COMMISSION REGULATION (EEC) No 2965/86

of 26 September 1986

adopting exceptional measures for the market in beef and veal in Italy

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 (1), as last amended by Regulation (EEC) No 3768/85 (2), and in particular Article 23 thereof,

Whereas, because of the outbreak of foot-and-mouth disease in certain production regions in Italy, the introduction of live bovine animals and certain fresh beef and veal products from the said regions of Italy into the other Member States has been temporarily prohibited pursuant to Commission Decision 86/448/EEC of 4 September 1986 on certain protective measures against foot-and-mouth disease in Italy (3);

Whereas, in order to take account of the limitations to free circulation resulting from the situation, exceptional measures to support the market must be taken in the regions concerned;

Whereas it is therefore appropriate to fix private storage aid for certain sensitive products coming from the aforesaid regions in accordance with detailed implementing rules for the granting of private storage aid in the beef and veal sector adopted by Commission Regulation (EEC) No 1091/80 (4), as last amended by Regulation (EEC) No 2826/82 (5);

Whereas, in order to limit the dangers of infection, encouragement should be provided for the boning of meats before they are placed in storage by means of a slight increase in the aid normally granted for the storage of bone-in meat and whereas, for the same reason, the Italian authorities should be authorized to designate the places of storage;

Whereas, in view of this exceptional situation, this Community measure should be amplified by authorizing Italy to grant supplementary aid under the national budget, the amount of which is fixed by the said Member State by agreement with the Commission;

Whereas Article 3 of Council Regulation (EEC) No 989/68 (6), as amended by Regulation (EEC) No 428/77 (7) provides that, if the market situation so requires, the period of storage may be curtailed or extended; whereas it is therefore appropriate that, in addition to the amounts of aid granted for specific storage period, amounts to be added or reduced in the event of that period being extended or curtailed should also be fixed;

Whereas, in order to prevent the financing of normal private storage, it appears desirable to fix minimum quantities;

Whereas, foreseeable market conditions make it necessary to provide for storage periods of between two and seven months; whereas, in order to improve the efficiency of the scheme, provisions should be laid down enabling the applicants to benefit from advance payment of the aid subject to a security;

Whereas, in view of the exceptional circumstances in the beef market and in order to encourage operators to make use of private storage it should be provided that, for a limited period, products under a private storage contract should be able at the same time to be placed under the system laid down in Article 5 (1) of Council Regulation (EEC) No. 565/80 of 4 March 1980 on the advance payment of export refunds in respect of agricultural products (8); whereas, in view of the contractual storage periods it is necessary to derogate from Article 11 (2) of Commission Regulation (EEC) No 798/80 of 31 March 1980 laying down general rules on the advance payment of export refunds and positive monetary compensatory amounts in respect of agricultural products (9), as last amended by Regulation (EEC) No 1663/81 (10), as to the period during which the products may stay under the system laid down in Regulation (EEC) No 565/80;

Whereas provision should be made for the possibility of reducing the storage period where meat removed from storage is intended for export; whereas proof that the meat has been exported must be supplied as in the case of refunds, in accordance with Commission Regulation (EEC) No 2730/79 (11), as last amended by Regulation (EEC) No 568/85 (12); whereas, except in cases where the stored products are put under a system requiring export

(1) OJ No L 148, 28. 6. 1968, p. 24.
(2) OJ No L 362, 31. 12. 1985, p. 8.
(3) OJ No L 259, 11. 9. 1986, p. 34.
(4) OJ No L 114, 3. 5. 1986, p. 18.
(5) OJ No L 297, 23. 10. 1982, p. 18.
(6) OJ No L 169, 16. 7. 1968, p. 10.
(7) OJ No L 61, 5. 3. 1977, p. 17.
(8) OJ No L 62, 4. 3. 1980, p. 5.
(9) OJ No L 87, 31. 3. 1980, p. 42.
(10) OJ No L 166, 24. 6. 1981, p. 9.
(11) OJ No L 317, 12. 12. 1979, p. 1.
(12) OJ No L 65, 6. 3. 1985, p. 5.

in their totality, it is appropriate to provide that, subject to certain conditions, a limited quantity may be withdrawn from store without subsequent export ; whereas provisions should be made for the calculation of aid and the release of security where the storer has not respected certain obligations ;

Whereas for the purposes of the necessary controls, Italy must take measures to ensure that the products being stored can be identified as originating from male bovine animals ;

Whereas, so that the Commission may monitor closely the effect of the private storage scheme, Italy must communicate the necessary information ;

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. Applications for aid for the private storage of one of the presentations of adult bovine animals defined in Article 2 (2) may be submitted to the Italian intervention agency between 29 September and 31 December 1986.

