- ECU 110 per tonne from the 1995/96 marketing year onwards.

2. A threshold price for all cereals shall be fixed at:

- ECU 175 per tonne for the 1993/94 marketing year,
- ECU 165 per tonne for the 1994/95 marketing year,
- ECU 155 per tonne from the 1995/96 marketing year onwards.

The threshold price for maize and sorghum valid during June, will be applicable during July, August and September of the following marketing year.

3. An intervention price for cereals subject to intervention shall be fixed at:

- ECU 117 per tonne for the 1993/94 marketing year,
- ECU 108 per tonne for the 1994/95 marketing year,
- ECU 100 per tonne from the 1995/96 marketing year onwards.

4. The prices shall be fixed for a standard quality for each cereal.

The intervention and threshold prices shall be subject to monthly increases, for the whole or part of the marketing year and may cover different periods for the two prices. The standard quality for each cereal for which intervention is available and the amounts of the monthly increases and their number, are determined in accordance with the procedure laid down in Article 43 (2) of the Treaty.

The intervention price shall refer to the wholesale stage for goods delivered to the warehouse, before unloading. They shall be valid for all Community intervention centres designated for each cereal.

5. The prices fixed in this Regulation may be changed in the light of developments in production and the markets in accordance with the procedure laid down in Article 43 (2) of the Treaty.

Article 4

1. The intervention agencies designated by the Member States shall buy in common wheat, durum wheat, rye, barley, maize and sorghum which are offered to them and have been harvested in the Community, provided that the offers comply with conditions laid down, in particular in respect of quality and quantity.

2. Buying-in may take place only in the following periods:

— from 1 August to 30 April in the case of Italy, Spain, Greece and Portugal,

— from 1 November to 31 May in the case of the other Member States.

3. Buying-in shall be carried out on the basis of the intervention price, if necessary after a price increase or reduction for quality reasons.

Article 5

Detailed rules for the application of Articles 3 and 4 shall be adopted in accordance with the procedure laid down in Article 23, in particular as regards:

— the standard qualities to which threshold prices refer in the case of cereals for which intervention is not available and of the cereal products, referred to in Article 1 (1) (c),

— the determination of the intervention centres,

— the minimum conditions, in particular with respect to quality and quantity required of each cereal for it to be eligible for intervention,

— the scales of price increase and reduction applicable to intervention,

— the procedures and conditions for taking over by the intervention agencies,

— the procedures and conditions for disposal by the intervention agencies,

— the setting of the threshold prices for the products, referred to in Article 1 (1) (c), except for malt.

Article 6

1. Where the market situation so dictates, special intervention measures may be decided on.

Such intervention measures may in particular be taken if, in one or more regions of the Community market prices fall, or threaten to fall, in relation to the intervention price.

2. The nature and application of the special intervention measures and the conditions and procedures for the sale or for any other means of disposal of the products subject to those measures shall be determined in accordance with the procedure laid down in Article 23.

Article 7

1. A production refund may be granted for starch obtained from maize, wheat or potatoes and for certain derivatives used in the manufacture of certain goods.

A list of the goods referred to in the first subparagraph shall be drawn up in accordance with the procedure laid down in paragraph 3.

2. The refund referred to in paragraph 1 shall be fixed periodically.

3. The Commission shall adopt detailed rules for the application of this Article and shall fix the amount of the said refund in accordance with the procedure laid down in Article 23.

Article 8

1. A minimum price for potatoes intended for the manufacture of potato starch shall be set at:

— ECU 208 for the 1993/94 marketing year,

— ECU 192 for the 1994/95 marketing year, and

— ECU 176 from the 1995/96 marketing year onwards.

These prices apply to the quantity of potatoes, delivered to the factory, which are needed for making one tonne of starch.

2. A system of compensatory payments is established for producers of potatoes intended for the manufacture of potato starch. The amount of the payment applies to the quantity of potatoes needed for making one tonne of starch. It shall be set at:

- ECU 40 for the 1993/94 marketing year,
- ECU 56 for the 1994/95 marketing year, and
- ECU 72 from the 1995/96 marketing year onwards.

3. The minimum price and the compensatory payment shall be adjusted according to the starch content of the potatoes.

4. If the situation on the potato starch market makes it necessary, the Council shall adopt the appropriate measures in accordance with the procedure laid down in Article 43 (2) of the Treaty.

5. The Commission shall adopt the detailed rules for applying this Article following the procedure laid down in Article 23.

