

## COUNCIL REGULATION (EEC) No 1907/87

of 2 July 1987

## amending Regulation (EEC) No 1418/76 on the common organization of the market in rice

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 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 in order to give to the market in rice itself a more active and direct role in the quantitative pattern of supply with regard to demand, the role of intervention should be restricted to that of a simple safety net; whereas from that viewpoint the intervention price should function as a trigger threshold for buying in for intervention as soon as the prices recorded on representative markets fall during a certain period below that level; whereas the buying-in price paid for paddy rice delivered for intervention should be situated at a level below that of the fixed intervention price;

Whereas, as regard the rice supply situation in the Community, there is, on the one hand, a shortage of certain types of rice for which demand exists on the part of some consumers and, on the other hand, a surplus of other types of rice;

Whereas the varieties for which demand exists are of the indica type or profile which normally have lower crop yields than those of the varieties that are traditionally grown; whereas appropriate measures should therefore be taken to encourage varietal conversion by granting crop aids;

Whereas, on account of the characteristics of the rice produced in the Community, much of this rice is unable to find an outlet on the Community market; whereas there is therefore a risk of large quantities of this product being bought into intervention at the beginning of the marketing year; whereas, to encourage growers to sow varieties which are more in line with market requirements, the amounts taken over by intervention agencies should be restricted for a limited and specified period of the marketing year;

Whereas under Article 18 of Regulation (EEC) No 1418/76 (4), as last amended by Regulation (EEC) No 1449/86 (5), it is possible to disallow in whole or in part the use of inward processing arrangements for products listed in Article 1 of that Regulation that are to be turned into products as specified at point (c) of Article 1 (1) thereof;

Whereas given the actual situation for rice this provision is inadequate; whereas the effectiveness of the common organization of the market may in particular be jeopardized by the manufacture of products as specified at point (a) of Article 1 (1) of Regulation (EEC) No 1418/76; whereas the scope of the abovementioned Article 18 should therefore be widened,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EEC) No 1418/76 is hereby amended as follows:

1. Article 5 is replaced by the following:

*Article 5*

1. Where, during a certain period, the market price for paddy rice is, in representative zones, lower than the intervention price, a decision shall be made that, under the procedure laid down in Article 27, the intervention agencies shall buy in the quantities of paddy rice offered them, provided that the offers comply with conditions, in particular in respect of quantity and quality, to be determined in accordance with paragraph 6.

Buying-in may only take place during the period from 1 December to 31 July.

2. The buying-in referred to in paragraph 1 shall be carried out on the basis of a price equal to 94 % of the intervention price applicable for the marketing centre at which the paddy rice is offered under the conditions adopted pursuant to paragraphs 5 and 6.

If the quality of the paddy rice differs from the standard quantity for which the intervention price was fixed, the latter shall be adjusted by the application of price increases or reductions.

(1) OJ No C 89, 3. 4. 1987, p. 9.

(2) OJ No C 156, 15. 6. 1987.

(3) OJ No C 150, 9. 6. 1987, p. 8.

(4) OJ No L 166, 25. 6. 1976, p. 1.

(5) OJ No L 133, 21. 5. 1986, p. 1.

3. Cessation of buying-in for intervention shall be decided upon in accordance with the procedure laid down in Article 27, where the paddy rice market price in the zones referred to in paragraph 1 are, during a period to be determined, above the intervention price.

4. Under the conditions adopted pursuant to paragraphs 5 and 6, the intervention agencies shall offer for sale, for export to third countries or for supply to the internal market, the paddy rice bought in accordance with paragraph 1.

5. The Council shall, by a qualified majority, acting on a proposal from the Commission adopt the general rules governing intervention.

6. Detailed rules of application of this Article shall be adopted in accordance with the procedure laid down in Article 27 and in particular with regard to:

- the representative zones to be taken into consideration for the establishment of the market prices,
- the minimum quality and quantity required for intervention,
- the price increases and reductions applicable to intervention,
- the procedures and conditions for taking over by the intervention agencies,
- the procedures and conditions for disposal by the intervention agencies.

2. The following Article is inserted:

*Article 8a*

1. An aid shall be granted for the production of certain varieties of rice of the indica type or profile grown in those areas of the Community where rice of

the japonica type forms a traditionally large part of rice production.

2. The amount of the aid shall be fixed per hectare of the areas sown and harvested.

The aid shall only be granted for certain varieties of rice of the indica type or profile to be defined.

3. The amount of the aid shall be fixed in accordance with the procedure laid down in Article 43 (2) of the Treaty.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article and, in particular, the areas of production referred to in paragraph 1 and the morphological characteristics of the rice that may qualify for this aid.

5. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 27.

3. Article 18 is replaced by the following:

*Article 18*

To the extent necessary for the proper working of the common organization of the market in rice, the Council, acting by a qualified majority on a proposal from the Commission, may prohibit in whole or in part the use of inward processing arrangements in respect of products listed in Article 1.

*Article 2*

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

It shall apply with effect from 1 September 1987.

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

Done at Brussels, 2 July 1987.

*For the Council*

*The President*

K. E. TYGESEN