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## Legislation

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## I

*(Acts whose publication is obligatory)*

**COUNCIL REGULATION (EEC) No 2896/77  
of 20 December 1977**

**extending to other products the Annex to Regulation (EEC) No 109/70 establishing common rules for imports from State-trading countries**

THE COUNCIL OF THE EUROPEAN  
COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 109/70 of 19 December 1969 establishing common rules for imports from State-trading countries<sup>(1)</sup>, and in particular Article 2 thereof,

Having regard to the proposal from the Commission,  
Whereas quantitative restrictions on imports of a number of products from State-trading countries have been abolished in all the Member States;

Whereas, moreover, as part of the progressive standardization of the import arrangements applied in the Member States, it appears desirable to abolish certain other quantitative restrictions on imports from the said third countries;

Whereas extending the Annex to Regulation (EEC) No 109/70 to include imports of the products in question is not liable to create a situation in which the application of protective measures within the meaning of Title IV of that Regulation would be justified;

Whereas the Annex in question has been amended several times; whereas, for practical reasons, the Commission should be authorized to bring it up to date and see to its publication,

HAS ADOPTED THIS REGULATION :

*Article 1*

The Annex to Regulation (EEC) No 109/70 shall be extended to include the products listed in the Annex to this Regulation imported from the third countries indicated by an 'X'.

*Article 2*

The Commission is hereby authorized to publish the amended version of the Annex to Regulation (EEC) No 109/70.

*Article 3*

This Regulation shall enter into force on the day 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 Brussels, 20 December 1977.

*For the Council*

*The President*

J. CHABERT

<sup>(1)</sup> OJ No L 19, 26. 1. 1970, p. 1.

[illegible]

**COUNCIL REGULATION (EEC) No 2897/77  
of 20 December 1977**

**adding new products to column 2 of the list contained in Annex I to Regulation  
(EEC) No 1439/74 on common rules for imports**

THE COUNCIL OF THE EUROPEAN  
COMMUNITIES,

HAS ADOPTED THIS REGULATION :

Having regard to the Treaty establishing the European  
Economic Community,

*Article 1*

Having regard to Council Regulation (EEC) No  
1439/74 of 4 June 1974 on common rules for  
imports <sup>(1)</sup>, and in particular Article 2 thereof,

The products listed in the Annex to Council Regula-  
tion (EEC) No 2896/77 are hereby added to column 2  
of the list contained in Annex I to Regulation (EEC)  
No 1439/74.

Having regard to the proposal from the Commission,

Whereas by Regulation (EEC) No 2896/77 <sup>(2)</sup>, the  
Council decided to extend to other products the  
Annex to Council Regulation (EEC) No 109/70 of 19  
December 1969 establishing common rules for  
imports from State-trading countries <sup>(3)</sup>;

*Article 2*

Whereas the products to which this extension applies  
should be added to column 2 of the list contained in  
Annex I to Regulation (EEC) No 1439/74,

This Regulation shall enter into force on the day 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 Brussels, 20 December 1977.

*For the Council*

*The President*

J. CHABERT

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<sup>(1)</sup> OJ No L 159, 15. 6. 1974, p. 1.

<sup>(2)</sup> See page 1 of this Official Journal.

<sup>(3)</sup> OJ No L 19, 26. 1. 1970, p. 1.

## COUNCIL REGULATION (EEC) No 2898/77

of 20 December 1977

**maintaining in force the rules whereby imports into Italy of electric filament lamps originating in certain European State-trading countries are subject to import authorizations**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 109/70 of 19 December 1969 establishing common rules for imports from State-trading countries<sup>(1)</sup>, and in particular Article 8 thereof,

Having regard to the proposal from the Commission, After consultation within the Advisory Committee set up under Article 5 of that Regulation,

Whereas by Regulation (EEC) No 1887/76<sup>(2)</sup> the Commission established rules whereby imports into Italy of electric filament lamps originating in certain European State-trading countries were made subject to authorization ;

Whereas by Regulations (EEC) No 2162/76<sup>(3)</sup> and (EEC) No 3205/76<sup>(4)</sup> the Council maintained these rules in force until 31 December 1977 ;

Whereas the economic difficulties which justified the introduction of these protective measures still exist on the Italian market ;

Whereas electric filament lamps originating in certain State-trading countries continue to be imported into Italy at prices substantially below the price of similar

Italian products and these have caused or are likely to cause serious injury to the producers in this region of the Community if the measures now in force are not extended ;

Whereas these measures should consequently be maintained in effect until 31 December 1978 for the Italian market in respect of Bulgaria, the German Democratic Republic, Czechoslovakia and the USSR ; Whereas the safeguard measures thus maintained in respect of these third countries can be repealed should those same countries enter into consultations with the Community and should these consultations result in mutually satisfactory solutions,

HAS ADOPTED THIS REGULATION :

*Article 1*

The rules whereby imports into Italy of electric filament lamps originating in certain European State-trading countries are subject to authorization, which were adopted by Regulation (EEC) No 1887/76 and confirmed by Regulations (EEC) No 2162/76 and (EEC) No 3205/76, shall continue to apply until 31 December 1978.

The total quantity of products for which import authorizations shall be issued during the year 1978 shall not exceed the following amounts :

| NIMEXE code | Description                                | Origin                     | Quantity (items) |
|-------------|--------------------------------------------|----------------------------|------------------|
| 85.20-15    | Electric filament lamps exceeding 28 volts | Bulgaria                   | 420 000          |
|             |                                            | German Democratic Republic | 3 350 000        |
|             |                                            | Czechoslovakia             | 4 100 000        |
|             |                                            | USSR                       | 1 365 000        |

*Article 2*

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels, 20 December 1977.

*For the Council*  
The President  
J. CHABERT

<sup>(1)</sup> OJ No L 19, 26. 1. 1970, p. 1.

<sup>(2)</sup> OJ No L 206, 31. 7. 1976, p. 79.

<sup>(3)</sup> OJ No L 242, 3. 9. 1976, p. 1.

<sup>(4)</sup> OJ No L 362, 31. 12. 1976, p. 1.

