COMMISSION REGULATION (EEC) No 2169/86

of 10 July 1986

laying down detailed rules for the control and payment of the production refunds in the cereals and rice aectors

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 (1), as last amended by Regulation (EEC) No 1579/86 (2);

Having regard to Council Regulation (EEC) No 1418/76 of 21 June 1976 on the common organization of the market in rice (3) as last amended by Regulation (EEC) No 1007/86 (4),

Having regard to Council Regulation (EEC) No 1009/86 of 25 March 1986 establishing general rules applying to production refunds in the cereals and rice sector (5) and in particular Article 6 thereof,

Whereas it is necessary to draw up detailed rules for the control and payment of production refunds in the cereals and rice sectors so that same rules are applied in all Member States;

Whereas it is necessary to define the method of calculation and the periodicity of fixing of the production refund; whereas the most satisfactory method of calculation is at present based on the difference between the intervention price for maize and the price used for calculation of the maize import levy; whereas for reasons of stability the production refund should be fixed every three months; whereas, as a means of checking that the production refund is of the correct value, the prices of maize and wheat should be monitored on the world and Community markets;

Whereas production refunds are to be paid for the use of starch and certain derived products in the maufacture of certain goods; whereas detailed information is required to facilitate the appropriate control and payment of the production refunds to applicants; whereas the competent authority in the Member State concerned should be empowered to require applicants to supply any information and allow any checks or inspections necessary to effect such controls;

Whereas the maufacturer of the product may not necessarily use basic starch whereas it is therefore necessary to draw up a list of certain products derived from starch the use of which will give the maufacturer the right to receive the refund;

Whereas payment of the production refund should not be made until processing has taken place but must otherwise be made within 150 days of receipt by the competent authority of notification that the starch has been processed; whereas, however, it should be possible for the maufacturer to receive an advance before completion of ths controls;

Whereas Commission Regulation (EEC) No 2220/85 of 22 July 1985 laying down common detailed rules for the application of the system of securities for agricultural products (6) is applicable to the system laid down in this Regulation; whereas in consequence it is necessary to define the primary requirements of the obligations incumbent upon manufactureres and guaranteed by the lodging of a security;

Whereas the Management Committee for Cereals has not delivered an opinion eithin the time limit set by its Chairman,

HAS ADOPTED THIS REGULATION:

Article 1

For the purposes of this Regulation the following definitions shall apply:

— 'starch' shall mean basic starch or a product derived from starch as listed in the Annex,

— 'the approved products' shall mean any of the products shown on the list in the Annex to Regulation (EEC) No 1009/86 and those added in accordance with the procedure laid down in Article 11a (1) of Regulation (EEC) No 2727/75,

— 'the manufacturer' shall mean the user of the starch for the production of the approved products.

Article 2

1. The production refund shall be fixed for each of the three month periods beginning 1 July, 1 October, 1 January and 1 April.

2. The production refund per tonne of basic starch shall be calculated on the basis of the difference between:

(1) OJ No L 281, 1. 11. 1975, p. 1.
(2) OJ No L 139, 24. 5. 1986, p. 29.
(3) OJ No L 166, 25. 6. 1976, p. 3.
(4) OJ No L 94, 9. 4. 1986, p. 3.
(5) OJ No L 94, 9. 4. 1986, p. 6.
(6) OJ No L 205, 3. 8. 1985, p. 5.

(i) the intervention price for maize applicable in the first month of the periods defined in paragraph 1,

and

(ii) the average of the cif prices used for the calculation of the import levy for maize in the first two months and the first 15 days of the month in the three month period preceding the first day of the period as defined in paragraph 1.

multiplied by a coefficient of 1.6.

3. However, if the market prices for maize and/or wheat in the Community and/or on the world market change significantly during the period as defined in paragraph 1, the production refund calculated according to paragraph 2 may be altered to take account of such variation.

4. The production refund payable shall be that calculated according to paragraph 2 and where applicable paragraph 3 multiplied by the coefficient shown in the Annex, according to the tariff heading of the starch actually used for the manufacture of the approved products.

Article 3

1. Manufacturers who intend to claim production refunds should in the first instance write to the competent authority in the Member State where the starch is to be used, giving the following information :

(a) the name and address of the manufacturer,

(b) the range of products in which starch is used, including those which are on the list in the Annex to Regulation (EEC) No 1009/86 and those which are not, giving a full description and the tariff headings,

(c) where different from (a), the address of the place (or places) where the starch is to be processed into an approved product.

