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REGULATION (EEC) No 2771/75 OF THE COUNCIL
of 29 October 1975
on the common organization of the market in eggs

THE COUNCIL OF THE EUROPEAN UNION,

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⁽¹⁾;

Whereas since their adoption the basic provisions concerning the organization of the market in eggs have been amended a number of times; whereas, by reason of their number, their complexity and their dispersal among various Official Journals, the relevant texts are difficult to use and thus lack the clarity which should be an essential feature of all legislation; whereas they should therefore be consolidated in a single text;

Whereas the operation and development of the common market in agricultural products must be accompanied by the establishment of a common agricultural policy to include in particular a common organization of agricultural markets, which may take various forms depending on the product;

Whereas the aim of the common agricultural policy is to attain the objectives set out in Article 39 of the Treaty; whereas, in the eggs sector, in order to stabilize markets and to ensure a fair standard of living for the agricultural community concerned, provision should be made for measures to facilitate the adjustment of supply to market requirements;

Whereas the creation of a single market for eggs involves the introduction of a single trading system at the external frontiers of the Community, this system to include levies and export refunds;

Whereas to achieve this aim it should as a general rule be sufficient to introduce, in respect of imports from third countries, levies which take account of the incidence on feeding costs of the difference between prices for feed grain within the Community and on the world market, and of the need to protect the Community processing industry;

Whereas it is necessary to avoid disturbances on the Community market caused by offers made on the world market at abnormally low prices; whereas to this end sluice-gate prices should be fixed and levies should be increased by an additional amount when free-at-frontier offer prices are lower than those prices;

Whereas provision for a refund on exports to third countries equal to the difference between prices within the Community and on the world market would serve to safeguard Community participation in international trade in eggs; whereas in order to give Community exporters a certain amount of security as regards the stability of refunds, provision should be made to enable the refunds on eggs to be fixed in advance;

Whereas, in addition to the system described above, provision should be made for prohibiting, in whole or in part, when the situation on the market so requires the use of inward processing arrangements;

Whereas the levy system makes it possible to dispense with all other protective measures at the external frontiers of the Community; whereas, however, the levy machinery may in exceptional circumstances prove defective; whereas in such cases, so as not to leave the Community market without defence against disturbances which may arise therefrom after the import barriers which existed previously have been removed, the Community should be enabled to take all necessary measures without delay;

⁽¹⁾ OJ No C 60, 13. 3. 1975, p. 41.

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Whereas restrictions on free circulation resulting from the application of measures intended to prevent the spread of animal disease may cause difficulties on the market of one or more Member States; whereas it is necessary to make provision for the adoption of exceptional measures of market support to remedy such a situation;

Whereas, in order to facilitate implementation of the proposed measures, a procedure should be provided for establishing close cooperation between the Member States and the Commission within a Management Committee;

Whereas the establishment of a single market would be jeopardized by the granting of certain aids; whereas, therefore, the provisions of the Treaty which allow the assessment of aids granted by Member States and the prohibition of those which are incompatible with the common market should be made to apply to eggs;

Whereas the common organization of the market in eggs must take account in appropriate manner and at the same time of the objectives set out in Articles 39 and 110 of the Treaty;

Whereas the expenditure incurred by the Member States as a result of the obligations arising out of the application of this Regulation fall on the Community in accordance with the provisions of Articles 2 and 3 of Council Regulation (EEC) No 729/70⁽¹⁾ of 21 April 1970 on the financing of the common agricultural policy, as amended by Regulation (EEC) No 1566/72⁽²⁾,

HAS ADOPTED THIS REGULATION:

Article 1

1. The common organization of the market in eggs shall cover the following products:

CCT heading No	Description of goods
(a) 04.05 A I	Poultry eggs in shell, fresh or preserved
(b) 04.05 B I	Eggs not in shell and egg yolks suitable for human consumption, fresh, dried or otherwise preserved, sweetened or not

2. For the purposes of this Regulation:

- (a) 'eggs in shell' means poultry eggs in shell, fresh or preserved, other than eggs for hatching specified in (b);
- (b) 'eggs for hatching' means poultry eggs for hatching;
- (c) 'whole products' means poultry eggs not in shell, suitable for human consumption:
 - fresh or preserved, sweetened or not,
 - dried, sweetened or not;
- (d) 'separated products' means poultry egg yolks, suitable for human consumption:
 - fresh or preserved, sweetened or not,
 - dried, sweetened or not;
- (e) a 'quarter' means a period of three months beginning on 1 February, 1 May, 1 August or 1 November.