**COUNCIL REGULATION (EEC) No 2899/77**  
**of 21 December 1977**  
**extending the validity of certain interim measures for the conservation and**  
**management of fishery resources**

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 103 thereof,

Having regard to the Act of Accession, and in particular Article 102 thereof,

Having regard to the proposal from the Commission,

Whereas, pending the establishment of a Community regime for the conservation and management of fishery resources, the Community conservation and management measures, which are applicable until 31 December 1977, should be extended until 31 January 1978,

HAS ADOPTED THIS REGULATION:

*Article 1*

The validity of the provisions of Council Regulations (EEC):

- No 350/77 of 18 February 1977 laying down certain interim measures for the conservation and management of fishery resources <sup>(1)</sup>,
- No 1672/77 of 25 July 1977 laying down interim measures for the conservation and management of certain herring stocks <sup>(2)</sup>,

- No 1779/77 of 2 August 1977 laying down interim conservation and management measures for herring fishing in the Irish Sea <sup>(3)</sup>,
- No 2366/77 of 25 October 1977 laying down interim measures for the conservation and management of North Sea herring <sup>(4)</sup>,
- No 2479/77 of 8 November 1977 amending Regulation (EEC) No 2366/77 laying down the interim measures for the conservation and management of North Sea herring <sup>(5)</sup>, which are applicable until 31 December 1977, is hereby extended until 31 January 1978.

*Article 2*

The validity of Article 2 of Council Regulation (EEC) No 2156/77 of 27 September 1977 laying down certain interim measures for the conservation and management of fishery resources applicable to vessels flying the flag of a Member State fishing in Norwegian waters north of 62° North and to vessels flying the flag of Norway <sup>(6)</sup> is hereby extended until 31 January 1978. However, catches may not exceed 1 500 tonnes for the period 1 January 1978 to 31 January 1978.

*Article 3*

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels, 21 December 1977.

*For the Council*

*The President*

J. CHABERT

<sup>(1)</sup> OJ No L 48, 19. 2. 1977, p. 28.

<sup>(2)</sup> OJ No L 186, 26. 7. 1977, p. 27.

<sup>(3)</sup> OJ No L 196, 3. 8. 1977, p. 4.

<sup>(4)</sup> OJ No L 277, 29. 10. 1977, p. 8.

<sup>(5)</sup> OJ No L 287, 11. 11. 1977, p. 8.

<sup>(6)</sup> OJ No L 250, 30. 9. 1977, p. 10.

**COMMISSION REGULATION (EEC) No 2900/77**  
**of 22 December 1977**

**laying down detailed rules for the sale of beef held by the intervention agencies  
to enable the import with total suspension of the levy of frozen beef and veal  
intended for processing**

THE COMMISSION OF THE EUROPEAN  
COMMUNITIES,

Having regard to the Treaty establishing the European  
Economic Community,

Having regard to Council Regulation (EEC) No  
805/68 of 27 June 1968 on the common organization  
of the market in beef and veal<sup>(1)</sup>, as last amended by  
Regulation (EEC) No 425/77<sup>(2)</sup>, and in particular Arti-  
cles 7(3) and 14(4)(c) thereof,

Whereas Article 14(3)(b) of Regulation (EEC) No  
805/68 provides that the total suspension of the  
import levy in respect of frozen beef and veal  
intended for processing may be made conditional on  
the submission of a purchase contract for frozen meat  
held by an intervention agency;

Whereas the sale of frozen meat held by the interven-  
tion agencies must take place in such a way as to  
avoid any disturbance of the market and to ensure  
equal access to all interested parties; whereas recourse  
should therefore be had to a tendering procedure to  
permit a fair distribution of the quantities of meat put  
up for sale; whereas such sales must take place  
pursuant to Commission Regulation (EEC) No 216/69  
of 4 February 1969 on detailed rules of application for  
the disposal of frozen beef and veal bought in by inter-  
vention agencies<sup>(3)</sup> while providing for certain excep-  
tions; whereas, in the case of boned meat, the presen-  
tation of the products put up for sale must comply  
with Commission Regulation (EEC) No 2630/75 of 16  
October 1975 on the boning of beef bought in by the  
intervention agencies<sup>(4)</sup>;

Whereas the system provided for in Article 14(1)(a)  
of Regulation (EEC) No 805/68 is normally more  
favourable to the parties concerned than the system  
provided for in Article 14(1)(b) thereof; whereas it is  
therefore reasonable to make it possible to fix  
different minimum prices for the sale of intervention  
meat according to the destination of the imported  
meat;

Whereas Article 4(2) of Council Regulation (EEC) No  
1134/68 of 30 July 1968 laying down rules for the  
implementation of Regulation (EEC) No 653/68 on

conditions for alterations to the value of the unit of  
account used for the common agricultural policy<sup>(5)</sup>  
provides that, in the case of transactions carried out  
pursuant to the common agricultural policy, the sums  
owed by a Member State or a duly authorized body,  
expressed in national currency and representing  
amounts fixed in units of account, should be paid on  
the basis of the relationship between the unit of  
account and the national currency which obtained at  
the time when the transaction or part transaction was  
carried out;

Whereas under Article 6 of the abovementioned Regu-  
lation, the time when a transaction is carried out is  
considered as being the date on which the event  
occurs, as defined by Community rules or, in the  
absence of and pending adoption of such rules, by the  
rules of the Member State concerned, in which the  
amount involved in the transaction becomes due and  
payable;

Whereas only contracts for the purchase of meat held  
by intervention agencies may confer entitlement to  
the issue of import licences for meat under the system  
provided for in Article 14(3)(b) of Regulation (EEC)  
No 805/68; whereas provision should be made for a  
special endorsement to be made on these contracts;

Whereas cases of *force majeure* may arise during the  
tendering operations; whereas, consequently, the inter-  
vention agencies should be able to take the measures  
necessary in the circumstances;

Whereas the measures provided for in this Regulation  
are in accordance with the opinion of the Manage-  
ment Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. Importation with total suspension of the levy as  
provided for in Article 14(3)(b) of Regulation (EEC)  
No 805/68 shall be conditional upon the submission  
of a purchase contract for frozen meat held by an  
intervention agency, concluded in accordance with  
this Regulation.

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 24.

<sup>(2)</sup> OJ No L 61, 5. 3. 1977, p. 1.

<sup>(3)</sup> OJ No L 28, 5. 2. 1969, p. 10.

<sup>(4)</sup> OJ No L 268, 17. 10. 1975, p. 16.

<sup>(5)</sup> OJ No L 188, 1. 8. 1968, p. 1.

2. The sale shall take place by way of tender, pursuant to Regulation (EEC) No 216/69, and in particular Articles 6 to 14 thereof, subject to the special and derogating provisions laid down in this Regulation.

