

Council Regulation (EEC) No 1883/78 of 2 August 1978 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section (repealed)

[^{F1}Article 1

The list of measures which comply with the concept of intervention intended to stabilize the agricultural markets, within the meaning of Article 3 (1) of Regulation (EEC) No 729/70, shall be drawn up by the Commission according to the procedure provided for in Article 13 of the said Regulation and shall be published in the *Official Journal of the European Communities*, L series.]

Textual Amendments

F1 Inserted by [Council Regulation \(EEC\) No 2095/87 of 13 July 1987](#).

Article 2

Where, within the framework of a common organization of the market, a sum per unit is determined for an intervention measure, the resulting expenditure shall be met entirely by Community funds.

Article 3

Where, within the framework of a common organization of the market, a sum per unit is not determined in respect of an intervention measure, the measure concerned shall be financed by the EAGGF, Guarantee Section, in accordance with the provisions contained in Articles 4 to 8.

Article 4

1 Where an intervention measure referred to in Article 3 involves the buying-in and storage of products, the amount financed shall be determined by the annual accounts drawn up by the payment services or agencies, in which the various items of expenditure and revenue have been respectively debited and credited.

[^{F2}Where specific measures for the disposal of butter from public stocks are taken under a common market organization within the milk and milk products sector in 1987 and 1988 with reference to this provision, financing of the loss on the sale shall begin in 1989 and shall be limited to 25 % of the amount of the loss recorded during the financial year concerned. The remaining 75 % shall be financed in instalments of 25 % over the following three financial years. This financing will take place, unless unavoidably prevented, during the first three months of each year in question.

The loss on the sale shall be equal to the difference between the value of the quantities carried over, as referred to in Article 1 (1) (c) of Regulation (EEC) No 3247/81⁽¹⁾, and the value of the quantities disposed of pursuant to a measure as referred to in the previous subparagraph.

The unreimbursed amounts in respect of losses so calculated shall bear interest at rates fixed pursuant to Article 5.]

2 The financing of the other intervention measures referred to in Article 3 shall be equal to the expenditure, less any revenue, resulting from the intervention measure.

Status: Point in time view as at 04/05/2005.

Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EEC) No 1883/78 (repealed). (See end of Document for details)

3 The Council, acting by a qualified majority on a proposal from the Commission, shall in respect of the intervention measures referred to in paragraph 1, lay down the rules and conditions governing the annual accounts and, where necessary in respect of the intervention measures referred to in paragraph 2, determine the items to be taken into account for purposes of financing where these have not been determined within the framework of a common organization of the market.

Until these matters are determined, and save any provision to the contrary of this Regulation, Regulations (EEC) No 786/69⁽²⁾, (EEC) No 787/69⁽³⁾, (EEC) No 788/69⁽⁴⁾, (EEC) No 2334/69⁽⁵⁾, (EEC) No 2305/70⁽⁶⁾, (EEC) No 2306/70⁽⁷⁾, (EEC) No 1697/71⁽⁸⁾, (EEC) No 272/72⁽⁹⁾ and (EEC) No 273/72⁽¹⁰⁾ relating to the financing of intervention expenditure in the various sectors shall remain in force.

Textual Amendments

F2 Inserted by [Council Regulation \(EEC\) No 801/87 of 16 March 1987](#).

Article 5

In the case of funds originating in the Member States used for intervention purchasing of products, the amount of the interest charges to be financed by the EAGGF, Guarantee Section, shall be calculated using a method and an interest rate uniform throughout the Community, to be determined in accordance with the procedure laid down in accordance with Article 13 of Regulation (EEC) No 729/70. The interest rate must be representative of the interest rates actually paid.

[^{F3}Notwithstanding the first subparagraph, the Commission is hereby authorized[^{F4} to set the uniform interest rate at a level below its representative level. If the interest rate borne by a Member State is lower than the rate fixed, the Commission may fix the uniform interest rate for this Member State at that lower level.]

[^{F5}By way of derogation from the first subparagraph, if the interest rate borne by a Member State is more than twice the uniform interest rate, the Commission may, for the financial years 2005 and 2006, in financing the interest costs incurred by that Member State, cover the amount which corresponds to the uniform rate of interest plus the difference between double that rate and the actual rate borne by the Member State.]

Textual Amendments

F3 Inserted by [Council Regulation \(EEC\) No 2050/88 of 24 June 1988](#).

F4 Deleted by [Council Regulation \(EEC\) No 1571/93 of 14 June 1993](#).

