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COUNCIL REGULATION (EEC) No 1964/87

of 2 July 1987

adjusting the system of aid for cotton introduced by Protocol No 4 annexed to the Act of Accession of Greece

(OJ L 184, 3.7.1987, p. 14)

Amended by:

		Official Journal		
		No	page	date
►**M1**	Council Regulation (EEC) Nr. 1357/90 of 14 May 1990	L 134	22	28.5.1990
►**M2**	Council Regulation (EEC) No 2052/92 of 30 June 1992	L 215	10	30.7.1992
►**M3**	Council Regulation (EEC) No 1553/93 of 14 June 1993	L 154	21	25.6.1993

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COUNCIL REGULATION (EEC) No 1964/87

of 2 July 1987

adjusting the system of aid for cotton introduced by Protocol No 4 annexed to the Act of Accession of Greece

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to the Act of Accession of Greece, and in particular paragraph 11 of Protocol No 4 on cotton annexed to it, as amended by Protocol No 14 attached to the Act of Accession of Spain and Portugal,

Having regard to the proposal from the Commission ([1]),

Having regard to the opinion of the European Parliament ([2]),

Having regard to the opinion of the Economic and Social Committee ([3]),

Whereas examination of the operation of the system introduced for cotton by Protocol No 4 reveals a need for adjustment;

Whereas provision should be made to reduce the amount of production aid where the estimated production exceeds the maximum quantity guaranteed for the marketing year in question; whereas in the interests of sound management, provision should also be made that in cases where the actual production differs from the estimated production, the maximum quantity guaranteed for the ensuing marketing year must be accordingly adjusted;

Whereas cotton is grown in some of the least-favoured areas of the Community; whereas a study should be carried out which deals with the impact of cotton-growing in the regions concerned; whereas provision should be made for altering the maximum guaranteed quantity if the study's findings show this to be necessary;

Whereas experience may show that other adjustments to the system provided for by the abovementioned protocol are necessary; whereas provision should be made therefore for enabling the Council to adjust the system,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation provides for adjustments to the system of aid for the production of cotton provided for in paragraph 3 of Protocol No 4 attached to the Act of Accession of Greece.

Article 2

▼M2

1. The Council, acting by a qualified majority on a proposal from the Commission, shall determine the maximum guaranteed quantity for a fixed period. Such quantity shall take into account a reference period and a foreseeable trend in demand.

However, for each of the 1992/93 to 1995/96 marketing years, the maximum guaranteed quantity shall be fixed at 701 000 tonnes of unginned cotton.

▼M3

2. When the production of unginned cotton, estimated before the beginning of the marketing year, exceeds the maximum quantity guar-

([1]) OJ No C 89, 3. 4. 1987, p. 39.
([2]) OJ No C 156, 15. 6. 1987.
([3]) OJ No C 150, 9. 6. 1987, p. 8.

▼M3

anteed for the year in question, the amount of aid shall be reduced by an amount obtained by multiplying the norm price by a coefficient which increases in line with the amount by which estimated production exceeds the maximum quantity guaranteed.

However, without prejudice to the third subparagraph, if the reduction in the amount of aid exceeds 20 % of the norm price, this reduction shall be limited, under the marketing year concerned, to 20 %. The reduction which exceeds this limit shall be carried over to the norm price for the following marketing year within the limit of 7 %. These limits shall not apply until the 1994/95 marketing year and the limits of 15 and 5 % provided for in Regulation (EEC) No 2052/92 shall remain in operation for 1993/94. Before the entry into force of these new limits, the Commission will, in the context of the price proposals for 1994/95, report on the latest market situation.

Moreover, where the foregoing subparagraph, as applied to actual production instead of estimated production before the beginning of the marketing year, result in an adjustment of the amount of aid different from the adjustment actually made, the amount of the aid for the marketing year concerned shall be adjusted upwards of a threshold of 3 % on the basis of the difference between the adjustments referred to above.

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3. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the rules for the determination of the coefficient referred to in paragraph 2.

Article 3

1. The Commission shall, before the 1988/89 marketing year, submit to the Council a report on the functioning of the system based on a norm price, for unginned cotton and on the development of cotton-growing in the least-favoured areas of the Community.

The Council, acting by a qualified majority on a proposal from the Commission and after consulting the European Parliament shall, if the report shows this to be necessary, decide on a change in the maximum guaranteed quantity specified in Article 2.

2. Not later than five years after the implementation of this Regulation the Commission shall submit to the Council a report on the operation of the aid scheme.

The Council, acting in accordance with the procedure referred to in the second subparagraph of paragraph 1 shall, if the report shows this to be necessary, decide on any adjustments to the system.

Article 4

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

It shall apply with effect from the 1987/88 marketing year.

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