#### Article 2

1. A general notice of invitation to tender shall be published at the latest on the date of publication of the first partial invitation to tender.

2. Under the tendering system, the intervention agencies shall issue partial invitations to tender every quarter.

The individual notice of invitation to tender shall specify the date by which the meat put up for sale was taken over by the intervention agencies and, in the case of boned meat, its form of presentation in accordance with Regulation (EEC) No 2630/75.

3. Notices of invitation to tender shall be published in the *Official Journal of the European Communities* at least five days before the beginning of the period laid down for the submission of tenders.

#### Article 3

1. Tenders may be submitted only during the first 10 days of each quarter. However, on the first occasion, they may be submitted only between 20 and 30 January 1978.

2. The tender shall specify the group of products as referred to in Article 5 which the tenderer wishes to import.

3. For each of the systems referred to in Article 14(1) of Regulation (EEC) No 805/68, all tenders from the same tenderer shall be considered as a single tender.

4. Only tenders for a total quantity of not less than five tonnes and not more than 100 tonnes, expressed as unboned meat, can be accepted. 100 kilograms of unboned meat shall be equal to 77 kilograms of boned meat.

5. When submitting the tender, the tenderer shall declare that for the current quarter he has not submitted and that he undertakes not to submit any tender in respect of the same special system in Member States other than the one in which the tender is submitted; if the same tenderer submits tenders in respect of the same special system in two or more Member States, none of these tenders shall be considered.

#### Article 4

Before 4 p.m. on the 18th day of each quarter, the Member States shall inform the Commission by telex

of the list of tenderers and the quantities of products for which tenders have been submitted, specifying the import system concerned.

If the day referred to in the preceding subparagraph is not a working day in a Member State, that Member State shall make the communication on the first working day thereafter.

However, on the first occasion, the communication referred to in the first subparagraph shall be made on 6 February 1978.

#### Article 5

Different minimum prices may be fixed for tenders intended to allow the import:

- A. of frozen meat intended for the manufacture of the preserves referred to in Article 14(1)(a) of Regulation (EEC) No 805/68;
- B. of frozen meat intended for the manufacture of the other products referred to in Article 14(1)(b) thereof.

#### Article 6

The representative rate to be applied to each tender accepted shall be that applicable, pursuant to Regulation (EEC) No 878/77, on the last day of the period laid down for the submission of tenders.

#### Article 7

1. The purchase contract shall include the endorsement: 'Article 14(3)(b) of Regulation (EEC) No 805/68', followed by the capital letter referring to the group of products to be imported pursuant to Article 5, the signature of the person authorized and the stamp of the intervention agency.

2. The purchase contract shall not be transferable.

#### Article 8

When, for reasons of *force majeure*, the successful tenderer cannot comply with the timetable for taking over the product, the intervention agency shall take such measures as it deems necessary in the light of the circumstances invoked.

The intervention agency shall inform the Commission of each case of *force majeure* and the measures taken accordingly.

#### Article 9

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels, 22 December 1977.

*For the Commission*

Étienne DAVIGNON

*Member of the Commission*

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**COMMISSION REGULATION (EEC) No 2901/77****of 22 December 1977****amending Regulations (EEC) No 585/77 and (EEC) No 597/77 especially as regards the total suspension of the levy in the framework of the special import system for frozen beef and veal**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal<sup>(1)</sup>, as last amended by Regulation (EEC) No 425/77<sup>(2)</sup>, and in particular Articles 14 (4) (c) and 15 (2) thereof,

Whereas Article 14 (3) (b) of Regulation (EEC) No 805/68 provides that the total suspension of the levy on imports of frozen meat may be made conditional on the submission of a purchase contract for frozen meat held by an intervention agency; whereas the implementation of these arrangements, in particular by Commission Regulation (EEC) No 2900/77 of 22 December 1977 laying down detailed rules for the sale of beef held by the intervention agencies to enable the import with total suspension of the levy of frozen beef and veal intended for processing<sup>(3)</sup>, requires the amendment of Commission Regulation (EEC) No 585/77 of 18 March 1977 on the system of import and export licences for beef and veal<sup>(4)</sup> and Commission Regulation (EEC) No 597/77 of 18 March 1977 laying down detailed rules for the application of special import arrangements for certain types of frozen beef intended for processing<sup>(5)</sup>, both as amended by Regulation (EEC) No 1384/77<sup>(6)</sup>;

Whereas no time limit is necessary for the issue of licences under the arrangements provided for in Article 14 (3) of Regulation (EEC) No 805/68;

Whereas the definition of the manufacture of processed products within the meaning of Article 1 (1) (b) of Regulation (EEC) No 805/68, set out in Article 1 (6) of Regulation (EEC) No 597/77, does not include as finished products boned, salted, dried or smoked meat, or meat in brine; whereas these products may nevertheless be considered as showing a sufficient

degree of processing to satisfy the objectives of the said Article 14;

Whereas the Italian text of Article 2 (1) (c) of Regulation (EEC) No 585/77 may give rise to difficulties of interpretation and should therefore be clarified;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

*Article 1*

There is added to Regulation (EEC) No 585/77 the Annex hereto and the following Article:

*'Article 11a*

1. In order to qualify for the special import arrangements provided for in Article 14 (3) (b) of Regulation (EEC) 805/68:

- (a) all applications for a licence submitted by any one applicant shall be accompanied by the original of a purchase contract for frozen meat held by an intervention agency, drawn up in accordance with Regulation (EEC) No 2900/77 during the quarter in which the application is made, and by proof that the purchase price shown in the contract has been paid; the applicant shall be entered as the buyer in the contract;
- (b) the application for a licence and the licence shall refer to products listed in the Annex up to limits determined in accordance therewith;
- (c) the application for a licence and the licence shall contain one of the endorsements laid down in Article 9 (1) (b) or 10 (1) (b), in accordance with the endorsement on the purchase contract under Article 7 of Regulation (EEC) No 2900/77;

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 24.

<sup>(2)</sup> OJ No L 61, 5. 3. 1977, p. 1.

<sup>(3)</sup> See page 6 of this Official Journal.

<sup>(4)</sup> OJ No L 75, 23. 3. 1977, p. 5.

<sup>(5)</sup> OJ No L 76, 24. 3. 1977, p. 1.