TITLE II

Article 9

1. Imports into the Community, or exports therefrom, of any of the products listed in Article 1 shall be subject to the submission of an import or export licence which may be issued by Member States to any applicant, irrespective of the place of his establishment in the Community. Where the levy or refund is fixed in advance, the advance fixing shall be noted on the licence which serves as supporting document for such advance fixing.

The import or export licence shall be valid throughout the Community. The issue of such a licence shall be conditional on the lodging of a security guaranteeing that importation or exportation will be effected during the period of validity of the licence; the security shall be forfeited in whole or in part if the transaction is not effected, or is only partially effected, within that period.

2. The period of validity of licences and other detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 23.

Article 10

1. A levy equal for each product to the threshold price less the cif price shall be charged on imports of the products listed in Article 1 (1), (a), (b) and (c), except malt.

However, the levy applicable to rye shall be charged on imports of the products falling within CN code 1008 90 10.

2. The cif prices shall be calculated for Rotterdam on the basis of the most favourable purchasing opportunities on the world market, determined for each product on the basis of the quotations and prices of that market after adjustment for any differences in quality as compared with the standard quality for which the threshold price is fixed.

Differences in quality shall be expressed in coefficients of equivalence.

3. Where free quotations on the world market are not a determining factor for the offer price and where this price is lower than world market prices, a special cif price calculated on the basis of the offer price shall be substituted for the cif price solely for the imports in question.

4. Detailed rules for the application of this Article, and in particular the coefficients of equivalence, the rules for determining cif prices and the margin within which variations in the factors used for calculating the levy do not require any alteration of the levy, shall be adopted in accordance with the procedure laid down in Article 23.

5. The Commission shall fix the levies mentioned in this Article.

Article 11

1. A levy shall be charged on imports of malt or products referred to in Article 1 (1) (d), with the exception of those falling within CN codes 0714 20 00, 0714 90 90, 2303 10 19, 2303 10 90, 2303 30 00, 2308 10 00 and 2308 90 30, consisting of two components:

A. a variable component which may be fixed and revised on a first-rate basis:

(a) corresponding, in respect of products processed from basic products listed in Article 1 (1) (a), to

the incidence on their prime cost of the levies on those basic products;

(b) increased, where appropriate, for processed products which contain both basic products listed in Article 1 (1) (a) and other products, by the amount of the incidence on their prime cost of the levies or customs duties charged on those other products;

(c) fixed, for products which do not contain any basic products listed in Article 1 (1) (a), with reference to market conditions for those Article 1 products which are in competition with them;

B. A fixed component designed to protect the processing industry.

2. Where actual offers from third countries of products referred to in Article 1 (1) (d) do not correspond to the price which results from the price of basic products used in their manufacture plus processing costs, an amount fixed in accordance with the procedure laid down in Article 23 may be added to the levy fixed in accordance with paragraph 1.

3. The Commission shall fix the levies specified in paragraph 1.

4. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 23.

Article 12

1. The levy to be charged shall be that applicable on the day of importation.

2. However, as regards imports of products listed in Article 1 (1) (a) and (b), the levy applicable on the day on which application for a licence is lodged, adjusted on the basis of the threshold price which will be in force during the month of importation, shall be applied to an import to be effected during the period of validity of the licence, if the applicant so requests when applying for the licence. In this case, a premium, fixed at the same time as the levy, shall be added to the levy.

3. A decision may be taken, in accordance with the procedure laid down in Article 23, to apply the provisions of paragraph 2, in whole or in part, to any of the products listed in Article 1 (1) (c) and (d).

If an advance fixing of the levy has been prescribed for malt, the levy shall be adjusted during the first three months of the marketing year on the basis of the threshold price in force during the last month of the preceding marketing year.

4. The scale of premiums shall be fixed by the Commission.

5. Where examination of the market situation shows that the application of the provisions concerning the advance fixing of the levy has given rise, or may give rise, to difficulties, a decision may be taken, in accordance with the procedure laid down in Article 23 to suspend the application of those provisions for the period strictly necessary.

In cases of extreme urgency, the Commission may, after examination of the situation on the basis of all the information available to it, decide to suspend advance fixing for a maximum of three working days.

Applications for licences accompanied by applications for advance fixing lodged during the period of suspension shall be rejected.

6. Detailed rules for the application of this Article, and in particular those for advance fixing, shall be adopted in accordance with the procedure laid down in Article 23.

Article 13

1. To the extent necessary to enable the products listed in Article 1 to be exported in the state referred to therein or in the form of goods listed in Annex B on the basis of quotations or prices for those products on the world market, the difference between those quotations or prices and prices in the Community may be covered by an export refund.

2. The refund shall be the same for the whole Community. It may be varied according to use or destination.

The refund shall be granted on application.