The amounts of this aid, by tonne of product, bone-in are fixed in the Annex hereto for each of these presentations, pursuant to Article 6 (1) of Regulation (EEC) No 1091/80.

In the case of boned meats the amounts of aid set out in the Annex for bone-in meats shall be raised by 40 ECU per tonne.

Where Community aid is granted, Italy may grant supplementary national aid, the amount of which shall be fixed by the said Member State by agreement with the Commission.

If the quantities in respect of which contracts have been applied for or the market situation make it advisable, the deadline for the submission of applications may be changed.

2. The amount of aid shall be adjusted if the period of storage is extended or reduced. The supplements per month and deductions per day for each of the presentations referred to in Article 2 (2) are fixed in the Annex hereto.

3. Subject to the provisions of this Regulation, the provisions of Regulation (EEC) No 1091/80 shall apply.

Article 2

1. Only products obtained from adult bovine animals reared in local health units in which foot-and-mouth disease has been detected and which have not been declared free of the disease or from adult bovine animals reared in local health units which share a boundary with such local health units may qualify for this aid.

Products obtained from adult bovine animals reared in local health units in which no cases of foot-and-mouth disease have been recorded for three months or from adult bovine animals reared in local health units which share a boundary with such local health units shall not qualify for this aid.

Modifications to the boundary of the infection zone shall be immediately notified by the Italian authorities to the Commission.

2. For the purposes of this Regulation :

— the carcase shall have a minimum average weight of 220 kilograms,

— the half-carcase shall have a minimum average weight of 110 kilograms,

— the hindquarter shall mean :

  (a) the rear part of the half-carcase cut in a manner known as 'pistola' with a minimum of five cut ribs and a maximum of eight ribs and with minimum average weight of 55 kilograms ; it is cut straight to the hip bone and then parallel to the fillet so that this is practically free from attached parts of the flank, or

  (b) the rear part of the half-carcase cut in the manner known as 'straight' with a minimum of three ribs and a maximum of five ribs and with a minimum average weight of 55 kilograms.

— the forequarter shall mean :

  (a) the front part of the half-carcase cut, in the manner known as 'pistola' with a minimum of five ribs and a maximum of eight ribs and with a minimum average weight of 55 kilograms, the flank being attached to the forequarter ; or

  (b) the front part of the half-carcase and in a manner known as 'straight' with a minimum of eight ribs and a maximum of 10 ribs and with a minimum average weight of 55 kilograms.

3. Carcases and half-carcases shall be presented in accordance with point 2 (a) and (b) of Annex II to Regulation (EEC) No 2226/78 (1).

Article 3

1. The minimum quantity per contract shall be 15 tonnes expressed as bone-in meat.

2. The contract may only cover unboned meat of one of the presentations referred to in Article 2 (2).

(1) OJ No L 261, 26. 9. 1978, p. 5.

3. The Italian authorities may designate the places of storage in the light of veterinary requirements.

4. Placing in storage must be carried out within 28 days of the date of conclusion of the contract.

Article 4

1. Subject to the provisions laid down in paragraph 2, the contractor may, before placing into store, cut or bone all or part of the products referred to in Article 2 (2), provided that only the quantity for which the contract has been concluded is employed and that all the meat resulting from such operations is placed in store.

2. If the quantity stored unboned, or, if cut or boned, the quantity of unboned meat employed, is less than the quantity for which the contract was concluded and :

(a) not less than 90 % of that quantity, the amount of aid referred to in the second subparagraph of Article 1 (1) shall be reduced proportionally ;

(b) less than 90 % of that quantity, private storage aid shall not be paid.