<sup>(6)</sup> OJ No L 157, 28. 6. 1977, p. 16.

(d) the licence shall contain one of the endorsements laid down in Article 9 (1) (c).

2. Applications for licences shall be considered only if:

(a) the applicant is a natural or legal person who for at least 12 months has been carrying on business in the meat and livestock sector and is officially registered in a Member State;

(b) in a case of an application referred to in Article 9, the applicant proves to the satisfaction of the competent authorities of the Member State where the application is lodged that the person responsible for the establishment indicated in the application has agreed to the manufacture on those premises of the preserves in question.

3. The purchase contract referred to in paragraph 1 (a) may be used only in one single Member State to lodge one or more applications for a licence, submitted either simultaneously or consecutively, up to the limit which may be imported under paragraph 1 (b).

4. By way of derogation from Article 3 of Regulation (EEC) No 193/75, the rights arising from import licences are not transferable.

5. When lodging an application for a licence the applicant shall undertake in writing either to carry out himself, or to have carried out on his responsibility, in the Member State indicated in that undertaking, being the State where the products will be put into free circulation, the following operations, as appropriate:

(a) the processing referred to in Article 14 (1) (a) of Regulation (EEC) No 805/68;

(b) the processing referred to in Article 14 (1) (b) thereof.

The applicant shall further undertake in writing either to carry out himself or to have carried out on his responsibility the processing operations referred to under (a) at the establishment mentioned in his application, in accordance with Article 9 (1) (b).

6. The licence shall be issued without delay to the applicant.

7. On issue of the import licence, the quantity of meat for which licences may still be issued on

the strength of the purchase contract shall be entered on the original of that contract. When this quantity has been used up, the licensing body shall delete the endorsement made on the original of the contract under Article 7 of Regulation (EEC) No 2900/77.

## Article 2

Regulation (EEC) No 597/77 is hereby amended as follows:

1. Article 1 (6) shall read:

'6. For the purpose of Article 14 (1) (b) of Regulation (EEC) No 805/68, "manufacture" means processing:

— into products other than those referred to in Article 1 (1) (a) thereof and other than those referred to in paragraph 5 hereby, or

— into products falling within subheading 02.06 C I a) 2 of the Common Customs Tariff.'

2. Article 2 shall read:

## 'Article 2

1. Article 14 (3) (b) of Regulation (EEC) No 805/68 may be applied when it is found that the quantities of frozen meat held by the intervention agencies exceed or are likely to exceed 10 000 tonnes.

2. If Article 14 (3) (b) of Regulation (EEC) No 805/68 is applied, application of the measures provided for in Article 14 (3) (a) thereof shall be suspended.

3. Article 1 shall apply in the situation referred to in paragraph 1.'

## Article 3

The Italian text of Article 2 (1) (c) of Regulation (EEC) No 585/77 is hereby amended to read as follows:

'(c) trenta giorni per i prodotti che non soddisfano alle condizioni di cui alla lettera a) o b).'

## Article 4

This Regulation shall enter into force on 1 January 1978.

(e) Entry under this subheading is subject to the submission of a certificate issued in accordance with the conditions laid down by the competent authorities of the European Communities.

## COMMISSION REGULATION (EEC) No 2902/77

of 22 December 1977

fixing the quantity of young male bovine animals which may be imported on special terms in the first quarter of 1978

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 805/68 of 27 June 1968 on the common organization of the market in beef and veal<sup>(1)</sup>, as last amended by Regulation (EEC) No 425/77<sup>(2)</sup>, and in particular Article 13 (4) (a) thereof,

Whereas the Council has established, under the new import arrangements for young male bovine animals for fattening, an estimate of 200 000 head for the period 1 January to 31 December 1978; whereas, under Article 13 (4) (a) of Regulation (EEC) No 805/68, the quantity which may be imported each quarter and the rate of reduction of the import levy on these animals must be determined;

Whereas detailed rules for the practical application of the special arrangements were laid down in Commission Regulation (EEC) No 585/77 of 18 March 1977 on the system of import and export licences for beef and veal<sup>(3)</sup>, as amended by Regulation (EEC) No 2901/77<sup>(4)</sup>;

Whereas the supply requirements of certain regions of the Community which have a serious deficit in bovine animals for fattening must be taken into account; whereas these requirements are particularly apparent in Italy and may be estimated, for the first quarter of 1978, at a minimum of 45 000 head for that Member State;

Whereas the supply requirements in young bovine animals for fattening justify, for the first quarter of 1978, a higher rate of reduction of the levy for animals weighing from 220 to 300 kilograms per head originating in and coming from Yugoslavia;

Whereas the partial reduction of the levy is intended to help improve cattle rearing and beef and veal production structures in Italy; whereas appropriate measures must therefore be taken to ensure that producers can, as far as possible, benefit directly from the arrangements without traditional trade being excluded; whereas this objective can be achieved by giving agricultural producers and their organizations priority when issuing the licences conferring entitlement to benefit from the arrangements;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Beef and Veal,

HAS ADOPTED THIS REGULATION:

*Article 1*

1. For the period 1 January to 31 March 1978, the maximum quantity referred to in Article 13 (4) (a) of Regulation (EEC) No 805/68 shall be 50 000 head of young male bovine animals for fattening, of a live weight of 300 kilograms or less, of which at least 45 000 head must be imported into and fattened in Italy.

2. The levy charged on imports of the young bovine animals referred to in paragraph 1 shall be equal to the levy applicable on the day of import less 50 %.

However, the levy applicable on the day of import shall be reduced by 70 % in respect of a maximum of 12 000 young bovine animals weighing from 220 to 300 kilograms per head, originating in and coming from Yugoslavia.

3. The application for a licence and the licence shall in accordance with Article 8 (b) of Regulation (EEC) No 585/77 relate to:

- either young bovine animals of a weight per head not exceeding 300 kilograms,
- or young bovine animals of a weight per head of from 220 to 300 kilograms, originating in and coming from Yugoslavia.

In the latter case sections 13 and 14 of the application for a licence and the licence shall include one of the following entries:

- Yugoslavia,
- Jugoslaviën,
- Jugoslawien,
- Yougoslavie,
- Jugoslavia,
- Joegoslavië.

The licence shall make it compulsory to import from the country indicated.

<sup>(1)</sup> OJ No L 148, 28. 6. 1968, p. 24.

<sup>(2)</sup> OJ No L 61, 5. 3. 1977, p. 1.