Article 2

1. In order to encourage action by trade and joint trade organizations to facilitate the adjustment of supply to market requirements, with the

⁽¹⁾ OJ No L 94, 28. 4. 1970, p. 13.

⁽²⁾ OJ No L 167, 25. 7. 1972, p. 5.

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exception of action relating to withdrawal from the market, the following Community measures may be taken in respect of the products specified in Article 1 (1):

- measures to promote better organization of production, processing and marketing,
- measures to improve quality,
- measures to permit the establishment of short- and long-term forecasts on the basis of the means of production used,
- measures to facilitate the recording of market price trends.

General rules concerning these measures shall be adopted in accordance with the procedure laid down in Article 43 (2) of the Treaty.

2. For one or more of the products specified in Article 1 (1), marketing standards shall be adopted. These standards may relate in particular to grading by quality and weight, packaging, storage, transport, presentation and marketing.

Standards, their scope and the general rules for their application shall be adopted by the Council, acting by a qualified majority on a proposal from the Commission.

Article 3

A levy, fixed in advance for each quarter in accordance with the procedure laid down in Article 17, shall be charged on imports into the Community of the products specified in Article 1 (1).

Article 4

1. The levy on eggs in shell shall be composed of:

- (a) one component equal to the difference between prices within the Community and on the world market for the quantity of feed grain required for the production in the Community of one kilogramme of eggs in shell.

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The prices for feed grain within the Community shall be determined once a year for a period of 12 months beginning on 1 July, on the basis of the threshold prices and the monthly increases therein. They shall be used for fixing the levy from 1 August each year.

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The prices for feed grain on the world market shall be determined quarterly on the basis of the prices for such grain recorded for the five months ending one month before the quarter in respect of which the said component is calculated.

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However, when the levies applicable from 1 November, 1 February and 1 May are being fixed, trends in world market prices for feed grain shall be taken into account only if at the same time a new sluice-gate price is being fixed;

- (b) one component equal to 7 % of the average of the sluice-gate prices ruling for the four quarters preceding 1 May of each year.

This component shall be calculated once a year for a period of 12 months beginning 1 August.

2. The levy on eggs for hatching shall be calculated in the same way as the levy on eggs in shell. However, the quantity of feed grain to be used shall be that required for the production in the Community of one egg for hatching; the sluice-gate price shall be that applicable to eggs for hatching.

3. The Council, acting by a qualified majority on a proposal from the Commission, shall:

- determine the quantity of feed grain required for the production of one kilogramme of eggs in shell and the quantity of feed grain

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- required for the production of one egg for hatching, and the percentages of the various feed grains included in these quantities,
— adopt rules for the application of this Article.

Article 5

1. As regards the products specified in Article 1 (1) (b), the levy shall be derived from the levy on eggs in shell as follows:
— in respect of whole products, on the basis of the quantity of eggs in shell used in the manufacture of one kilogramme of such products,
— in respect of separated products, on the basis of the quantity of eggs in shell used in the manufacture of one kilogramme of such products and of the average ratio between the market values of the egg constituents.
2. The coefficients expressing the quantities and the ratio mentioned in paragraph 1 shall be fixed in accordance with the procedure laid down in Article 17. The information used in fixing the coefficients shall be reconsidered at least once a year.

Article 6

When a substantial price rise is recorded on the Community market and this situation is likely to continue, thereby disturbing or threatening to disturb the market, the necessary measures may be taken.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the application of this Article.

Article 7

1. Sluice-gate prices shall be fixed in advance for each quarter in accordance with the procedure laid down in Article 17.
2. The sluice-gate price for eggs in shell shall be composed of:
- (a) an amount equal to the price on the world market for the quantity of feed grain required for the production in third countries of one kilogramme of eggs in shell;
 - (b) a standard amount representing other feeding costs and overhead costs of production and marketing.

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The price for the quantity of feed grain shall be determined quarterly on the basis of the world market prices for such grain recorded for the five months ending one month before the quarter in respect of which the sluice-gate price is fixed.

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However, when the sluice-gate price applicable from 1 November, 1 February and 1 May, is being fixed, trends in world market prices for feed grain shall be taken into account only if the price of the quantity of feed grain shows a minimum variation from that used in calculating the sluice-gate price for the preceding quarter. The information used in fixing the standard amount mentioned in (b) shall be reconsidered at least once a year.