3. In the case of boning :

(a) if the quantity placed in a store does not exceed 67 kilograms of boned meat per 100 kilograms of unboned meat employed, private storage aid shall not be payable ;

(b) if the quantity placed in store exceeds 67 kilograms but is lower than 77 kilograms of boned meat per 100 kilograms of unboned meat employed, the aid referred to in the second subparagraph of Article 1 (1) shall be reduced proportionally ;

(c) the large tendons, cartilages, pieces of fat and other scraps left over from boning may not be put into stock.

4. No aid shall be granted :

(a) for quantities places in store unboned, or in case of cutting or boning, for quantitities of unboned meat employed, in excess of quantitities for which the contract was concluded ; and

(b) in case of boning, for quantities in excess of 77 kilograms of boned meat per 100 kilograms of unboned meat employed.

Article 5

1. The period of storage shall be two, three, four, five, six or seven months, at the storer's option ; the storer shall state his preference at the time of submitting the application referred to in the first subparagraph of Article 1 (1).

2. After three months of contractual storage, a single advance payment of the aid may be made, at storer's request, on condition that he lodges a security equal to the advance payment plus 20 %.

The advance payment of the said shall not exceed the amount of aid corresponding to the conctracted storage period. Where quantities under contract are exported in accordance with Article 7 prior to the advance payment, the actual storage period for those quantities shall be taken into account when calculating the amount of the advance payment.

The advance payment of the aid shall be converted into national currency by applying the representative rate in force on the day of conclusion of the storage contract.

3. The security referred to in the first subparagraph of paragraph 2 shall be lodged at the applicant's choice either in cash or in the form of a guarantee given by an establishment satisfying criteria fixed by the Member State in which the security is lodged.

4. Without prejudice to Article 8 (2) the security referred to in the first subparagraph of paragraph 2 shall immediately be released when :

(a) final entitlment to the sum granted as advance has been established ; or

(b) the sum granted, plus 20 %, has been repaid.

Article 6

1. Notwithstanding Article 2 (4) of Regulation (EEC) No 1091/80, products being stored under a private storage contract may simultaneously be placed under the system laid down in Article 5 (1) of Regulation (EEC) No 565/80.

2. In this case, notwithstanding Article 11 (2) of Regulation (EEC) No 798/80, the period referred to in that Article shall be eight months.

3. For the purposes of paragraph 1, where a private storage contract is concluded for a quantity which consists of several lots which are placed in storage on different dates, each of the said lots may be the subject of a separate payment declaration. A payment declaration, as referred to in Article 2 of Regulation (EEC) No 798/80, shall be submitted for each lot on the day of its entry into storage.

'Lot' shall be taken to mean a quantity which is placed in storage on a given day.

Article 7

1. On the expiry of a storage period of two months, stored meat under a contract may be fully or partly withdrawn from store, subject to a minimum quantity, provided that within 60 days following its removal from storage :

— the meat has left the Community's territory within the meaning of Article 9 (2) of Regulation (EEC) No 2730/79,

or

— the meat has reached its destination in the cases referred to in Article 5 (1) of Regulation (EEC) No 2730/79,

or

— the meat has been placed in a victualling warehouse approved pursuant to Article 26 of Regulation (EEC) No 2730/79.

2. The minimum quantity for each removal shall be five tonnes of product weight. However, where the remaining stored quantity under the contract is less than this quantity, one further withdrawal operation for export of the remaining quantity or part thereof shall be permitted.

Where the withdrawal conditions referred to in the preceding subparagraph are not complied with :

— the amount of aid for the quantity withdrawn shall be calculated in accordance with Article 8 (1),

— 15 % of the security referred to in Article 9 shall be declared forfeit in respect of the quantity withdrawn.

3. If the 60-day period is not complied with, the amount of aid for the quantity concerned, calculated in accordance with Article 8 (1), shall be reduced :

— by 15 %,

and

— by a further 5 % per day exceeding the 60-day period.

Moreover 15 % of the security referred to in Article 9 and a further 5 % per day exceeding the 60-day period, shall be declared forfeit in respect of the quantity concerned.