F5 Substituted by [Council Regulation \(EC\) No 695/2005 of 26 April 2005 amending Regulation \(EEC\) No 1883/78 laying down general rules for the financing of interventions by the European Agricultural Guidance and Guarantee Fund, Guarantee Section](#).

Article 6

Material operations arising from the storage and, where appropriate, processing of intervention products shall be financed by the EAGGF, Guarantee Section, by means of standard amounts uniform throughout the Community, to be laid down in accordance with the procedure provided for in Article 13 of Regulation (EEC) No 729/70 and, where necessary, after examination of the matter by the management committee concerned.

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[^{F3}Notwithstanding the first subparagraph, the Commission is hereby authorized, in respect of the financial years 1989 to 1992, to fix the uniform standard amounts at a level corresponding to three-quarters of the uniform standard amounts established on the normal basis.]

[^{F6}Costs arising from the special measures designed to guarantee the utilization and/or destination of products held by intervention agencies for given purposes, which are adopted under the common organizations of the market and the costs of which are borne by the EAGGF Guarantee Section shall also be financed by standard amounts uniform throughout the Community. The standard amounts shall be determined in accordance with the procedure laid down in the first subparagraph.]

Textual Amendments

F3 Inserted by [Council Regulation \(EEC\) No 2050/88 of 24 June 1988](#).

F6 Inserted by [Council Regulation \(EEC\) No 787/89 of 20 March 1989](#).

[^{F3}Article 7

In the annual accounts referred to in Article 4 (1), the quantities of products in storage to be carried forward to the following year shall, as a rule, be valued at their buying-in price. Procedures for fixing the price for the quantities to be carried out to the following financial year shall be determined for the various products on the basis of the book values recorded by the intervention agencies in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

Textual Amendments

F3 Inserted by [Council Regulation \(EEC\) No 2050/88 of 24 June 1988](#).

Article 8

1 Where, for a given product, the estimated selling price for products in public intervention storage is lower than their buying-in price, a depreciation percentage shall be applied when the relevant product is bought in. Such percentage shall be fixed for each product in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70 before the beginning of each year.

2 The depreciation percentage shall not exceed the difference between the buying-in price and the foreseeable disposal price for the relevant product.

3 The Commission may restrict depreciation at the time of buying-in to a part of the percentage calculated in accordance with paragraph 2. This part cannot be less than 70 % of the depreciation fixed under the provisions of paragraph 1.

In such cases, the Commission shall effect a second depreciation at the end of the financial year, in accordance with the method indicated at paragraph 5.

4 From 1989 to 1992, extraordinary depreciations shall be effected at the beginning of each year on the basis of the appropriations entered in the respective Community budgets, so as to bring the storage situation back to normal by 1992.

5 For the depreciations referred to in the second subparagraph of paragraph 3 and in paragraph 4 the Commission shall determine, according to the procedure laid down in Article

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13 of Regulation (EEC) No 729/70, the overall amounts of depreciation by product and by Member State.]

Textual Amendments

F3 Inserted by [Council Regulation \(EEC\) No 2050/88 of 24 June 1988](#).

Article 9

Where necessary, detailed implementing rules of this Regulation shall be adopted in accordance with the procedure laid down in Article 13 Regulation (EEC) No 729/70.

Article 10

Regulation (EEC) No 2824/72 is hereby repealed.

Article 11

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

It shall apply to expenditure incurred as from 1 January 1978. However, Article 7 shall apply as from 1 January 1979.

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

Status: Point in time view as at 04/05/2005.

Changes to legislation: There are currently no known outstanding effects for the Council Regulation (EEC) No 1883/78 (repealed). (See end of Document for details)

- (1) [^{F2}OJ No L 327, 14. 11. 1981, p. 1.]
- (2) OJ No L 105, 2. 5. 1969, p. 1.
- (3) OJ No L 105, 2. 5. 1969, p. 4.
- (4) OJ No L 105, 2. 5. 1969, p. 7.
- (5) OJ No L 298, 27. 11. 1969, p. 1.
- (6) OJ No L 249, 17. 11. 1970, p. 1.
- (7) OJ No L 249, 17. 11. 1970, p. 4.
- (8) OJ No L 175, 4. 8. 1971, p. 1.
- (9) OJ No L 35, 9. 2. 1972, p. 1.
- (10) OJ No L 35, 9. 2. 1972, p. 3.

Textual Amendments

F2 Inserted by Council Regulation (EEC) No 801/87 of 16 March 1987.

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Changes to legislation:

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