Member States may ask the maufacturer for additional information.

2. Manufacturers shall also send a written undertaking stating that they will allow the competent authorities to carry out all possible checks and inspections required to control the usage of the starch and that they will provide any information required.

3. The competent authority shall take measures to ensure that the maufacturer is an established enterprise which is recognized in the Member State.

4. On the basis of the above information, the competent authority shall establish a list of approved manufacturers which it shall keep up to date. Only those manufacturers so approved shall be entitled to claim a production refund in accordance with Article 4.

Article 4

1. A manufacturer wishing to claim a production refund shall apply in writing to the competent authority in the Member State where the starch is to be processed for a refund certificate.

2. The application must state :

(a) the name and address of the manufacturer,

(b) the quantity of starch to be transformed into the approved products,

(c) the tariff heading and description of the approved products for which the starch is to be used,

(d) the place (or places) where the starch is to be processed,

(e) the forecast time-scale of the processing operations.

3. The application shall be accompanied by

— the lodging of a security in accordance with Article 7,

— a declaration stating that the starch to be used has not been produced from a raw material other than maize, wheat, rice or potatoes.

4. Member States may require applicants to provide further information.

Article 5

1. Following verification, which shall occur immediately after receiving the application submitted in accordance with Article 4, the competent authority shall issue the refund certificate forthwith.

2. Member States shall use national forms for the refund certificate, which without prejudice to the provisions of other Regulations, Directives or Decisions adopted by the Community institutions, shall contain at least the information specified in paragraph 3.

3. The refund certificate shall state the information given in Article 4, paragraph 2, and in addition the rate of production refund payable and the final day of validity of the certificate, which shall be the final day of the three-month period as defined in Article 2 (1) following that in which the application is received.

4. The rate of production refund payable to be stated on the certificate shall be that applicable on the date of receipt of the application However, where any of the quantity of starch quoted on the certificate is processed in the cereals marketing year following that in which the applications is received, the production refund payable for that starch which is processed in the new marketing year shall be adjusted according to the difference between the intervention process used for the calculation of the production refund payable and that applicable in July of the same year.

Article 6

1. Manufacturers in possession of a refund certificate issued in accordance with Article 5 shall be entitled to claim, in accordance with Article 8, payment of ths production refund indicated on the certificate after the starch has been processed into the relevant approved product.

2. Rights under the certificate shall not be transferable.

Article 7

1. The issue of a certificate shall be subject to the lodging of a security by the maufacturer with the competent authority, equal to 25 ECU per tonne of basic starch, where appropriate multiplied by the coefficient relating to the type of starch to be used as shown in the Annex.

2. The primary requirement within the meaning of Article 20 of Regulation (EEC) No 2220/85 shall the processing of the quantity of starch stated on the application into the approved products so stated within the period of validity of the certificate. However, where a manufacturer has processed a minimum of 95 % of the quantity of starch stated on the application he shall be considered to have fulfilled the aforesaid primary requirement.

3. The security shall also be released in cases of *force majeure.*

Article 8

1. The maufacturer shall claim the production refund by notifying the comptetent authority of :

(a) the date or dates of purchase and delivery of the starch,

(b) the name and address of the supplier of the starch,

(c) the name and address of the producer of the starch,

(d) the date or dates on which the starch was processed,

(e) the quantity and type of starch, including the tariff heading, which has been used,

(f) the quantity of the approved product shown on the certificate, manufactured using the starch.

2. The competent authority shall then establish that the starch has been used for the manufacture of the spproved products in accordance with the information stated on the certificate. This will normally be achieved using administrative controls but should be supported by physical controls where these are considered necessary.

3. The administrative controls referred to in paragraph 2 shall normally be completed using the information provided by the manufacturer in accordance with Article 4 and paragraph 1 of this Article. However, the competent authority may ask the manufacturer for information demonstrating how much starch has been used previously for the production of the product in question or for any other relevant information.

4. All controls shall be completed and the entitlement of the manufacturer to the production refund shall be established within 150 days of the receipt by the competent authority of the information required in prargraph 1 so that payment can be made in accordance with Article 9.

Article 9

1. When the competent authority has completed its controls, the production refund quoted on the certificate shall be paid for the quantity of starch processed. At the same time the security shall be released in accordance with Title V of Regulation (EEC) No 2220/85.

