

**COUNCIL REGULATION (EC) No 192/98
of 20 January 1998**

**amending Regulation (EC) No 3072/95 on the common organisation of the market
in rice and Regulation (EEC) No 2358/71 on the common organisation of the
market in seeds**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European 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 the system of compensatory payments introduced by Article 6 of Regulation (EC) No 3072/95 ⁽⁴⁾ should be extended to cover producers of rice in the husk (paddy or rough rice) for sowing; whereas the fall in prices attendant on the reduction in the intervention price provided for in Article 3 of that Regulation has an impact on prices of rice for sowing; whereas, given the lack of adequate compensation, there is a risk that the result would be lower use of certified seed and a deterioration in rice quality;

Whereas rice for sowing should be included among the products covered by Regulation (EC) No 3072/95 solely so it can qualify for compensatory payments; whereas it should be remembered that the product qualifies for production aid for seeds under Regulation (EEC) No 2358/71 ⁽⁵⁾;

Whereas Article 3 of Regulation (EC) No 3072/95 fixes the intervention price for paddy rice at the same level for the 1999/2000 and subsequent marketing years; whereas provision should be made at the same time for the compensatory payments fixed in Article 6(1) of that Regulation to remain the same for the 1999/2000 and subsequent marketing years;

Whereas, pursuant to Article 6(4) of Regulation (EC) No 3072/95, the system of compensatory payments is to

be applied on the basis of an area established by producer Member State; whereas provision should accordingly be made for the reduction applying in the event of an overrun in that area to be determined by the Member State concerned;

Whereas Article 6(5) of Regulation (EC) No 3072/95 provides for information to be forwarded by the Member States on the basis of declarations from producers and processors; whereas that provision should be amended to delete any reference to the national base area;

Whereas it seems economically justified for export refunds to be granted subject to provision of proof that the product has been wholly obtained in the Community within the meaning of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code ⁽⁶⁾; whereas that obligation does not apply in the event of re-export;

Whereas, following the extension of the system of compensatory payments to rice for sowing and in order to ensure balance on the market for rice seed, in particular to safeguard possibilities of disposal in line with the base area established in Article 6 of Regulation (EC) No 3072/95, it seems justified to introduce a mechanism to stabilise production of rice seed; whereas provision should be made for the system of compensatory payments to be extended and for the stabilisation mechanism established to apply from the beginning of the 1998/99 marketing year,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 3072/95 is hereby amended as follows:

1. in Article 1:

(a) paragraph 1 shall be replaced by the following:

⁽¹⁾ OJ C 312, 14. 10. 1997, p. 18.

⁽²⁾ Opinion delivered on 14 January 1998 (not yet published in the Official Journal).

⁽³⁾ Opinion delivered on 10 December 1997 (not yet published in the Official Journal).

⁽⁴⁾ OJ L 329, 30. 12. 1995, p. 18. Regulation as last amended by Regulation (EC) No 613/97 (OJ L 94, 9. 4. 1997, p. 1).

⁽⁵⁾ OJ L 246, 5. 11. 1971, p. 1. Regulation as last amended by Regulation (EC) No 3290/94 (OJ L 349, 31. 12. 1994, p. 105).

⁽⁶⁾ OJ L 302, 19. 10. 1992, p. 1. Regulation as last amended by Regulation (EC) No 82/97 (OJ L 17, 21. 1. 1997, p. 1).

'1. The common organisation of the market in rice shall comprise a price and trading system and shall cover the following products:

<i>CN code</i>	<i>Description</i>
(a) 1006 10	Rice in the husk (paddy or rough rice)
1006 20	Husked (brown) rice
1006 30	Semi-milled rice or wholly milled rice, whether or not polished or glazed
(b) 1006 40 00	Broken rice
(c) 1102 30 00	Rice flour
1103 14 00	Groats and meal of rice
1103 29 50	Pellets of rice
1104 19 91	Flaked rice
1108 19 10	Rice starch.'

(b) the following paragraph shall be added:

'3. This Regulation shall apply to rice in the husk (paddy or rough rice) for sowing covered by CN code 1006 10 10 solely for the purposes of the system of compensatory payments provided for in Article 6.'

2. in Article 6:

(a) in paragraph 3, the heading of the fourth column of the table shall be replaced by '1999/2000 and subsequent marketing years';

(b) in paragraph 5:

(i) the second subparagraph shall be replaced by the following:

'Where the preceding subparagraph is applied, the Member State concerned shall, before a date fixed in accordance with the procedure laid down in Article 22 of this Regulation, determine the scale of the reductions to be applied to the compensatory payment. It shall previ-

ously inform the Commission and as quickly as possible thereof.;

(ii) at the beginning of the third subparagraph, the words 'For each base area' shall be deleted;

3. in Article 13:

(a) in the first subparagraph of paragraph 12, the first indent shall be replaced by the following:

'— the products have been wholly obtained in the Community within the meaning of Article 23 of Regulation (EEC) No 2913/92, except where paragraph 13 applies';

(b) the first subparagraph of paragraph 13 shall be replaced by the following:

'No export refund shall be granted on rice imported from and re-exported to third countries, unless the exporter proves that:

- the product to be exported and the product previously imported are one and the same,
- all the import duties were collected on the product's release for free circulation.'

Article 2

The following paragraph is hereby added to Article 3 of Regulation (EEC) No 2358/71:

'4a. The maximum quantity of rice seed on which the aid is payable in the Community shall be fixed in accordance with the procedure referred to in paragraph 5. That quantity shall be apportioned among the producer Member States.'

Article 3

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

However, Article 1(1) shall apply from 1 September 1998 and Article 2 shall apply from 1 July 1998.

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

Done at Brussels, 20 January 1998.

For the Council

The President

J. CUNNINGHAM