<sup>(3)</sup> OJ No L 75, 23. 3. 1977, p. 5.

<sup>(4)</sup> See page 9 of this Official Journal.

4. Member States shall specify in the communication referred to in Article 11 (2) of Regulation (EEC) No 585/77 the category of live weight, and the origin of the products in the case referred to in the second indent of the first subparagraph of paragraph 3.

5. Within the quantity reserved for Italy, import licences may be issued directly to agricultural producers or their organizations in respect of a maximum of 30 000 head.

Italy shall, for this purpose, specify the categories of applicants in the communication referred to in Article 11 (2) of Regulation (EEC) No 585/77.

#### *Article 2*

For the purpose of Article 11 (5) of Regulation (EEC) No 585/77, all applications from one applicant which relate to the same category of weight and the same rate of reduction of the levy shall be treated as one application.

#### *Article 3*

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels, 22 December 1977.

*For the Commission*

Finn GUNDELACH

*Vice-President*

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**COMMISSION REGULATION (EEC) No 2903/77****of 23 December 1977****extending the period of validity of and amending Regulation (EEC) No 2779/72  
on the application of Article 85 (3) of the Treaty to categories of specialization  
agreements**

THE COMMISSION OF THE EUROPEAN  
COMMUNITIES,

Having regard to the Treaty establishing the European  
Economic Community, and in particular Articles 87  
and 155 thereof,

Having regard to Council Regulation (EEC) No  
2821/71 of 20 December 1971 on the application of  
Article 85 (3) of the Treaty to categories of agree-  
ments, decisions and concerted practices <sup>(1)</sup>, as  
amended by Council Regulation (EEC) No  
2743/72 <sup>(2)</sup>,

Having published the draft of this Regulation  
pursuant to Article 5 of Regulation (EEC) No  
2821/71 <sup>(3)</sup>,

Having consulted the Advisory Committee on Restrictive  
Practices and Dominant Positions pursuant to  
Article 6 of Regulation (EEC) No 2821/71,

Whereas Regulation (EEC) No 2821/71 empowers the  
Commission to apply Article 85 (3) of the Treaty by  
Regulation to certain categories of agreements, deci-  
sions and concerted practices concerning specializa-  
tion, including agreements necessary for achieving it,  
which fall within Article 85 (1);

Whereas Commission Regulation (EEC) No 2779/72  
of 21 December 1972 on the application of Article 85  
(3) of the Treaty to categories of specialization agree-  
ments <sup>(4)</sup>, is valid until 31 December 1977;

Whereas the validity of this Regulation should be  
extended by five years; whereas, however, a number of  
amendments should be made;

Whereas to encourage cooperation between small-  
and medium-sized undertakings, the limit on market  
share should be raised to 15 % in a substantial part of  
the common market and the limit on aggregate  
turnover raised to 300 million units of account;

Whereas market shares should be defined more  
tightly to take account not only of the products which

are the subject of the agreement but also of products  
considered by consumers to be similar by reason of  
their characteristics, price and use; whereas it should  
also be established which undertakings are to be taken  
into account for this purpose;

Whereas a transitional period should be provided for  
agreements existing when the present Regulation  
comes into force and which as a result of the amend-  
ment of Regulation (EEC) No 2779/72 no longer  
comply with the conditions for exemption,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EEC) No 2779/72 is hereby amended as  
follows:

1. In Article 1 (1) the date '31 December 1977' shall  
read '31 December 1982'.

2. Article 3 (1) shall read:

'1. Article 1 shall apply only:

(a) if the products which are the subject of the  
specialization and other products of the partici-  
pating undertakings considered by consumers  
to be similar by reason of their characteristics,  
price or use do not represent, in a substantial  
part of the common market, more than 15 %  
of the market for all such products; and

(b) if the aggregate annual turnover of the partici-  
pating undertakings does not exceed 300  
million units of account.'

3. Article 4 shall read:

'1. The participating undertakings referred to in  
Article 3 (1) (a) and (b) are:

(a) undertakings which are parties to the agree-  
ment;

<sup>(1)</sup> OJ No L 285, 29. 12. 1971, p. 46.

<sup>(2)</sup> OJ No L 291, 28. 12. 1972, p. 144.

<sup>(3)</sup> OJ No C 194, 13. 8. 1977, p. 3.

<sup>(4)</sup> OJ No L 292, 29. 12. 1972, p. 23.

- (b) undertakings in which the undertakings which are parties to the agreement hold :
- at least 25 % of the capital or of the working capital whether directly or indirectly or,
  - at least half the voting rights, or
  - the power to appoint at least half the members of the supervisory board, board of management or bodies legally representing the undertaking, or
  - the right to manage the affairs of the undertaking ;
- (c) undertakings which hold in an undertaking which is a party to the agreement :
- at least 25 % of the capital or of the working capital whether directly or indirectly, or
  - at least half the voting rights, or
  - the power to appoint at least half the members of the supervisory board, board of management or bodies legally representing the undertaking, or
  - the right to manage the affairs of the undertaking.

2. The aggregate turnover referred to in Article 3 (1) (b) shall be calculated by adding together the turnover achieved during the last financial year on all products and services by the undertakings specified in paragraph 1. Dealings between undertakings which are parties to the agreement shall be disregarded.'

4. Article 6 is amended as follows :

- the present text becomes paragraph 1 and is numbered '1',
- the following paragraph 2 is added :

'2. The prohibition in Article 85 (1) of the Treaty shall not apply during the period 1 January 1978 to 31 December 1978 to agreements already in existence on 1 January 1978 which comply with the conditions laid down in the original version of Regulation (EEC) No 2779/72.'

*Article 2*

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels, 23 December 1977.

