REGULATION (EEC) No 1968/73 OF THE COUNCIL

of 19 July 1973

laying down general rules to be applied in the event of the cereals market being disturbed

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation No 120/67/EEC (1) of 13 June 1967 on the common organization of the market in cereals, as last amended by Regulation (EEC) No 1346/73 (2), and in particular the second paragraph of Article 19 thereof;

Having regard to the proposal from the Commission;

Whereas Article 19 of Regulation No 120/67/EEC provides that, when the cif price of one or more of the products mentioned in Article 2 of that Regulation is appreciably higher than the threshold price, and that situation is likely to continue, thereby disturbing or threatening to disturb the Community market, the necessary measures may be taken;

Whereas the general rules for applying these provisions, and in particular the criteria for establishing that the cif price is appreciably higher than the threshold price and for deciding whether the situation is likely to continue, should be laid down;

Whereas, to avoid disturbances on the Community market, it is necessary to ensure an adequate supply of cereals; whereas, to this end, levies could be charged on exports and the total or partial suspension of the issue of export licences;

Whereas it is also necessary to establish criteria for calculating the export levies having regard to the economic situation;

Whereas Community obligations to supply food aid are such that exports of products for that purpose should be excluded from this Regulation;

HAS ADOPTED THIS REGULATION:

Article 1

1. The cif price shall be regarded as appreciably higher than the threshold price within the meaning of Article 19 of Regulation No 120/67/EEC when it exceeds it by at least 2 %.

2. This excess shall be regarded as being likely to continue where an imbalance between supply and demand is established and where this imbalance is likely to persist, having regard to foreseeable production and market price trends.

3. The Community market shall be regarded as being disturbed or threatened with disturbance, as a result of the situation referred to in paragraphs 1 and 2, where international trade prices are so high as to impede importation of products mentioned in Article 2 of Regulation No 120/67/EEC into the Community, or provoke exportation of such products from the Community, either of which situations would jeopardize supplies within the Community.

Article 2

1. Where the conditions specified in Article 19 of Regulation No 120/67/EEC are met, in accordance with the criteria laid down in Article 1, the following measures may be taken:

— application of an export levy, which may be fixed by a tendering procedure,

— fixing of a time limit for the issue of export licences,

— total or partial suspension of the issue of export licences,

— total or partial rejection of outstanding requests for the issue of export licences.

2. The measures provided for in paragraph 1 may be taken in respect of one or more of the products listed in Article 1 of Regulation No 120/67/EEC, where this is made necessary by the market situation and the relationship between those products.

3. The measures referred to in paragraph 1 shall be abrogated at the latest as soon as it is found that, for a period of three consecutive weeks, the condition referred to in Article 1 (1) is no longer fulfilled.

(1) OJ No 117, 19. 6. 1967, p. 2269/67.
(2) OJ No L 141, 28. 5. 1973, p. 8.

Article 3

1. The following shall be taken into account when the export levy is being introduced:

(a) situation and trends:

— for cereal prices and available quantities on the Community market,

— for cereal prices and for prices of products falling within the cereals sector on the world market;

(b) the objectives of the common organization of the market in cereals, namely to balance that market both as regards supplies and as regards trade;

(c) the economic aspect of the exports.

2. The export levy:

(a) for products referred to in Article 1 (a) and (b) of Regulation No 120/67/EEC shall be fixed on the basis of the difference between the cif price and the threshold price;

(b) for the products referred to in Article 1 (c) of Regulation No 120/67/EEC shall be derived from that applicable to the basic cereal, having regard in particular to the quantity of that cereal necessary to manufacture the relevant products;

(c) for the products referred to in Article 1 (d) of Regulation No 120/67/EEC, with the exception of products falling within subheading Nos 11.08 A I, III, IV and V, heading No 11.09 and subheading Nos 17.02 B II, 17.05 B and 23.03 A I of the Common Customs Tariff, shall be derived from that applicable to the basic cereals to which they relate by applying the coefficients set out in Annex II, Table A, to Regulation (EEC) No 968/68 [1] and in the Annex to Regulation (EEC) No 1052/68 [2].

3. Where the situation on the world market or the specific requirements of certain markets so require, the export levy may be differentiated.

4. The export levy to be charged shall be that in force on the day of exportation.

However, the export levy in force on the day on which the licence is applied for may, on application from the interested party be lodged at the same time as the application for a licence, and before 1 p.m. be applied to exports to be effected during the period of validity of that licence.

5. No levy shall be applied to exports effected by way of food aid under Article 22a of Regulation No 120/67/EEC.

Article 4

1. Detailed rules for the application of this Regulation shall be adopted in accordance with the procedure laid down in Article 26 of Regulation No 120/67/EEC.

2. The Decision to introduce and to abolish, for each of the products, the measures referred to in Article 2 shall be taken in accordance with the same procedure.

Article 5

In an emergency the Commission may take the measures referred to in the first indent of Article 2 (1). It shall notify its Decision to the Member States and shall publish it on the notice boards at its Headquarters.

The measures shall, by virtue of such a Decision, be applied to the relevant products from the date specified to this end; this day shall be subsequent to that of notification.

Such a Decision shall apply for not more than seven days.

Article 6

This Regulation shall enter into force on the third day following that 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, 19 July 1973.

For the Council

The President

J. KAMPMANN

(1) OJ No L 166, 7. 7. 1968, p. 2.
(2) OJ No L 179, 25. 7. 1968, p. 8.