2. Payment of the refund in accordance with paragraph one shall take place within 150 days of the receipt by the competent authority of the information required in Article 8 (1). However, at the request of the manufacturer, the competent authority may advance a sum equivalent to the production refund 30 days after the receipt of the said information. This advance shall be subjet to the lodging of a security by the manufacturer equal to the sum advanced. The security shall be released in Accordance with Article 19 (1) of Regulation (EEC) No 2220/85.

Article 10

During the cereals marketing years 1986/87, 1987/88 and 1988/89, in addition to the information required in Articles 4 and 8, manufacturers must provide documentary evidence showing the source of the starch to enable the competent authority to calculate the amount of refund payable. If this evidance is not provided, the competent authority shall assume that the starch is based on wheat for the purposes of the calculation.

Article 11

Within three months of the end of each period as defined in Article 2 (1), Member States shall notify the Commission of the type and quantities of starch for which production refunds have been paid and the type and quantities of products for which the starch has been used.

Article 12

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

It shall apply with effect form 1 July 1986.

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

Done at Brussels, 10 July 1986.

For the Commission

Frans ANDRIESSEN

Vice-President

ANNEX

CCT heading No	Description	Quantity of starch needed to produce one tonne — Coefficient —
	A. BASIC STARCHES (1)	
11.08	A. I. Maize Starch	1,00
	II. Rice Starch	1,00
	III. Wheat Starch	1,00
	IV. Potato Starch	1,00
	B. THE FOLLOWING DERIVED PRODUCTS WHEN BASED ON THE ABOVE :	
17.02	B. Glucose and glucose syrup maltodextrine and maltodextrine syrup :	
	I. Glucose and glucose syrup containing in the dry state, 99 % or more by weight of the pure product	
	a) in the form of white crystalline powder, whether or not agglomerated	1,304
	b) Other (2)	1,00
	II. Other :	
	a) in the form of white crystalline powder, whether or not agglomerated	1,304
	b) Other (2)	1,00
	F. Caramel	
	II. Other :	
	a) In the form of powder, whether or not agglomerated	1,366
	b) Other (2)	0,95
29.04	C. II. D-Mannitol (mannitol)	1,52
29.04	C. III. D-Glucitol (Sorbitol)	
	a) In aqueous solution (2)	
	1. Containing 2 % or less by weight of D-Mannitol, calculated on the D-Glucitol content	1,068
	2. Other	0,944
	b) Other	
	1. Containing 2 % or less by weight of D-Mannitol, calculated on the D-Glucitol content	1,52
	2. Other	1,52
35.05	Dextrins + dextrin glues ; soluble or roasted starches ; starch glues	
	A. Dextrins ; soluble or roasted starches	1,174
	B. Glues made from dextrin or from starch, containing by weight of those materials :	
	I. 20 % or more but less than 25 %	0,30
	II. 25 % or more but less than 55 %	0,59
	III. 55 % or more but less than 80 %	0,94
	IV. 80 % or more	1,174

CCT heading No	Description	Quantity of starch needed to produce one tonne — Coefficient —
38.12	A. Prepared glazings and prepared dressings :	
	I. With a basis of amylaceous substances, containing by weight of those substances :	
	a) 45 % or more but less than 55 %	0,59
	b) 55 % or more but less than 70 %	0,82
	c) 70 % or more but less than 83 %	1,00
	d) 83 % or more	1,174
38.19	T. D-Glucitol (Sorbitol) other than that falling within subheading 29.04 C III :	
	I. In aqueous solution : (2)	
	a) Containing 2 % or less by weight of D-Mannitol, calculated on the D-Glucitol content	1,068
	b) Other	0,944
	II. Other	
	a) Containing 2 % or less by weight of D-Mannitol, calculated on the D-Glucitol content	1,52
	b) Other	1,52

(1) The coefficient shown shall apply to starch with a dry matter content of at least 87 % in the case of maize, rice and wheat starches, and at least 80 % in the case of potato starch. The production refund payable for basic starch of a lower dry matter content than that shown shall be adjusted using the following formula :

1. Maize, Rice or wheat strach :

$$\frac{\text{Actual \% dry matter}}{87} \times \text{Production refund}$$

2. Potato starch :

$$\frac{\text{Actual \% dry matter}}{80} \times \text{Production refund}$$

The purity of starch in the dry matter shall in all cases be at least 97 %.

(2) The production refund is payable for products in these positions with a dry matter content of at least 78 %. The production refund payable for products in these positions of a dry matter content lower than 78 % shall be adjusted using the following formula :

$$\frac{\text{Actual \% dry matter}}{78} \times \text{Production refund}$$