

**COUNCIL REGULATION (EEC) No 1594/83**  
**of 14 June 1983**  
**on the subsidy for oilseeds**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation No 136/66/EEC of 22 September 1966 on the establishment of a common organization of the market in oils and fats<sup>(1)</sup>, as last amended by Regulation (EEC) No 1413/82<sup>(2)</sup>, and in particular Article 27 (3) thereof,

Having regard to the proposal from the Commission,

Whereas principles should be laid down to govern the granting of the subsidy referred to in Article 27 of Regulation No 136/66/EEC and the fixing of the amount of this subsidy under abnormal conditions; whereas, moreover, rules should be laid down for checking entitlement to the subsidy and the conditions under which advance fixing of the amount of the subsidy may be allowed;

Whereas most of the colza, rape and sunflower seeds harvested and used within the Community is intended for the production of oil or, in the case of colza and rape seeds, for incorporation into feeding stuffs; whereas these seeds are in direct competition with imported oil seeds which are generally offered at prices lower than the target price; whereas, therefore, entitlement to the subsidy should be limited to seeds harvested and processed within the Community for the production of oil or incorporation into feedingstuffs;

Whereas, in order that this subsidy may be granted only for seeds which qualify for it, the Member States should set up a system of control for seeds produced within the Community and intended for the production of oil or incorporation into feedingstuffs, and also for all imported seeds; whereas, in order to facilitate the control of imported seeds, such control should be accompanied by the provision of a security;

Whereas, to ensure uniform and effective control of the seeds harvested within the Community, certifi-

cates should be introduced furnishing proof that the seeds have been placed under control at an oil mill or feed mill;

Whereas, to assist the oil producer or feed manufacturer to calculate the prime cost of his product, the level of subsidy should not be dependent on the time of processing; whereas, therefore, the amount of the subsidy should be determined on the basis of the day on which the seeds are placed under control;

Whereas, in the interests of sound administration, such certificates should also be used when the amount of the subsidy is fixed in advance; whereas, in that case, to prevent speculative operations, the issue of the certificate should be made subject to the provision of a security to guarantee the obligation to place the seeds under control for the period of validity of the certificate;

Whereas provision should be made for the possibility of altering the amount of the subsidy and of suspending its advance fixing so as to rectify an abnormal situation on the seed market within the Community; whereas, to this end, provision should be made for the benefit arising from the advance fixing to be granted only after the expiry of a short period following the lodging of the application, during which period the state of the market can be assessed;

Whereas forward quotations for colza, rape and sunflower seeds are not regularly available; whereas forward quotations for other seeds may be affected by a specific demand, so that they do not accurately represent the real trends on world markets; whereas, because of this, in order to determine the amount of the subsidy to be fixed in advance, the amount applicable on the day on which the application is made should be adjusted on the basis of the target price for the month in which the seeds are placed under control, and also, where appropriate, on the basis of the difference between the economic advantages from processing these seeds and the advantages of processing the seeds of major competitors;

Whereas, to facilitate application of the subsidy system, provision should be made for the subsidy to be paid out by the Member State on whose territory the seeds are processed for the production of oil or incorporation into feedingstuffs;

<sup>(1)</sup> OJ No 172, 30. 9. 1966, p. 3025/66.

<sup>(2)</sup> OJ No L 162, 12. 6. 1982, p. 6.

Whereas this Regulation is intended to replace Council Regulation (EEC) No 2114/71 of 28 September 1971 on the subsidy for oilseeds <sup>(1)</sup>, as last amended by Regulation (EEC) No 851/78 <sup>(2)</sup>,

HAS ADOPTED THIS REGULATION:

*Article 1*

The subsidy provided for in Article 27 of Regulation No 136/66/EEC shall be granted, under the conditions laid down in that Article:

- (a) for colza, rape and sunflower seeds processed in the Community for the production of oil;
- (b) for colza and rape seeds processed in the Community for incorporation into animal feeding-stuffs.

*Article 2*

1. Member States shall control either at the oil mill the processing of colza, rape and sunflower seeds or at the feed mill the incorporation of colza and rape seeds to ensure that the subsidy is received only for seeds which qualify for it.

2. Member States shall communicate to the other Member States and to the Commission the provisions adopted by them to ensure the control provided for in paragraph 1, before applying them.

Where these provisions are not such as to implement the aims referred to in that paragraph, the amendments which the Member State concerned is to make to them shall be decided in accordance with the procedure provided for in Article 38 of Regulation No 136/66/EEC.

*Article 3*

The amount of the subsidy shall be that which is applicable on the day on which the Member State concerned takes over responsibility for control:

- at the oil mill in which the colza, rape and sunflower seeds are processed, or

- at the feed mill in which the colza and rape seeds are incorporated.

However, the amount of subsidy applicable on the day on which the application for the certificate referred to in Article 4 was lodged, adjusted in accordance with Article 7, shall be applied, at the request of the party concerned, to seeds placed under control at the oil mill or the feed mill during the period of validity of the certificate.

