COUNCIL REGULATION (EEC) No 2267/88

of 19 July 1988

amending Regulation (EEC) No 727/70 on the common organization of the market in raw tobacco

THE COUNCIL OF THE EUROPEAN COMMUNITIES

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

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 Regulation (EEC) No 1114/88 (4) amends Regulation (EEC) No 727/70 (5) to introduce arrangements providing for the fixing of a maximum guaranteed quantity for each variety or group of varieties in Community tobacco production; whereas any exceeding of that maximum quantity entails a proportional reduction in the prices and premiums for each variety;

Whereas tobacco is grown in specific areas where it often contitutes a resource vital to the existence of agricultural holdings; whereas a reduction in the prices and premiums on account of the maximum guaranteed quantity being exceeded as a result of production from areas newly given over to that crop would lead to serious difficulties for producers in areas where the crop is grown traditionally; whereas any extension of tobacco growing outside the areas where it is grown should accordingly be discouraged by limiting the application of the prices and premiums to the varieties of tobacco grown in the traditional communes of production;

Whereas, in order to determine those communes, account should be taken of whether the tobacco was harvested during a respresentative period; whereas, however, with a view to permitting conversion of tobacco production to sought-after varieties, certain varieties should be excluded from the application of this measure;

Whereas the possibility of offering baled tobacco for intervention must be an exceptional means for the processing and market preparation undertaking of solving difficulties arising from an abnormal market situation; whereas the offering for intervention over several consecutive years of a major percentage of tobacco prepared for market by the undertaking accordingly appears to be a practice which does not meet the objectives of the Community rules; whereas systematic recourse to intervention should accordingly be discouraged by reducing the derived intervention price applicable to the quantities offered,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 727/70 is hereby amended as follows:

1. The following Article is inserted:

   'Article 7a

   1. Notwithstanding Articles 2, 4 and 6, the prices and premiums shall apply only to varieties of tobacco from communes where that variety has already been grown at least once in the five years preceding the harvest in question.

   2. However, the Council may determine at the same time as the prices and premiums and in accordance with the same procedure, the varieties to which paragraph 1 does not apply.

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

2. The following paragraph is inserted in Article 12a:

   '1 (a) Where an undertaking engaged in the first processing and market preparation of tobacco offers for intervention, for a period of three consecutive years, quantities of baled tobacco which exceeds, by 15 % or more, the equivalent of the quantities of Community grown leaf tobacco treated by that undertaking, all quantities offered for intervention in the following year by the latter shall be bought in by the intervention agency at a derived intervention price minus 10 %. That price shall be adjusted, where appropriate, by the scale of price increases and reductions provided for in Article 6 (7).'

3. In Article 12a (3), 'and 1a' is inserted after 'paragraph 1'.

Article 2

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

It shall apply from the 1989 harvest. However, points 2 and 3 of Article 1 shall apply from 1 January 1989.

(1) OJ No C 139, 30. 5. 1988, p. 7.
(2) OJ No C 167, 27. 6. 1988.
(3) OJ No C 175, 4. 7. 1988, p. 33.
(4) OJ No L 110, 29. 4. 1988, p. 35.
(5) OJ No L 94, 28. 4. 1970, p. 1.

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

Done at Brussels, 19 July 1988.

For the Council

The President

Y. POTTAKIS