

REGULATION No 56 OF THE COUNCIL

on aids for the production of and trade in potato starch and potatoes for starch manufacture

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

Having regard to the Treaty establishing the European Economic Community, and in particular Articles 42 and 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Having regard to Council Regulation No 19 on the progressive establishment of a common organisation of the market in cereals, and in particular Article 19 (1) thereof;

Whereas the Commission is preparing an inventory of aids granted by Governments or out of public funds for the production of and trade in the products listed in Annex II to the Treaty, including potatoes and potato starch;

Whereas the aids and refunds to be granted in respect of potato starch are governed by the provisions of Council Regulations Nos 19 and 55;

Whereas operation of the system of prices and levies in respect of potato starch requires that the provisions of the Treaty which allow aids to be assessed and action to be taken against those which are incompatible with the common market be extended to aids granted for the production of and trade in potatoes for starch manufacture, without prejudice to the provisions which will be made for the common organisation of the market in potatoes;

Whereas the various aids granted in this sector can be maintained to the extent that they have been granted in the past, subject to any adjustment that may become necessary through a change in the price of maize for starch manufacture as a result of the introduction of the levy system;

HAS ADOPTED THIS REGULATION:

Article 1

As soon as the system of levies on potato starch is applied and subject to the provisions of Article 2, Articles 92, 93 and 94 of the Treaty shall apply to the production of and trade in potatoes for starch manufacture.

Article 2

1. Aid granted by Governments or out of public funds may be maintained for the production of or trade in potato starch and potatoes for starch manufacture on condition that:

- (a) the amount of this aid shall not exceed the total amount of aid granted directly or indirectly per metric ton of potato starch during the 1961/62 marketing year;
- (b) this amount shall be decreased if the price of maize for starch manufacture rises compared with the price for the 1961/62 marketing year as a result of the introduction of the levy system; this decrease shall be equal to the incidence of the price increase of maize on the price of maize starch.

2. The amount of the aid referred to in paragraph 1 (a) may be increased if the price of maize for starch manufacture falls compared with the price for the 1961/62 marketing year as a result of the introduction of the levy system. This increase may not exceed the incidence of the fall in the price of maize on the price of maize starch.

Article 3

This Regulation shall enter into force on 30 July 1962.

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

Done at Brussels, 30 June 1962.

For the Council

The President

M. COUVE de MURVILLE