*Article 4*

A Community subsidy certificate shall be introduced which shall provide proof that the seeds harvested in the Community have been placed under control in an oil mill or a feed mill and which shall certify, where such is the case, that the amount of the subsidy has been fixed in advance. The certificate shall be issued by Member States to any applicant concerned, irrespective of the place of his establishment in the Community.

*Article 5*

Where the amount of the subsidy has been fixed in advance, the certificate referred to in Article 4 shall be valid throughout the Community.

In this case the certificate shall, subject to Article 8, be issued on the afternoon of the first working day following the day on which the application was lodged.

Moreover, the issue of the certificate shall be subject to the provision of a security to guarantee the obligation to place the seeds under control in an oil mill or a feed mill situated within the Community during the period of validity of the certificate, this security being forfeited in whole or in part if, during that period, the seeds are not placed under such control or are only partially placed under control.

*Article 6*

When the amount of the subsidy is not fixed in advance, the certificate referred to in Article 4 shall be issued by the Member State in which the seeds are placed under control.

<sup>(1)</sup> OJ No L 222, 2. 10. 1971, p. 2.

<sup>(2)</sup> OJ No L 116, 28. 4. 1978, p. 4.

The certificate shall be issued on the day on which the Member State concerned becomes responsible for control:

- at the oil mill in which the colza, rape and sunflower seeds are processed, or
- at the feed mill in which the colza and rape seeds are incorporated.

#### Article 7

1. When fixed in advance, the amount of the subsidy applicable on the day on which the application was lodged shall be adjusted on the basis of:

- (a) the difference between the target price valid on that day and that valid on the day on which the seeds are placed under control at the oil mill or the feed mill, and
- (b) if necessary, a corrective amount.

2. The corrective amount referred to in 1 (b) shall be calculated taking into account price trends for the seeds in question on the world market and also, where appropriate, the difference between the economic advantages accruing from processing these seeds and the economic advantages accruing from processing the main competing seeds.

#### Article 8

1. If the situation on the Community seed market is abnormal, and in particular if the volume of applications for advance fixing of the subsidy does not appear to be related to normal outlets for seeds harvested in the Community it may be decided, if the certificate referred to in Article 4 has not yet been issued, to alter the amount of the subsidy and to suspend the advance fixing of this amount, to the extent necessary to restore the balance between the Community market and the world market.

2. The amount of the subsidy shall be altered by applying a corrective factor determined in accordance with the procedure provided for in Article 38 of Regulation No 136/66/EEC.

3. Suspension of advance fixing shall be decided in accordance with the procedure laid down in Article 38 of Regulation No 136/66/EEC.

However, in case of emergency, the Commission

may decide on this suspension; in such case the period of suspension shall not exceed seven days.

#### Article 9

1. All imports of seeds referred to in Article 1, and mixtures of products falling within heading No 12.01 of the Common Customs Tariff containing at least 2 % by weight of one or more of these seeds, shall be subject to a system of control which shall apply until the seeds or mixtures are brought under the system of control provided for in Article 2, or, if they are not processed for the production of oil, or incorporated into feed, until the seeds are rendered ineligible for the subsidy.

2. The control may be accompanied by the provision of a security, the level of which may not exceed the amount necessary to ensure that there is no incentive to withdraw imported seeds from control and to make an unwarranted application for the subsidy.

#### Article 10

1. Entitlement to the subsidy shall be acquired:

- (a) in the case of colza and rape and sunflower seeds for processing into oil, when they are so processed;
- (b) in the case of colza and rape seeds incorporated into animal feedingstuffs, when they are so incorporated;

2. The subsidy shall be paid to the holder of the certificate, referred to in Article 4, in the Member State in which the seeds are placed under control:

- in the case of the seeds referred to in 1 (a), when proof of processing is furnished,
- in the case of the seeds referred to in 1 (b), when proof of incorporation is furnished.

However, the subsidy may be paid in advance as soon as the seeds have been placed under control, on condition that a security for their processing or incorporation is provided.

#### Article 11

1. The weight of seeds referred to in Article 1 shall be determined, and samples taken, in particular:

- on import,

- on entering the oil mill where the seeds will be processed,
- on entering the feed mill in which the seeds are to be incorporated,
- on being rendered ineligible for the subsidy in respect of quantities imported and intended for uses other than the production of oil or incorporation into animal feedingstuffs.

impurities and those used to define the standard quality for which the target price is fixed.

*Article 12*

Regulation (EEC) No 2114/71 is hereby repealed with effect from 1 October 1983.

*Article 13*

2. The amount of the subsidy and the amount of the deposit referred to in Article 9 (2) shall be calculated on the basis of weight, this being adjusted in accordance with such differences as may exist between the recorded percentages of moisture and

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

It shall apply from 1 October 1983.

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

Done at Luxembourg, 14 June 1983.

*For the Council*  
*The President*  
I. KIECHLE