Refunds shall be fixed at regular intervals in accordance with the procedure laid down in Article 23.

Where necessary the Commission may, at the request of a Member State or on its own initiative, alter the refunds in the intervening period.

3. The amount of the refund applicable to exports of products listed in Article 1 and of goods listed in Annex B shall be that applicable on the day of exportation.

4. However, in the case of products listed in Article 1 (1) (a) and (b), the refund applicable on the day on which application for the licence is lodged, adjusted for the threshold price which will be in force during the month of exportation, shall be applied to an export to be effected during the period of validity of the licence if the applicant so requests when applying for the licence.

A corrective amount may be fixed. It shall be applied to refunds fixed in advance. The corrective amount shall be fixed at the same time as refund according to the same procedure; however, where necessary the Commission may, at the request of a Member State or on its own initiative, alter the corrective amounts in the intervening period.

The provisions of the first and second subparagraphs may be applied, in whole or in part, to any of the products listed in Article 1 (1) (c) and (d) and to any products listed in Article 1 which are exported in the form of goods specified in Annex B.

If advance fixing of the refund has been laid down for malt, the refund on exports, during the first three months of the marketing year, of malt in stock at the end of the preceding marketing year or made from barley in stock at the time shall be adjusted on the basis of the threshold price in force in the last month of the preceding marketing year.

5. Insofar as is necessary to take account of the particular features of the production of certain spirituous beverages obtained from cereals, the criteria for granting the export refunds referred to in paragraph 1 and the supervision procedures may be adapted to this particular situation. The Commission, acting in accordance with the procedure laid down in Article 23 shall lay down the detailed rules needed for this adaptation.

6. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 23. Annex B shall be amended in accordance with the same procedure.

7. Where examination of the market situation shows that the application of the provisions concerning the advance fixing of the export refund has given rise, or may give rise, to difficulties, a decision may be taken, in accordance with the procedure laid down in Article 23, to suspend the application of those provisions for the period strictly necessary.

In cases of extreme urgency, the Commission may, after examination of the situation on the basis of all the information available to it, decide to suspend advance fixing for a maximum of three working days.

Applications for licences accompanied by applications for advance fixing lodged during the period of suspension shall be rejected.

Article 14

1. To the extent necessary for the proper working of the common organization of the market in cereals, the use of inward processing arrangements may be prohibited in whole or in part:

- in respect of products listed in Article 1 which are intended for the manufacture of products listed in Article 1 (1) (c) and (d),
- and, in special cases, in respect of products listed in Article 1 which are intended for the manufacture of goods listed in Annex B.

2. Measures adopted pursuant to this Article shall be decided on in accordance with the procedure laid down in Article 23.

Article 15

1. The general rules for the interpretation of the combined nomenclature and the special rules for its application shall apply to the tariff classification of products covered by this Regulation.

2. Save as otherwise provided in this Regulation or where derogation therefrom is decided by the Commission, acting in accordance with the procedure laid down in Article 23, the following shall be prohibited in trade with third countries.

- the levying of any customs duty or charge having equivalent effect,
- the application of any quantitative restriction or measure having equivalent effect.

Article 16

1. When the quotations or prices on the world market for one or more of the products referred to in Article 1 reach the level of Community prices, and when that situation is likely to continue and to deteriorate, thereby disturbing or threatening to disturb the Community market, appropriate measures may be taken.

2. The detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 23.

Article 17

1. If, by reason of imports or exports, the Community market in one or more of the products listed in Article 1 experiences, or is threatened with, serious disturbances which may endanger the objectives set out in Article 39 of the Treaty, appropriate measures may be applied in trade with third countries until such disturbance or threat of disturbance has ceased.

2. If the situation mentioned in paragraph 1 arises, the Commission shall, at the request of a Member State or on its own initiative, decide upon the necessary measures; the measures shall be communicated to the Member States and shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within three days following receipt of the request.

3. Measures decided upon by the Commission may be referred to the Council by any Member State within three working days of the day on which they were communicated. The Council shall meet without delay. It may, acting by a qualified majority, amend or repeal the measures in question.

4. Detailed rules for application of this Article shall be adopted in accordance with the procedure laid down in Article 23.

TITLE III

General provisions*Article 18*

Goods listed in Article 1 which are manufactured or obtained from products to which Articles 9 (2) and 10 (1) of the Treaty do not apply shall not be admitted to free circulation within the Community.

Article 19

Save as otherwise provided in this Regulation, Articles 92 to 94 of the Treaty shall apply to the production of, and trade in, the products listed in Article 1.