*For the Commission*

Raymond VOUEL

*Member of the Commission*

## COMMISSION REGULATION (EEC) No 2904/77

of 23 December 1977

amending Regulations (EEC) No 1282/72, (EEC) No 1717/72 and (EEC) No 232/75  
on sales of butter at reduced prices

THE COMMISSION OF THE EUROPEAN  
COMMUNITIES,

Having regard to the Treaty establishing the European  
Economic Community,

Having regard to Council Regulation (EEC) No  
804/68 of 27 June 1968 on the common organization  
of the market in milk and milk products<sup>(1)</sup>, as last  
amended by Regulation (EEC) No 2560/77<sup>(2)</sup>, and in  
particular Article 6(7) thereof,

Having regard to Council Regulation (EEC) No  
985/68 of 13 July 1968 laying down general rules for  
intervention on the market in butter and cream<sup>(3)</sup>, as  
last amended by Regulation (EEC) No 2714/72<sup>(4)</sup>, and  
in particular Article 7a thereof,

Having regard to Council Regulation (EEC) No  
974/71 of 12 May 1971 on certain measures of  
conjunctural policy to be taken in agriculture  
following the temporary widening of the margins of  
fluctuation for the currencies of certain Member  
States<sup>(5)</sup>, as last amended by Regulation (EEC) No  
557/76<sup>(6)</sup>, and in particular Article 6 thereof,

Whereas, with regard to the price of dairy products in  
the new Member States, the last alignment of prices  
will come into force on 1 January 1978 in accordance  
with Article 52(2) and (4) of the Act of Accession;  
whereas it is therefore necessary to amend the provi-  
sions that were laid down in several Regulations to  
take account of the difference in prices of dairy  
products between the new Member States and the  
Community as originally constituted;

Whereas the following provisions are affected:

- Articles 2 and 8 of Commission Regulation (EEC)  
No 1282/72 of 21 June 1972 on the sale of butter  
at a reduced price to the army and similar  
forces<sup>(7)</sup>, as last amended by Regulation (EEC) No  
920/77<sup>(8)</sup>,

(<sup>1</sup>) OJ No L 148, 28. 6. 1968, p. 13.

(<sup>2</sup>) OJ No L 303, 28. 11. 1977, p. 1.

(<sup>3</sup>) OJ No L 169, 18. 7. 1968, p. 1.

(<sup>4</sup>) OJ No L 291, 28. 12. 1972, p. 15.

(<sup>5</sup>) OJ No L 106, 12. 5. 1971, p. 1.

(<sup>6</sup>) OJ No L 67, 15. 3. 1976, p. 1.

(<sup>7</sup>) OJ No L 142, 22. 6. 1972, p. 14.

(<sup>8</sup>) OJ No L 108, 30. 4. 1977, p. 75.

- Articles 3 and 9 of Commission Regulation (EEC)  
No 1717/72 of 8 August 1972 on the sale of butter  
at a reduced price to non-profit-making institu-  
tions and organizations<sup>(9)</sup>, as last amended by  
Regulation (EEC) No 920/77,

- Article 19(4) of Commission Regulation (EEC) No  
232/75 of 30 January 1975 on the sale of butter at  
reduced prices for use in the manufacture of pastry  
products and ice-cream<sup>(10)</sup>, as last amended by  
Regulation (EEC) No 2379/77<sup>(11)</sup>;

Whereas, moreover, under Council Regulation (EEC)  
No 880/77 of 26 April 1977 on the granting of a  
consumer subsidy for butter<sup>(12)</sup>, an aid may be  
granted for butter bought on the Community market  
for private consumption; whereas the reduction in the  
price of the butter sold under Regulation (EEC) No  
1717/72 must be subject to the condition that the  
butter does not benefit from the aid referred to in  
Regulation (EEC) No 880/77;

Whereas the measures provided for in this Regulation  
are in accordance with the opinion of the Manage-  
ment Committee for Milk and Milk Products,

HAS ADOPTED THIS REGULATION:

*Article 1*

Regulation (EEC) No 1282/72 is hereby amended as  
follows:

1. In Article 2, the second indent is deleted.
2. Article 8 shall read:

*'Article 8*

In respect of butter sold under this Regulation:

- (a) the compensatory amounts fixed under Regula-  
tion (EEC) No 974/71 shall apply the coeffi-  
cient 0.42,
- (b) no refund shall be granted.'

(<sup>9</sup>) OJ No L 181, 9. 8. 1972, p. 11.

(<sup>10</sup>) OJ No L 24, 31. 1. 1975, p. 45.

(<sup>11</sup>) OJ No L 277, 29. 10. 1977, p. 37.

(<sup>12</sup>) OJ No L 106, 29. 4. 1977, p. 31.

*Article 2*

Regulation (EEC) No 1717/72 is hereby amended as follows :

1. Article 3 shall read :

*'Article 3*

1. The butter shall be sold by the intervention agency at a price equal to the buying-in price of the intervention agency concerned, in force when the contract of sale is concluded, less an amount not exceeding 138.5 units of account per 100 kilograms.

2. The reduction in price referred to in paragraph 1 shall be subject to the condition that the butter sold under this Regulation does not benefit from the aid referred to in Regulation (EEC) No 880/77.

3. Each seller Member State may determine a minimum purchasing quantity.'

2. In Article 4(3) the provisions under (f) are deleted.

3. Article 9 shall read :

*'Article 9*

In respect of butter sold under this Regulation, the compensatory amounts fixed under Regulation (EEC) No 974/71 shall apply the coefficient 0.40.'

*Article 3*

Article 19(4) of Regulation (EEC) No 232/75 is deleted.

*Article 4*

This Regulation shall enter into force on 1 January 1978.

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

Done at Brussels, 23 December 1977.

*For the Commission*

Finn GUNDELACH

*Vice-President*

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**COMMISSION REGULATION (EEC) No 2905/77****of 27 December 1977****fixing the import levies on cereals and on wheat or rye flour groats and meal**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 2727/75 of 29 October 1975 on the common organization of the market in cereals<sup>(1)</sup>, as last amended by Regulation (EEC) No 1386/77<sup>(2)</sup>, and in particular Article 13(5) thereof,

Whereas the import levies on cereals, wheat and rye flour, and wheat groats and meal were fixed by Regulation (EEC) No 1729/77<sup>(3)</sup> and subsequent amending Regulations ;

Whereas it follows from applying the provisions contained in Regulation (EEC) No 1729/77 to the

offer prices and today's quotations known to the Commission that the levies at present in force should be altered as shown in the Annex to this Regulation,

HAS ADOPTED THIS REGULATION :

*Article 1*

The import levies to be charged on products listed in Article 1 (a), (b) and (c) of Regulation (EEC) No 2727/75 are hereby fixed as shown in the table annexed to this Regulation.

*Article 2*

This Regulation shall enter into force on 28 December 1977.

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

Done at Brussels, 27 December 1977.

*For the Commission*

Finn GUNDELACH

*Vice-President*

<sup>(1)</sup> OJ No L 281, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 158, 29. 6. 1977, p. 1.