3. The sluice-gate price for eggs for hatching shall be calculated in the same way as the sluice-gate price for eggs in shell; however, the price for the quantity of feed grain on the world market shall be the price for the quantity required for the production in third countries of one egg for hatching and the standard amount shall be the amount representing other feeding costs and overhead costs of production and marketing in respect of one egg for hatching.

4. As regards the products specified in Article 1 (1) (b), the sluice-gate prices shall be derived from the sluice-gate price for eggs in shell, account being taken of the depreciation in value of the basic material, of the coefficients fixed for such products under Article 5 (2) and of a standard amount representing overhead costs of production and

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marketing fixed in accordance with the procedure laid down in Article 17.

5. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt rules for the application of this Article.

Article 8

1. Where the free-at-frontier offer price for a product falls below the sluice-gate price, the levy on that product shall be increased by an additional amount equal to the difference between the sluice-gate price and the free-at-frontier offer price.

2. However, the levy shall not be increased by this additional amount as regards third countries which are prepared and in a position to guarantee that the price of imports into the Community of products originating in and coming from their territory will not be lower than the sluice-gate price for the product in question and that any deflection of trade will be avoided.

3. The free-at-frontier offer price shall be determined for all imports from all third countries.

However, if exports from one or more third countries are effected at abnormally low prices, lower than the prices ruling in other third countries, a second free-at-frontier offer price shall be determined for exports from these other countries.

4. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 17.

Where additional amounts are required these shall be fixed in accordance with the same procedure.

Article 9

1. To the extent necessary to enable the products specified in Article 1 (1) to be exported, in the state referred to therein or in the form of products listed in Annex I hereto, on the basis of prices for those products on the world market, the difference between those prices and prices within the Community may be covered by an export refund.

2. The refund shall be the same for the whole Community. It may be varied according to use or destination.

The refund shall be granted on application by the party concerned.

When the refund is being fixed particular account shall be taken of the need to establish a balance between the use of Community basic products in the manufacture of processed goods for export to third countries and the use of third country products brought in under inward processing arrangements.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt general rules for the granting and advance fixing of export refunds and criteria for fixing their amount.

Refunds shall be fixed at regular intervals in accordance with the procedure laid down in Article 17. Where necessary the Commission may, at the request of a Member State or on its own initiative, alter the refunds in the intervening period.

3. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 17.

Article 10

To the extent necessary for the proper working of the common organization of the market in eggs, the Council, acting by a qualified majority on a proposal from the Commission, may prohibit, in whole or in part, the use of inward processing arrangements:

— in respect of products specified in Article 1 (1) which are intended for the manufacture of products specified in Article 1 (1) (b), and

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- in special cases, in respect of products specified in Article 1 (1) which are intended for the manufacture of the products listed in Annex I hereto.

Article 11

1. The general rules for the interpretation of the Common Customs Tariff and the special rules for its application shall apply to the tariff classification of products covered by this Regulation; the tariff nomenclature resulting from the application of this Regulation shall form part of the Common Customs Tariff.

2. Save as otherwise provided in this Regulation or where derogation therefrom is decided by the Council acting by a qualified majority on a proposal from the Commission, the following shall be prohibited:

- the levying of any customs duty or charge having equivalent effect,
- the application of any quantitative restriction or measure having equivalent effect.

Any measure restricting the issue of import or export licences to a specified category of person shall be regarded as a measure having effect equivalent to a quantitative restriction.

Article 12

1. If by reason of imports or exports the Community market in one or more of the products specified in Article 1 (1) experiences or is threatened with serious disturbances which may endanger the objectives set out in Article 39 of the Treaty, appropriate measures may be applied in trade with third countries until such disturbance or threat of disturbance has ceased.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt detailed rules for the application of this paragraph and define the cases in which and the limits within which Member States may take protective measures.

2. If the situation mentioned in paragraph 1 arises, the Commission shall, at the request of a Member State or on its own initiative, decide upon the necessary measures; the measures shall be communicated to the Member States and shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within 24 hours following receipt thereof.

3. The measures decided upon by the Commission may be referred to the Council by any Member State within three working days following the day on which they were communicated. The Council shall meet without delay. It may by a qualified majority amend or repeal the measures in question.