Article 20

Article 40 (4) of the Treaty and the relevant provisions for the implementation of Article 40 shall, so far as the Guarantee Section of the European Agricultural Guidance and Guarantee Fund is concerned, apply to the French overseas departments in respect of the products referred to in Article 1.

Article 21

Member States and the Commission shall communicate to each other the information necessary for implementing this Regulation and for complying with the international obligations concerning cereals. Rules for the communication and distribution of such information shall be adopted in accordance with the procedure laid down in Article 23.

Article 22

1. A Management Committee for Cereals (hereinafter called the 'Committee') shall be established, consisting of representatives of the Member States and chaired by a representative of the Commission.

2. Within the Committee, the votes of Member States shall be weighted in accordance with Article 148 (2) of the Treaty. The Chairman shall not vote.

Article 23

1. Where the procedure laid down in this Article is to be followed, the Chairman shall refer the matter to the Committee, either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be adopted. The Committee shall deliver its opinion on the draft within a time limit set by the Chairman according to the urgency of the matter. An opinion shall be delivered by a majority of 54 votes.

3. The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the opinion of the Committee, they shall forthwith be communicated by the Commission to the Council. In that event the Commission may defer application of the measures which it has adopted for not more than one month from the date of such communication.

The Council, acting by a qualified majority, may take a different decision within one month.

Article 24

The Committee may consider any other question referred to it by its Chairman either on his own initiative or at the request of the representative of a Member State.

Article 25

This Regulation shall be so applied that appropriate account is taken, at the same time, of the objectives set out in Articles 39 and 110 of the Treaty.

Article 26

1. Council Regulation No 2727/75 is hereby repealed with effect from the 1993/94 marketing year.

References to the Regulation repealed by paragraph 1 shall be construed as references to this Regulation.

A table is provided in Annex C for the purposes of correlating citations of and references to the Articles of that Regulation with those of this Regulation.

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

Done at Luxembourg, 30 June 1992.

2. The following Regulations are hereby repealed:

— with effect from the 1992/93 marketing year:

— Regulations (EEC) No 729/89 and (EEC) No 1346/90,

— with effect from the beginning of the 1993/94 marketing year:

— Regulations (EEC) No 2743/75, (EEC) No 2744/75, (EEC) No 2745/75, (EEC) No 2746/75, (EEC) No 2747/75 with regard to cereals, (EEC) No 2748/75, (EEC) No 1145/76, (EEC) No 3103/76, (EEC) No 1188/81, (EEC) No 1008/86, (EEC) No 1009/86 with regard to cereals, (EEC) No 1581/86, (EEC) No 1582/86, (EEC) No 2226/88 and (EEC) No 1835/89.

3. To facilitate the transition from the current arrangement as regards the common organization of the market in cereals to the arrangements resulting from this Regulation, or to facilitate the transition from one marketing year to the next during the 1993/94, 1994/95 and 1995/96 marketing years, the Commission, acting in accordance with the procedure laid down in Article 23 may adopt any transitional measures deemed appropriate.

Article 27

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 the 1993/94 marketing year with the exception of the provisions of Article 26 (2), first indent and (3) which shall apply as from 1 July 1992.

For the Council

The President

Arlindo MARQUES CUNHA

ANNEX A

(Article 1, (d))

CN code	Description
0714	Manioc, arrowroot, salep, Jerusalem artichokes, sweet potatoes and similar roots and tubers with high starch or inulin content, fresh or dried, whether or not sliced or in the form of pellets; sago pith:
ex 1102	Cereal flours other than of wheat or meslin:
1102 20	– Maize (corn) flour
1102 90	– Other:
1102 90 10	– – Barley flour
1102 90 30	– – Oat flour
1102 90 90	– – Other
ex 1103	Cereal groats, meal and pellets with the exception of groats and meal of wheat (subheading 1103 11), groats and meal of rice (subheading 1103 14 00) and pellets of rice (subheading 1103 29 50)
ex 1104	Cereal grains otherwise worked (for example, hulled, rolled, flaked pearled, sliced or kibbled), except riche of heading No 1006 and flaked rice of subheading 1104 19 91; germ of cereals, whole, rolled, flaked or ground
1106 20	Flour and meal of sago, roots or tubers of heading No 0714
ex 1108	Starches; inulin:
	– Starches:
1108 11 00	– – Wheat starch
1108 12 00	– – Maize (corn) starch
1108 13 00	– – Potato starch
1108 14 00	– – Manioc (cassava) starch
ex 1108 19	– – Other starches:
1108 19 90	– – – Other
1109 00 00	Wheat gluten, whether or not dried
1702	Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:
ex 1702 30	– Glucose and glucose syrup, not containing fructose or containing in the dry state less than 20 % by weight of fructose:
	– – Other:
	– – – Other:
1702 30 91	– – – – In the form of white crystalline powder, whether or not agglomerated
1702 30 99	– – – – Other
ex 1702 40	– Glucose and glucose syrup containing, in the dry state, at least 20 % but less than 50 % by weight of fructose, but excluding isoglucose of subheading 1702 40 10

