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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 3117/85

of 4 November 1985

laying down general rules on the granting of compensatory indemnities in respect of sardines

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Treaty of Accession of Spain and Portugal and in particular Article 2 (3) and the Act annexed to that Treaty, and in particular Articles 171 and 358 thereof,

Having regard to the proposal from the Commission,

Whereas the Act of Accession of Spain and Portugal provides for a special system for the move towards alignment of sardine prices, in the new Member States and in the Member States of the Community as constituted before 1 January 1986, on the level of Mediterranean prices ; whereas this system is accompanied by the establishment, as from the date of accession, of a compensatory indemnity system for sardine producers in the Community as constituted before 1 January 1986, for which detailed implementing rules require to be drawn up by 31 December 1985 at the latest;

Whereas this special system for the move towards price alignment has a direct influence on the level of income of producers of Atlantic sardines in the Member States of the Community as constituted before 1 January 1986 and whereas it alters the existing balance in sardine production in the said Community;

Whereas this new situation, by altering the conditions of competition in the markets of the Member States of the Community as constituted before 1 January 1986, also influences the level of income of sardine producers of those Member States in the Mediterranean region;

Whereas, consequently, general rules on the granting of these indemnities should be established; whereas the detailed rules laid down for the move towards price alignment are such that a differentiation in the terms on which the indemnities are granted should be made between Atlantic and Mediterranean producers;

Whereas the indemnity granted for Mediterranean sardines is phased over the period of the move towards price alignment; whereas the rate of phased reduction results from the price level fixed annually by the Council;

Whereas the terms on which indemnity is granted for Mediterranean sardines must take into account, on the one hand, the effects of alterations in the conditions of competition on the income of the producers concerned and, on the other hand, the necessity of compensating for the price difference between the dominant productions of the Mediterranean and the Atlantic without introducing elements distorting the conditions of competition between processors in the enlarged Community,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation lays down general rules on the granting of compensatory indemnities to sardine producers in the Community as constituted before 1 January 1986 during the period of the move towards sardine price alignment as defined by the Act of Accession of Spain and Portugal.

Article 2

1. A compensatory indemnity shall be granted for Atlantic sardines produced in the Community as constituted before 1 January 1986:

- which are of qualities E and A, as defined by Regulation (EEC) No 103/76 (1), as last amended by Regulation (EEC) No 3166/82 (²),
- which are offered for sale for human consumption within a limit of 2 000 tonnes per year, by producers' organizations within the meaning of Article 5 (1) of Regulation (EEC) No 3796/81 (3), at prices at least equal to the Community withdrawal price as defined in Article 12 (1) of the last mentioned Regulation, but lower than a guaranteed minimum price, and

- which are intended for processing.

^{(&}lt;sup>1</sup>) OJ No L 20, 28. 1. 1976, p. 29. (²) OJ No L 332, 27. 11. 1982, p. 4. (³) OJ No L 379, 31. 12. 1981, p. 1.

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2. The indemnity shall be granted to producers' organizations provided that

- -- they were established and recognized under Regulation (EEC) No 3796/81 before Accession, and
- during the two years preceding the date of Accession they applied sardine withdrawal prices, the conditions laid down in Article 13 of Regulation (EEC) No 3796/81 being observed.

3. The guaranteed minimum price specified in paragraph 1 shall be the withdrawal price applied during the last year preceding Accession corrected in line with any charge applicable to the guide price for the coming fishing year.

4. The indemnity shall be equal to the difference between the selling price received by the producer and the guaranteed minimum price.

5. The financial compensation provided for in Article 13 of Regulation (EEC) No 3796/81 shall be calculated on the basis of the guaranteed minimum price as defined in paragraph 3.

Article 3

1. A compensatory indemnity shall be granted in respect of Mediterranean sardines produced within the Community as constituted before 1 January 1986 provided that:

- they are of sizes 3 or 4 and of qualities E and A as defined in Regulation (EEC) No 103/76,
- they are sold and actually delivered within a limit of 43 000 tonnes per annum for processing into preserved fish falling within heading No 16.04 of the Common Customs Tariff or into salted products put up in hermetically sealed containers, and

- their selling price at the first marketing stage is at least the Community withdrawal price. That price shall be increased, for each of the categories of the products in question, by at least the difference between the withdrawal price for Atlantic and Mediterranean sardines applicable in the Community as constituted before 1 January 1986.

2. The quantities qualifying for the indemnity shall be determined for each producers' organization or for each producer on the basis of the quantities delivered for processing as specified in paragraph 1 during the period 1982 to 1984.

3. The indemnity shall be equal to the difference between the withdrawal price for Atlantic sardines of the size in question applicable in the Community as constituted before 1 January 1986 and the withdrawal price of Atlantic sardines of size 2 applicable in the new Member States.

4. The indemnity shall be paid to processors.

5. The premium provided for in Article 14 (3) of Regulation (EEC) No 3796/81 may not be aggregated with the allowance provided for in this Article.

Article 4

Detailed rules for the application of this Regulation shall be adopted in accordance with the procedure laid down in Article 33 of Regulation (EEC) No 3796/81.

Article 5

This Regulation shall enter into force on 1 January 1986 subject to the entry into force of the Treaty of Accession of Spain and Portugal.

It shall apply from 1 March 1986.

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

Done at Brussels, 4 November 1985.

For the Council The President R. STEICHEN