<sup>(3)</sup> OJ No L 191, 30. 7. 1977, p. 5.

## ANNEX

to the Commission Regulation of 27 December 1977 fixing the import levies on cereals  
and on wheat or rye flour groats and meal

*(u.a./tonne)*

| CCT<br>heading<br>No | Description of goods                         | Levies                               |
|----------------------|----------------------------------------------|--------------------------------------|
| 10.01 A              | Common wheat, and meslin                     | 86.02                                |
| 10.01 B              | Durum wheat                                  | 115.29 <sup>(1)</sup> <sup>(5)</sup> |
| 10.02                | Rye                                          | 68.88 <sup>(6)</sup>                 |
| 10.03                | Barley                                       | 74.50                                |
| 10.04                | Oats                                         | 65.67                                |
| 10.05 B              | Maize, other than hybrid maize for<br>sowing | 73.31 <sup>(2)</sup> <sup>(3)</sup>  |
| 10.07 A              | Buckwheat                                    | 0                                    |
| 10.07 B              | Millet                                       | 65.44 <sup>(4)</sup>                 |
| 10.07 C              | Grain sorghum                                | 76.07 <sup>(4)</sup>                 |
| 10.07 D              | Canary seed ; other cereals                  | 0 <sup>(5)</sup>                     |
| 11.01 A              | Wheat or meslin flour                        | 131.77                               |
| 11.01 B              | Rye flour                                    | 107.77                               |
| 11.02 A I a)         | Durum wheat groats and meal                  | 189.62                               |
| 11.02 A I b)         | Common wheat groats and meal                 | 141.61                               |

<sup>(1)</sup> Where durum wheat originating in Morocco is transported directly from that country to the Community, the levy is reduced by 0.50 u.a./tonne.

<sup>(2)</sup> Where maize originating in the ACP, or OCT is imported into the French overseas departments, the levy is reduced by 6 u.a./tonne as provided for in Regulation (EEC) No 706/76.

<sup>(3)</sup> Where maize originating in the ACP or OCT is imported into the Community the levy is reduced by 1.50 u.a./tonne.

<sup>(4)</sup> Where millet and sorghum originating in the ACP or OCT is imported into the Community the levy is reduced by 50 %.

<sup>(5)</sup> Where durum wheat and canary seed produced in Turkey are transported directly from that country to the Community, the levy is reduced by 0.50 u.a./tonne.

<sup>(6)</sup> The import levy charged on rye produced in Turkey and transported directly from that country to the Community is laid down in Council Regulation (EEC) No 1180/77 and Commission Regulation (EEC) No 2622/71.

**COMMISSION REGULATION (EEC) No 2906/77****of 27 December 1977****fixing the premiums to be added to the import levies on cereals, flour and malt**

THE COMMISSION OF THE EUROPEAN  
COMMUNITIES,

Having regard to the Treaty establishing the European  
Economic Community,

Having regard to Council Regulation (EEC) No  
2727/75 of 29 October 1975 on the common organ-  
ization of the market in cereals<sup>(1)</sup>, as last amended by  
Regulation (EEC) No 1386/77<sup>(2)</sup>, and in particular  
Article 15(6) thereof,

Whereas the premiums to be added to the levies on  
cereals and malt were fixed by Regulation (EEC) No  
1730/77<sup>(3)</sup> and subsequent amending Regulations ;

Whereas, on the basis of today's cif prices and cif  
forward delivery prices, the premiums at present in  
force, which are to be added to the levies, should be

altered as shown in the tables annexed to this Regula-  
tion,

HAS ADOPTED THIS REGULATION :

*Article 1*

The scale of the premiums to be added, pursuant to  
Article 15 of Regulation (EEC) No 2727/75, to the  
import levies fixed in advance in respect of cereals  
and malt is hereby fixed as shown in the tables  
annexed to this Regulation.

*Article 2*

This Regulation shall enter into force on 28  
December 1977.

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

Done at Brussels, 27 December 1977.

*For the Commission*

Finn GUNDELACH

*Vice-President*

<sup>(1)</sup> OJ No L 281, 1. 11. 1975, p. 1.

<sup>(2)</sup> OJ No L 158, 29. 6. 1977, p. 1.

<sup>(3)</sup> OJ No L 191, 30. 7. 1977, p. 7.

## ANNEX

to the Commission Regulation of 27 December 1977 fixing the premiums to be added to the import levies on cereals, flour and malt

## A. Cereals and flour

(u.d./tonne)

| CCT heading No | Description of goods                      | Current<br>12 | 1st period<br>1 | 2nd period<br>2 | 3rd period<br>3 |
|----------------|-------------------------------------------|---------------|-----------------|-----------------|-----------------|
| 10.01 A        | Common wheat, and meslin                  | 0             | 0               | 0               | 0               |
| 10.01 B        | Durum wheat                               | 0             | 0               | 0               | 0               |
| 10.02          | Rye                                       | 0             | 0               | 0               | 0               |
| 10.03          | Barley                                    | 0             | 0               | 0               | 0               |
| 10.04          | Oats                                      | 0             | 0               | 0               | 1.03            |
| 10.05 B        | Maize, other than hybrid maize for sowing | 0             | 0               | 0               | 0               |
| 10.07 A        | Buckwheat                                 | 0             | 0               | 0               | 0               |
| 10.07 B        | Millet                                    | 0             | 0               | 0               | 0.34            |
| 10.07 C        | Grain sorghum                             | 0             | 0               | 0               | 0               |
| 10.07 D        | Other cereals                             | 0             | 0               | 0               | 0               |
| 11.01 A        | Wheat or meslin flour                     | 0             | 0               | 0               | 0               |

## B. Malt

(u.d./tonne)

| CCT heading No | Description of goods                                                                 | Current<br>12 | 1st period<br>1 | 2nd period<br>2 | 3rd period<br>3 | 4th period<br>4 |
|----------------|--------------------------------------------------------------------------------------|---------------|-----------------|-----------------|-----------------|-----------------|
| 11.07 A I (a)  | Unroasted malt, obtained from wheat, in the form of flour                            | 0             | 0               | 0               | 0               | 0               |
| 11.07 A I (b)  | Unroasted malt, obtained from wheat, other than in the form of flour                 | 0             | 0               | 0               | 0               | 0               |
| 11.07 A II (a) | Unroasted malt, other than that obtained from wheat, in the form of flour            | 0             | 0               | 0               | 0               | 0               |
| 11.07 A II (b) | Unroasted malt, other than that obtained from wheat, other than in the form of flour | 0             | 0               | 0               | 0               | 0               |
| 11.07 B        | Roasted malt                                                                         | 0             | 0               | 0               | 0               | 0               |