CN code	Description
ex 1702 90	– Other, including invert sugar:
1702 90 50	– – Maltodextrine and maltodextrine syrup:
	– – Caramel:
	– – – Other:
1702 90 75	– – – – In powder form whether or not agglomerated
1702 90 79	– – – – Other
2106	Food preparations not elsewhere specified or included:
ex 2106 90	– Other:
	– – Flavoured or coloured syrups:
	– – – Other:
2106 90 55	– – – – Glucose syrup and maltodextrine syrup
ex 2302	Bran, sharps and other residues, whether or not in the form of pellets, derived from the sifting, milling or other working of cereals
ex 2303	Residues of starch manufacture and similar residues, beetpulp, bagasse and other waste of sugar manufacture, brewing of distilling dregs and waste, whether or not in the form of pellets:
2303 10	– Residues of starch manufacture and similar residues
2303 30 00	– Brewing or distilling dregs and waste
2308	Vegetable materials and vegetable waste, vegetable residues and by-products, whether or not in the form of pellets, of a kind used in animal feeding, not elsewhere specified or included:
2308 10 00	– Acorns and horse-chestnuts
ex 2308 90	– Other:
2308 90 30	– – Pomace or marc of fruits, other than grapes
2309	Preparations of a kind used in animal feeding:
ex 2309 10	– Dog or cat food, put up for retail sale:
2309 10 11	– – Containing starch, glucose, glucose syrup, maltodextrine or maltodextrine syrup
2309 10 13	falling within subheadings 1702 30 51 to 1702 30 99, 1702 40 90, 1702 90 50 and
2309 10 31	2106 90 55 or milk products ⁽¹⁾ except preparations and feedingstuffs containing
2309 10 33	50 % or more by weight of milk products
2309 10 51	
2309 10 53	
ex 2309 90	– Other:
2309 90 31	– – Other, containing starch, glucose, glucose syrup, maltodextrine or maltodextrine
2309 90 33	syrup falling within subheadings 1702 30 51 to 1702 30 99, 1702 40 90,
2309 90 41	1702 90 50 and 2106 90 55 or milk products ⁽¹⁾ except preparations and feeding-
2309 90 43	stuffs containing 50 % or more by weight of milk products
2309 90 51	
2309 90 53	

⁽¹⁾ For the purposes of this subheading 'milk products' means products falling within heading Nos 0401 to 0406 as well as subheadings 1702 10 and 2106 90 51.

ANNEX B

CN code	Description
ex 0403	Buttermilk, curdled milk and cream, yoghurt, kephir and other fermented or acidified milk and cream, whether or not concentrated or containing added sugar or other sweetening matter or flavoured or containing added fruit or cocoa:
ex 0403 10	– Yoghurt:
	– – Flavoured or containing added fruit or cocoa:
	– – – In powder, granules or other solid forms, of a milk fat content by weight:
0403 10 51	– – – – Not exceeding 1,5 %
0403 10 53	– – – – Exceeding 1,5 % but not exceeding 27 %
0403 10 59	– – – – Exceeding 27 %
	– – – Other, of a milk fat content by weight:
0403 10 91	– – – – Not exceeding 3 %
0403 10 93	– – – – Exceeding 3 % but not exceeding 6 %
0403 10 99	– – – – Exceeding 6 %
ex 0403 90	– Other:
	– – Flavoured or containing added fruit or cocoa:
	– – – In powder, granules or other solid forms, of a milkfat content, by weight:
0403 90 71	– – – – Not exceeding 1,5 %
0403 90 73	– – – – Exceeding 1,5 %, but not exceeding 27 %
0403 90 79	– – – – Exceeding 27 %
	– – – Other, of a milkfat content, by weight:
0403 90 91	– – – – Not exceeding 3 %
0403 90 93	– – – – Exceeding 3 % but not exceeding 6 %
0403 90 99	– – – – Exceeding 6 %
ex 0710	Vegetables (uncooked or cooked by steaming or boiling in water), frozen:
0710 40 00	– Sweet corn
0711	Vegetables provisionally preserved (for example, by sulphur dioxide gas, in brine, in sulphur water or in other preservative solutions), but unsuitable in that state for immediate consumption:
ex 0711 90	– Other vegetables, mixtures of vegetables:
	– – Vegetables:
0711 90 30	– – – Sweet corn
ex 1302	Vegetable saps and extracts; pectic substances, pectinates and pectates; agar-agar and other mucilages and thickeners, whether or not modified, derived from vegetable products:
	– Mucilages and thickeners, whether or not modified, derived from vegetable products:
1302 31 00	– – Agar-agar

