

COMMISSION REGULATION (EC) No 915/2006**of 21 June 2006****amending Regulation (EC) No 2148/96 laying down rules for evaluating and monitoring public intervention stocks of agricultural products**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 3492/90 of 27 November 1990 laying down the factors to be taken into consideration in the annual accounts for the financing of intervention measures in the form of public storage by the European Agricultural Guidance and Guarantee Fund, Guarantee Section ⁽¹⁾, and in particular Article 8 thereof,

Whereas:

(1) Annex III to Commission Regulation (EC) No 2148/96 ⁽²⁾ sets out the rules for the physical inspection procedure of agricultural products held in public storage.

(2) Public storage of sugar has commenced in 2005 in accordance with the rules provided for in Council Regulation (EC) No 1260/2001 of 19 June 2001 on the common organisation of the markets in the sugar sector ⁽³⁾ and Commission Regulation (EC) No 1262/2001 of 27 June 2001 laying down detailed rules for implementing Council Regulation (EC) No 1260/2001 as regards the buying in and sale of sugar by intervention agencies ⁽⁴⁾. New detailed rules should therefore be laid down in Regulation (EC) No 2148/96 as regards the procedure for the physical inspection of the stores as regards sugar.

(3) Regulation (EC) No 2148/96 should therefore be amended accordingly.

(4) Given that intervention in sugar commenced for the 2004/05 marketing year without detailed inventory rules having been laid down, the manner in which certain Member States have organised the storage of sugar stocks makes it excessively difficult to carry out an inventory according to the normal procedures. Transitional rules should therefore be laid down for sugar stocks from the 2004/05 and 2005/06 marketing years.

(5) The measures provided for in this Regulation are in accordance with the opinion of the EAGGF Committee,

HAS ADOPTED THIS REGULATION:

Article 1

Annex III to Regulation (EC) No 2148/96 is amended in accordance with the Annex to this Regulation.

Article 2

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

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

Done at Brussels, 21 June 2006.

For the Commission

Mariann FISCHER BOEL

Member of the Commission

⁽¹⁾ OJ L 337, 4.12.1990, p. 3.

⁽²⁾ OJ L 288, 9.11.1996, p. 6. Regulation as amended by Regulation (EC) No 808/1999 (OJ L 102, 17.4.1999, p. 70).

⁽³⁾ OJ L 178, 30.6.2001, p. 1. Regulation as last amended by Commission Regulation (EC) No 39/2004 (OJ L 6, 10.1.2004, p. 16).

⁽⁴⁾ OJ L 178, 30.6.2001, p. 48. Regulation as last amended by Regulation (EC) No 218/2006 (OJ L 38, 9.2.2006, p. 19).

ANNEX

In Annex III to Regulation (EEC) No 2148/96, the following points are added:

VII — BULK SUGAR (*)**A. Physical inspection procedure for public stocks of sugar from the 2006/07 marketing year onwards**

1. Selection of the silos, bins or storerooms to be checked, representing at least 5 % of the total quantity of bulk sugar in public storage.

Selection shall be based on the intervention agency's stock records, but the storekeeper should not be informed in advance.

2. Physical inspection:

- verification of the presence of the bulk sugar in the selected silos, bins or storerooms,
- reconciliation of the storekeepers records with those of the intervention agency,
- identification of the bulk sugar,
- monitoring of storage conditions and comparison of the storage point and of the identity of the bulk sugar with the store's records,
- evaluation of the quantities stored by a method previously approved by the intervention agency, a detailed description of which must be lodged at its head office.

3. A plan of the store and the measurement for each silo or storeroom must be available at each storage point.

The bulk sugar must be stored in such a way that its volume may be verified.

B. Physical inspection procedure for public stocks of sugar from the 2004/05 and 2005/06 marketing years

1. In the event that the inventory procedures described in point A are not possible, the intervention agency shall officially seal all points of access or outlet to the silo/store. The intervention agency shall inspect the integrity of the seals on a monthly basis to ensure that they remain intact. These inspections should be detailed in a report. No access shall be permitted to the stocks without the presence of the intervention agency's inspector.

The Member State shall ensure that the procedure for seals gives good assurance as to the integrity of the intervention products stored.

2. An inspection to verify storage conditions and the good conservation of the product must also be conducted at least once a year.

C. Procedure where discrepancies are found

Some tolerance is permitted when verifying the volume.

Article 6 shall apply where the weight of the products stored as recorded during the physical inspection (volumetric measurement) differs from the book weight by 5 % or more for bulk sugar in the case of storage in silos or on-floor storage.

Where bulk sugar is stored in a silo/warehouse, the quantities weighed on entry into storage may be recorded instead of those resulting from a volume assessment if the latter does not provide a degree of accuracy considered adequate and the difference between the two figures is not excessive.

The intervention agency shall make use of the option provided for in the third paragraph where justified by circumstances, on a case-by-case basis and on its own responsibility. It shall indicate that it has done so in its report.

VIII — PACKED SUGAR (*)

- A. Physical inspection procedure for public stocks of sugar from the 2006/07 marketing year onwards
1. Selection of lots representing at least 5 % of the total quantity in public storage. The lots to be checked shall be selected before visiting the store on the basis of the intervention agency's records, but the storekeeper should not be informed.
 2. On-the-spot verification of the presence of the lots selected and of their composition:
 - identification of the control numbers of the lots and bags on the basis of purchase or entry notes,
 - reconciliation of the storekeeper's records with those of the intervention agency,
 - condition of packaging.

With regard to sugar packed in 50 kg bags:

 - weighing of the pallets (one in 20) and bags (1 per pallet weighed),
 - visual check of the contents of one bag per 10 pallets weighed.

With regard to sugar packed in "big bags":

 - weighing of one bag in 20
 - visual check of the contents of 1 in 20 of the big bags weighed.
 3. Description in the inventory report of the lots inspected physically and of discrepancies/shortcomings noted.
- B. Physical inspection procedure for public stocks of sugar from the 2004/05 and 2005/06 marketing years
1. In the event that the inventory procedures described in point A are not possible, the intervention agency shall officially seal all points of access and outlet to the store. The intervention agency shall inspect the integrity of the seals on a monthly basis to ensure that they remain intact. These inspections should be detailed in a report. No access shall be permitted to the stocks without the presence of the intervention agency's inspector.

The Member State shall ensure that the procedure for seals gives good assurance as to the integrity of the intervention products stored.
 2. An inspection to verify storage conditions and the good conservation of the product must also be conducted at least once a year.

(*) The inventory shall be carried out on stocks which are subject to a storage contract.'