## II

*(Acts whose publication is not obligatory)*

## COUNCIL

## COUNCIL DIRECTIVE

of 19 December 1977

**amending Directive 72/464/EEC on taxes, other than turnover taxes, which affect the consumption of manufactured tobacco**

(77/805/EEC)

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 99 and 100 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament<sup>(1)</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>(2)</sup>,

Whereas, in accordance with Council Directive 72/464/EEC of 19 December 1972 on taxes, other than turnover taxes, which affect the consumption of manufactured tobacco<sup>(3)</sup>, as amended by Directives 74/318/EEC<sup>(4)</sup>, 75/786/EEC<sup>(5)</sup> and 76/911/EEC<sup>(6)</sup> the Council shall adopt, at least six months before the expiry of the first stage, a Directive laying down the special criteria to apply during the second stage;

Whereas the first stage expires on 31 December 1977; whereas a further extension of this stage has proved necessary;

Whereas the special criteria applicable during the first stage have made possible an initial approximation of the structures of the excise duties on cigarettes in seven of the nine Member States, without the tax revenue of the Member States or the conditions of their markets being appreciably affected;

Whereas the structure of the excise duty on cigarettes must include, in addition to a specific component calculated per unit of the product, a proportional component based on the retail selling price, inclusive of all taxes; whereas the turnover tax on cigarettes has the same effect as a proportional excise duty and this fact should be taken into account when the ratio between the specific component of the excise and the total tax burden is being established;

Whereas the special provisions to apply during the second stage should be laid down so as to guide the excise duties levied on cigarettes by the Member States towards a common structure;

Whereas Denmark should be granted the right to refrain from enforcing the provisions in Article 12 (1) of Directive 72/464/EEC in Greenland in view of that territory's special situation;

Whereas the introduction of the harmonized taxation system in the United Kingdom without any accompanying adaptation measures might conflict with the health policy applied by the United Kingdom Government;

Whereas the United Kingdom should therefore be authorized, by way of derogation from Article 4 (2) of Directive 72/464/EEC, to charge an additional excise duty on the most harmful cigarettes for a limited period of 30 months from the date of entry into force of the second stage;

<sup>(1)</sup> OJ No C 178, 2. 8. 1976, p. 11.

<sup>(2)</sup> OJ No C 204, 30. 8. 1976, p. 1.

<sup>(3)</sup> OJ No L 303, 31. 12. 1972, p. 1.

<sup>(4)</sup> OJ No L 180, 3. 7. 1974, p. 30.

<sup>(5)</sup> OJ No L 330, 24. 12. 1975, p. 51.

<sup>(6)</sup> OJ No L 354, 24. 12. 1976, p. 33.

Whereas the structure of the excise duty on manufactured tobacco other than cigarettes will be determined at a later date,

HAS ADOPTED THIS DIRECTIVE:

#### *Article 1*

Article 4 (3) of Directive 72/464/EEC shall be replaced by the following:

'3. At the final stage of harmonization of structures, the same ratio shall be established for cigarettes in all Member States between the specific excise duty and the sum of the proportional excise duty and the turnover tax, in such a way that the range of retail selling prices reflects fairly the difference in the manufacturers' delivery prices.'

#### *Article 2*

In Article 7 (1) of Directive 72/464/EEC the words 'period of 54 months' shall be replaced by 'period of 60 months'.

#### *Article 3*

The following Title shall be inserted in Directive 72/464/EEC:

#### *TITLE IIa*

#### **Special provisions applicable during the second stage of harmonization**

##### *Article 10a*

1. Without prejudice to the implementation of Article 1 (4), the second stage of harmonization of the structures of the excise duty on manufactured tobacco shall run from 1 July 1978 to 31 December 1980.

2. During this second stage of harmonization Article 10b shall apply.

##### *Article 10b*

1. The amount of the specific excise duty on cigarettes shall be established by reference to cigarettes in the most popular price category according to the information available at 1 January each year, beginning 1 January 1978.

2. The specific component of the excise duty may not be less than 5 % or more than 55 % of the amount of the total tax burden resulting from the aggregation of the proportional excise duty, the specific excise duty and the turnover tax levied on these cigarettes.

However, until 31 December 1978, Ireland may apply a specific element which may not be more than 60 % of the amount of the total tax burden.

3. If the excise duty or the turnover tax levied on the price category referred to above is amended after 1 January 1978, the amount of the specific excise duty shall be established by reference to the new total tax burden on the cigarettes referred to in paragraph 1.

4. Notwithstanding Article 4 (1), each Member State may exclude customs duties from the basis for calculating the proportional excise duty on cigarettes.

5. The Member States may levy on cigarettes a minimum excise duty, the amount of which may not exceed 90 % of the sum of the proportional excise duty and the specific excise duty which they levy on the cigarettes referred to in paragraph 1.

#### *Article 10c*

By way of derogation from Article 4 (2), the United Kingdom shall be authorized, for a period of 30 months from the date of entry into force of the second stage, to charge an additional excise duty on cigarettes whose tar yield is 20 mg or more.

The total tax burden on the cigarettes to which this additional excise duty applies may not exceed by more than 20 % the total tax burden which would have been imposed if the additional excise duty had not been levied. The ratio between the specific components of the excise duty and the total tax burden must be within the limits determined by this Directive.

Before the entry into force of the second stage, the United Kingdom shall inform the other Member States and the Commission of the method and the criteria used to determine the tar yield of cigarettes.'

#### *Article 4*

The following sentence shall be added to Article 12 (1) of Directive 72/464/EEC:

'Denmark may refrain from enforcing these provisions in Greenland.'

#### *Article 5*

This Directive is addressed to the Member States.

Done at Brussels, 19 December 1977.

*For the Council*

*The President*

G. GEENS

### **NOTICE TO READERS**

**As from 1 January 1978 a Supplement to the *Official Journal of the European Communities* will be published.**

**This Supplement will appear daily and will contain public works contracts notices and invitations to tender of the European Development Fund (EDF), which until now have been published in edition C of the Official Journal. At a later date public supplies contracts notices will also be published in this new Supplement.**

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