CN code	Description
1302 32	-- Mucilages and thickeners, whether or not modified, derived from locust beans, locust bean seeds or guar deeds
1302 39 00	-- Other
ex 1518 00	Animal or vegetable fats and oils and their fractions, boiled, oxidized, dehydrated, sulphurized, blown, polymerized by heat in vacuum or in inert gas or otherwise chemically modified, excluding those of heading No 1516; inedible mixtures or preparations of animal or vegetable fats or oils or of fractions of different fats or oils of this chapter, not elsewhere specified or included:
1518 00 10	-- Linoxyn
ex 1520	Glycerol (glycerine), whether or not pure; glycerol waters and glycerol lyes:
1520 90 00	-- Other, including synthetic glycerol
1702	Other sugars, including chemically pure lactose, maltose, glucose and fructose, in solid form; sugar syrups not containing added flavouring or colouring matter; artificial honey, whether or not mixed with natural honey; caramel:
ex 1702 30	-- Glucose and Glucosesyrup, not containing fructose or containing in the dry state less than 20 % by weight of fructose
	-- Other:
	--- Containing in the dry state, 99 % or more by weight of glucose
1702 30 51	---- in the form of white crystalline powder, whether or not agglomerated
1702 30 59	---- Other
ex 1702 90	-- Other, including invert sugar
1702 90 10	-- Chemically pure maltose
ex 1704	Sugar confectionery (including white chocolate), not containing cocoa, excluding liquorice extract containing more than 10 % by weight of sucrose but not containing other added substances of subheading 1704 90 10
1806	Chocolate and other food preparations containing cocoa
1901	Malt extract; food preparations of flour, meal, starch or malt extract, not containing cocoa powder or containing cocoa powder in a proportion by weight of less than 50 %, not elsewhere specified or included; food preparations of goods of headings Nos 0401 to 0404, not containing cocoa powder or containing cocoa powder in a proportion by weight of less than 10 %, not elsewhere specified or included
ex 1902	Pasta, whether or not cooked or stuffed (with meat or other substances) or otherwise prepared, such as spaghetti, macaroni, noodles, lasagne, gnocchi, ravioli, cannelloni; couscous, whether or not prepared:
	-- Uncooked pasta, not stuffed or otherwise prepared:
1902 11 00	-- Containing eggs
1902 19	-- Other

CN code	Description
ex 1902 20	– Stuffed pasta whether or not cooked or otherwise prepared:
	– – Other:
1902 20 91	– – – Cooked
1902 20 99	– – – Other
1902 30	– Other pasta
ex 1902 40	– Couscous:
1902 40 90	– – Other
1903 00 00	Tapioca and substitutes thereof prepared from starch, in the form of flakes, grains, pearls, siftings or similar forms
1904	Prepared foods obtained by the swelling or roasting of cereals or cereal products (for example, corn flakes); cereals, other than maize (corn), in grain form, precooked or otherwise prepared
1905	Bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa; communion wafers, empty cachets of a kind suitable for pharmaceutical use, sealing wafers, rice paper and similar products
2001	Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid:
ex 2001 90	– Other:
2001 90 30	– – Sweet corn (<i>Zea mays</i> var. <i>saccharata</i>)
2001 90 40	– – Yams, sweet potatoes and similar edible parts of plants containing 5 % or more by weight of starch
2004	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, frozen:
ex 2004 10	– Potatoes:
	– – Other:
2004 10 91	– – – In the form of flour, meal or flakes
ex 2004 90	– Other vegetables and mixtures of vegetables:
2004 90 10	– – Sweet corn (<i>Zea mays</i> var. <i>saccharata</i>)
ex 2005	Other vegetables prepared or preserved otherwise than by vinegar or acetic acid, not frozen:
2005 20	– Potatoes:
2005 20 10	– – In the form of flour, meal or flakes
2005 80 00	– Sweet corn (<i>Zea mays</i> var. <i>saccharata</i>)
ex 2008	Fruits, nuts and other edible parts of plants, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit, not elsewhere specified or included:
	– Nuts, ground-nuts and other seeds, whether or not mixed together:
ex 2008 11	– – Ground-nuts:
2008 11 10	– – – Peanut butter
2008 91 00	– – Palm hearts

