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(Acts whose publication is obligatory)

**COUNCIL REGULATION (EEC) No 738/93
of 17 March 1993**

amending the transitional measures governing common organization of the market as provided for by Regulation (EEC) No 3653/90

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Spain and Portugal, and in particular Article 234 (3) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (¹),

Whereas the achievement of the Single Market requires the removal of all barriers to trade, not only between the Member States of the Community as constituted on 31 December 1985 but also, to the greatest possible extent, between those Member States and Spain and Portugal;

Whereas this will mean abolition for the supplementary trade mechanism applicable to cereals and rice, and where cereals are concerned makes it appropriate, in order to enable Portuguese farmers to meet increased competition for the other Member States, to reduce over a longer period the aid provided for by 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);

Whereas, under the reform of the common agricultural policy, provision was made for a reduction in intervention prices by Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organization of the market in cereals (³); whereas the resulting loss of income is compensated for by direct support on a per hectare basis introduced by Council Regulation (EEC) No 1765/92 of 30 June 1992 establishing a support system for producers

of certain arable crops (⁴); whereas the method of calculating Portuguese aid should be adapted so as to avoid a double compensation;

Whereas accession compensatory amounts are due to be applied in trade in rice between Portugal and the other Member States until the end of the 1994/95 marketing year since Regulation (EEC) No 3653/90 provides for the price of the said product to be aligned on the common price only with effect from that date;

Whereas price alignment for this product can be brought forward and all accession compensatory amounts can therefore be abolished on that date if the loss of earnings of Portuguese rice producers is offset by a similar aid scheme to that already provided for cereals by Regulation (EEC) No 3653/90; whereas the arrangements provided for in that Regulation should therefore be amended accordingly;

Whereas to offset the difficulties that elimination of the supplementary trade mechanism for rice would otherwise involve for Portuguese producers the initial amount of the said aid should be set at more than the simple price difference of ECU 17,45 per tonne and it should be made depressive to the end of the 1997/98 marketing year;

Whereas, at the same time, the fixed components applicable to products processed from cereals and rice until 31 December 1999 at the latest pursuant to the above-mentioned Regulation should be abolished; whereas, in the case of most products, following attainment of the single market the difficulties and cost of the monitoring required in connection with the components would be out of proportion to their size and they will not in fact be really necessary to protect the processing industry in

(¹) OJ No C 21, 25. 1. 1993.

(²) OJ No L 362, 27. 12. 1990, p. 28.

(³) OJ No L 181, 1. 7. 1992, p. 21.

(⁴) OJ No L 181, 1. 7. 1992, p. 12. Regulation as amended by Commission Regulation (EEC) No 2467/92 (OJ No L 246, 27. 8. 1992, p. 1).

Portugal; whereas any difficulties that this may engender in the rice sector, particularly sensitive in Portugal, can be resolved within the framework of the transitional measures laid down;

Whereas this dismantling of the fixed components makes it appropriate to abolish the variations indicated in Article 287 (2) of the Act of Accession,

HAS ADOPTED THIS REGULATION:

Article 1

1. Notwithstanding Articles 2, 3 and 9 of Regulation (EEC) No 3653/90:

- (a) the aid specified in Article 3 of that Regulation
- shall be granted to the end of the 2002/03 marketing year,
 - shall be for each marketing year, fixed as set out in the Annex;
- (b) the common intervention price for paddy rice shall apply in Portugal;
- (c) aid shall be granted to producers of paddy rice for the 1992/93, 1993/94, 1994/95, 1995/96, 1996/97 and 1997/98 marketing years. This aid, to which Article 5

and the first paragraph of Article 10 shall apply, shall be:

- fixed at ECU 25 per tonne for the 1992/93 marketing year,
 - reduced by 1/6, 1/5, 1/4, 1/3 and 1/2 for the 1993/94, 1994/95, 1995/96, 1996/97 and 1997/98 marketing years respectively;
- (d) the fixed components in respect of the products referred to in Article 286 (3) of the Act of Accession are abolished.

2. The variations indicated in Article 287 (2) of the Act of Accession are also abolished.

Article 2

The measures needed to ensure a smooth transition from the arrangements provided for in Regulation (EEC) No 3653/90 to those provided for in this Regulation, particularly in respect of compensation for stocks of rice in Portugal on 31 March 1993, shall be adopted in accordance with the procedure laid down in Article 26 of Regulation (EEC) No 2727/75⁽¹⁾ or Article 27 of Regulation (EEC) No 1418/76⁽²⁾.

Article 3

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

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

Done at Brussels, 17 March 1993.

For the Council

The President

B. WESTH

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 1. Regulation as last amended by Regulation (EEC) No 1738/92 (OJ No L 180, 1. 7. 1990, p. 1).

⁽²⁾ OJ No L 166, 25. 6. 1976, p. 7. Regulation as last amended by Regulation (EEC) No 674/92 (OJ No L 73, 19. 3. 92, p. 7).

ANNEX

Aid to Portuguese cereal producers

	<i>(ECU/tonne)</i>									
	1993/1994	1994/1995	1995/1996	1996/1997	1997/1998	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003
Common wheat	97,97	89,58	81,00	72,25	63,26	54,02	44,46	34,51	24,05	12,81
Maize	52,33	47,09	41,86	36,63	31,40	26,16	20,93	15,70	10,47	5,23
Tritical, barley, rye	66,26	59,64	53,01	46,38	39,76	33,13	26,51	19,88	13,25	6,63
Grain sorghum	45,48	40,93	36,39	31,84	27,29	22,74	18,19	13,64	9,10	4,55