Article 13

Products specified in Article 1 (1) which are manufactured or obtained from products not specified in Articles 9 (2) and 10 (1) of the Treaty shall not be admitted to free circulation within the Community.

Article 14

In order to take account of any restrictions on free circulation imposed in consequence of measures to prevent the spread of animal disease, exceptional measures may be taken under the procedure provided for in Article 17 to support any market affected by such restrictions. Such measures may be taken only to the extent that and for such period as is strictly necessary for the support of that market.

Article 15

The Member States and the Commission shall communicate to each other the information necessary for implementing this Regulation. Rules for the communication and distribution of such information shall be adopted in accordance with the procedure laid down in Article 17.

▼**B***Article 16*

1. There is hereby established a Management Committee for Poultrymeat and Eggs (hereinafter called 'the Committee'), consisting of representatives of the Member States with a representative of the Commission as Chairman.

2. Within the Committee the votes of Member States shall be weighted in accordance with Article 148 (2) of the Treaty. The Chairman shall not vote.

Article 17

1. Where the procedure laid down in this Article is to be followed, the Chairman shall refer the matter to the Committee either on his own initiative or at the request of the representative of a Member State.

2. The representative of the Commission shall submit a draft of the measures to be taken. The Committee shall deliver its Opinion on such measures within a time limit to be set by the Chairman according to the urgency of the matter. An Opinion shall be adopted by a majority of ►**M3** fifty-four ◀ votes.

3. The Commission shall adopt measures which shall apply immediately. However, if these measures are not in accordance with the Opinion of the Committee, they shall forthwith be communicated by the Commission to the Council. In that event the Commission may, for not more than one month from the date of such communication, defer application of the measures which it has adopted.

The Council, acting by a qualified majority, may take a different decision within one month.

Article 18

The Committee may consider any other question referred to it by its Chairman either on his own initiative or at the request of the representative of a Member State.

Article 19

Save as otherwise provided in this Regulation, Articles 92 to 94 of the Treaty shall apply to the production of and trade in the products specified in Article 1 (1).

Article 20

This Regulation shall be so applied that account is taken, in appropriate manner and at the same time, of the objectives set out in Articles 39 and 110 of the Treaty.

Article 21

Should Italy have recourse to the provisions of Article 23 of Council Regulation (EEC) No 2727/75⁽¹⁾ of 29 October 1975 on the common organization of the market in cereals, the Council, acting by a qualified majority on a proposal from the Commission, shall take the necessary measures to avoid distortions of competition.

Article 22

1. Council Regulation No 122/67/EEC⁽²⁾ of 13 June 1967 on the common organization of the market in eggs, as last amended by the Council Decision of 1 January 1973⁽³⁾ adjusting the documents concerning the accession of the new Member States to the European Communities, is hereby repealed.

⁽¹⁾ OJ No L 281, 1. 11. 1975, p. 7.

⁽²⁾ OJ No 117, 19. 6. 1967, p. 2293/67.

⁽³⁾ OJ No L 2, 1. 2. 1973, p. 1.

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2. All references to the Regulation repealed by paragraph 1 shall be construed as references to this Regulation.

References to articles of that Regulation are to be read in accordance with the correlation given in Annex II.

Article 23

This Regulation shall enter into force on 1 November 1975.

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

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ANNEX I

CCT heading No	Description
18.06	Chocolate and other food preparations containing cocoa
19.03	Macaroni, spaghetti and similar products: A. Containing eggs
19.08	Pastry, biscuits, cakes and other fine bakers' wares, whether or not containing cocoa in any proportion
21.07	Food preparations not elsewhere specified or included: G. Other: I. Containing no milkfats or containing less than 1·5 % by weight of such fats: a) Containing no sucrose or containing less than 5 % by weight of sucrose (including invert sugar expressed as sucrose): ex 1. Containing no starch or containing less than 5 % by weight of starch — Preparations known as 'long eggs', consisting in hens' eggs cooked in the form of cylinders; the centre consists of the egg yolks and is completely surrounded by the whites of the eggs
22.09 C	Spirituous beverages: ex V. Other: — Containing egg or egg yolk
35.02 A	Albumins: II. Other: ex a) Ovalbumin: 1. Dried (for example, in sheets, scales, flakes, powder) 2. Other

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ANNEX II

Correlation

<i>Regulation No 122/67/EEC</i>	<i>This Regulation</i>
Article 13 a	Article 14
Article 14	Article 19
Article 22	Article 21
Annex	Annex I