4. If, prior to the end of the contracted storage period, a minimum of 90 % of the meat placed in store under a contract has been exported within the meaning of paragraph 1, the balance may be withdrawn from store prior to the end of the contracted storage period. If withdrawn :

— aid shall only be paid for the quantity exported,

and

— the security referred to in Article 9 shall be released only in respect of the quantity exported.

5. For the purposes of paragraphs 1 to 4, proof shall be furnished as in the case of refunds.

6. The storer shall inform the intervention agency at least two working days before the commencement of withdrawal operations, stating the quantities he intends to withdraw.

Where the two-days' obligation is not complied with but where sufficient evidence as to the date of withdrawal from store and the quantities concerned has been furnished to the competent authority :

— the amount of aid shall be calculated in accordance with Article 8 (1), but

— 15 % of the security referred to in Article 9 shall be declared forfeit in respect of the quantity concerned.

For all other cases where the two-days' obligation is not complied with :

— no aid shall be paid under the contract concerned, and

— the security referred to in Article 9 shall be declared forfeit in full in respect of the contract concerned.

Article 8

1. Where application has been made of Article 7, the amount of aid shall be reduced, in accordance with Article 1 (2), the first day of removal from storage not being included in the period of storage under contract.

2. Where application has been made of Article 5 (2) prior to the application of Article 7, an amount equal to the difference between the advance payment of aid and the amount of aid calculated by applying paragraph 1 and Article 7, shall immediately be recouped from the storer.

The security referred to in Article 5 (2) shall be released *pro rata* to the amount recouped.

Article 9

The amount of the security referred to in Article 4 (2) of Regulation (EEC) No 1091/80 shall be :

— 100 ECU per tonne in respect of contracts covering carcases or half-carcases,

— 130 ECU per tonne in respect of contracts covering hindquarters,

— 75 ECU per tonne in respect of contracts covering forequarters.

Article 10

Italy shall take the necessary measures to ensure identification of the products specified in the Annex, either by means of an indelible mark or by an individual seal on each presentation of the adult male bovine animal concerned.

Article 11

Italy shall communicate by telex to the Commission before Thursday of each week the results of the application of Articles 5 (2), 6 (1) and 7.

Article 12

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, 26 September 1986.

For the Commission

Frans ANDRIESSEN

Vice-President

ANNEX

I. Carcases, half-carcases, hindquarters and forequarters from adult male bovine animals identified in accordance with Article 10

Products in respect of which aid is granted	Amount of aid in ECU/tonne for a storage period of						Amount in ECU/tonne	
	2 months	3 months	4 months	5 months	6 months	7 months	to be added per month	to be deducted per day
(a) Fresh or chilled carcases or half-carcases	517	535	553	571	589	607	18	0,6
(b) Fresh or chilled hindquarters cut in the manner known as 'pistola'	672	690	708	726	744	762	18	0,6
(c) Fresh or chilled hindquarters cut in the manner known as 'straight'	659	677	695	713	731	749	18	0,6
(d) Fresh or chilled forequarters cut in the manner known as 'pistola'	362	380	398	416	434	452	18	0,6
(e) Fresh or chilled forequarters cut in the manner known as 'straight'	375	393	411	429	447	465	18	0,6

II. Carcases, half-carcases, hindquarters and forequarters from adult bovine animals not included in I

Products in respect of which aid is granted	Amount of aid in ECU/tonne for a storage period of						Amount in ECU/tonne	
	2 months	3 months	4 months	5 months	6 months	7 months	to be added per month	to be deducted per day
(a) Fresh or chilled carcases or half-carcases	445	463	481	499	517	535	18	0,6
(b) Fresh or chilled hindquarters cut in the manner known as 'pistola'	579	597	615	633	651	669	18	0,6
(c) Fresh or chilled hindquarters cut in the manner known as 'straight'	567	585	603	621	639	657	18	0,6
(d) Fresh or chilled forequarters cut in the manner known as 'pistola'	311	329	347	365	383	401	18	0,6
(e) Fresh or chilled forequarters cut in the manner known as 'straight'	323	341	359	377	395	413	18	0,6