CN code	Description
ex 2008 99	-- Other:
	---- Not containing spirit:
	----- Not containing added sugar:
2008 99 85	----- Maize (corn) other than sweet corn (<i>Zea mays</i> var. <i>saccharata</i>)
2008 99 91	----- Yams, sweet potatoes and similar edible parts of plants, containings 5 % or more by weight of starch
ex 2101	Extracts, essences and concentrates, of coffee, tea or maté preparations with a basis of these products or with a basis of coffee, tea or maté; roasted chicory and other roasted coffee substitutes and extracts, essences and concentrates, thereof:
2101 10	-- Extracts, essences and concentrates of coffee, and preparations with a basis of these extracts, essences or concentrates of with a basis of coffee
2101 20	-- Extracts, essences and concentrates of tea or maté, and preparations with a basis of these extracts, essences or concentrates of with a basis of tea or maté
ex 2101 30	-- Roasted chicory and other roasted coffee substitutes, and extracts, essences and concentrates thereof:
	-- Roasted chicory and other roasted coffee substitutes:
2101 30 19	---- Other (than roasted chicory)
	-- Extracts, essences and concentrates of roasted chicory and other roasted coffee substitutes:
2101 30 99	---- Other (than roasted chicory)
2102	Yeasts (active or inactive); other single-cell micro-organisms, dead (but not including vaccines of heading No 3002); prepared baking powders:
ex 2102 10	-- Active yeasts
	-- Bakers' yeast:
2102 10 31	---- Dried
2102 10 39	---- Other
ex 2102 20	-- Inactive yeasts; other single-cell micro-organisms, dead:
	-- Inactive yeasts:
2102 20 11	---- In tablet, cube or similar form, or in immediate packings of a net content not exceeding 1 kg
2102 20 19	---- Other
ex 2103	Sauces and preparations therefor; mixed condiments and mixed seasonings:
2103 10 00	-- Soya sauce
2103 20 00	-- Tomato ketchup and other tomato sauces
2103 90	-- Other

CN code	Description
ex 2104	Soups and broths and preparations therefor; homogenized composite food preparations:
2104 10 00	– Soups and broths and preparations therefor
2105 00	Ice cream and other edible ice, whether or not containing cocoa
ex 2106	Food preparations not elsewhere specified or included:
2106 10	– Protein concentrates and textured protein substances:
ex 2106 90	– Other:
2106 90 10	– – Cheese fondues
	– – Flavoured or coloured sugar syrups:
2106 90 91	– – – Containing no milkfats, milk proteins, sucrose, isoglucose, glucose or starch or containing less than 1,5 % milkfat, 2,5 % milk proteins, 5 % sucrose or isoglucose, 5 % glucose or starch
2106 90 99	– – – Other
2202	Waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, not including fruit or vegetable juices of heading No 2009
2203 00	Beer made from malt
2205	Vermouth and other wine of fresh grapes flavoured with plants or aromatic substances
ex 2208	Undermatured ethyl alcohol strength by volume of less than 80 % vol; spirits, liqueurs and other spirituous beverages; compound alcoholic preparations of a kind of used for the manufacture of beverages:
2208 20	– Spirits obtained by distilling grape wine or grape marc
ex 2208 30	– Whiskies
	– – Other than Bourbon in containers holding:
2208 30 91	– – – 2 litres or less
2208 30 99	– – – More than 2 litres
2208 50	– Gin and Geneva
ex 2208 90	– Other:
	– – Vodka of an alcoholic strength by volume of 45,4 % vol or less and plum, pear or cherry spirit (excluding liqueurs), in containers holding:
	– – – 2 litres or less:
2208 90 31	– – – – Vodka
2208 90 33	– – – – Plum, pear or cherry spirit (excluding liqueurs)
2208 90 39	– – – More than 2 litres
	– – Other spirituous beverages

CN code	Description
2208 90 51	
2208 90 53	
2208 90 55	
2208 90 59	
2208 90 71	
2208 90 73	
2208 90 79	
ex 2520	Gypsum; anhydrite; plasters (consisting of calcined gypsum or calcium sulphate) whether or not coloured, with or without small quantities of accelerators or retarders:
2520 20	– Plasters
ex 2839	Silicates; commercial alkali metal silicates:
2839 90	– Other
Chapter 29	Organic chemicals
Chapter 30	Pharmaceutical products
ex 3307	Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere specified or included; prepared room deodorizers, whether or not perfumed or having disinfectant properties:
	– Preparations for perfuming or deodorizing rooms, including odoriferous preparations used during religious rites:
3307 49 00	– – Other than 'Agarbatti' and other odoriferous preparations with operate by burning
3307 90 00	– Other
ex 3401	Soap; organic surface-active products and preparations for use as soap, in the form of bars, cakes, moulded pieces or shapes, whether or not containing soap; paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent:
	– Soap and organic surface-active products and preparations, in the form of bars, cakes, moulded pieces or shapes, and paper, wadding, felt and nonwovens, impregnated, coated or covered with soap or detergent:
3401 19 00	– – Other
3402	Organic surface-active agents (other than soap); surface-active preparations, washing preparations (including auxiliary washing preparations and cleaning preparations, whether or not containing soap, other than those of heading No 3401:
ex 3403	Lubricating preparations (including cutting-oil preparations, bolt or nut release preparations, anti-rust or anti-corrosion preparations and mould release preparations, based on lubricants) and preparations of a kind used for the oil or grease treatment of textile materials, leather, furskins or other materials, but excluding preparations containing, as basic constituents, 70 % or more by weight of petroleum oils or of oils obtained from bituminous minerals:
	– Containing petroleum oils or oils obtained from bituminous minerals:
3403 11 00	– – Preparations for the treatment of textile materials, leather, furskins or other materials
3403 19	– – Other:

CN code	Description
ex 3403 19 10	--- Containing 70 % or more by weight of petroleum oils or of oils obtained from bituminous minerals but not as the basic constituent
ex 3405	Polishes and creams, for footwear, furniture, floors, coachwork, glass or metal, scouring pastes and powders and similar preparations (whether or not in the form of paper, wadding, felt, nonwovens, cellular plastics or cellular rubber, impregnated, coated or covered with such preparations), excluding waxes of heading No 3404
3407 00 00	Modelling pastes, including those put up for children's amusement; in preparations known as 'dental wax' or as 'dental impression compounds', put up in sets, in packings for retail sale or in plates, horseshoe shapes, sticks or similar forms; other preparations for use in dentistry, with a basis of plaster (of calcined gypsum or calcium sulphate)
Chapter 35	Albuminoidal substances; modified starches; glues, enzymes, excluding heading No 3501
Chapter 38	Miscellaneous chemical products
Chapter 39	Plastics and articles thereof
4813	Cigarette paper, whether or not cut to size or in the form of booklets or tubes:
ex 4813 90	- Other:
4813 90 90	-- Others
ex 4818	Toilet paper, handkerchiefs, cleaning tissues, towels, tablecloths, serviettes, napkins for babies, tampons, bed sheets and similar household, sanitary or hospital articles, articles of apparel and clothing accessories, of paper pulp, paper, cellulose wadding or webs of cellulose fibres:
4818 10	- Toilet paper
ex 4823	Other paper, paperboard, cellulose wadding and webs of cellulose fibres, cut to size or shape; other articles of paper pulp, paper, paperboard, cellulose wadding or webs of cellulose fibres:
	- Gummed or adhesive paper, in strips or rolls:
4823 11	-- Self-adhesive
4823 19 00	-- Other
4823 20 00	- Filter paper and paperboard
	- Other paper and paperboard, of a kind used for writing, printing or other graphic purposes:
4823 51	-- Printed, embossed or perforated
4823 59	-- Other:
ex 4823 90	- Other:
	-- Other:
	--- Other:
	---- Cut to size or shape:
4823 90 51	----- Condenser paper
	----- Other:
4823 90 71	----- Gummed or adhesive paper
4823 90 79	----- Other

ANNEX C

Correlation table

Regulation No 2727/75		This Regulation	
Article	1	Article	1
Article	2	Article	2
Article	3	Article	3
Article	4	Article	—
Article	4(b)	Article	—
Article	5	Article	5
Article	6	Article	3
Article	7	Article	4
Article	8	Article	6
Article	9	Article	26
Article	10	Article	—
Article	10(a)	Article	—
Article	10(b)	Article	—
Article	11(a)	Article	—
Article	11(b)	Article	—
Article	12	Article	9
Article	13	Article	10
Article	14	Article	11
Article	15	Article	12
Article	16	Article	13
Article	17	Article	14
Article	18	Article	15
Article	19	Article	16
Article	20	Article	17
Article	21	Article	18
Article	22	Article	19
Article	23	Article	—
Article	23(a)	Article	20
Article	24	Article	21
Article	25	Article	22
Article	26	Article	23
Article	27	Article	24
Article	28	Article	—
Article	29	Article	25
Article	30	Article	26
ANNEX	A	ANNEX	A
ANNEX	B	ANNEX	B
ANNEX	C	ANNEX	C