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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 2201/90

of 24 July 1990

amending Regulation (EEC) No 426/86 on the common organization of the market in products processed from fruit and vegetables

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,

Having regard to the opinion of the European Parliament (1),

Having regard to the opinion of the Economic and Social Committee (2),

Whereas Regulation (EEC) No 426/86 (3), as last amended by Regulation (EEC) No 1202/90 (4), introduced a system of production aid for certain products processed from fruit and vegetables; whereas the chief objective is to enable products processed from raw materials produced in the Community to be sold at prices which compete with those charged by third countries;

Whereas, with respect to dried grapes, it is necessary in order to make the producer aware of the requirements for disposing of and marketing his products and to improve the competivity of such products that a new system of aid for specialized cultivated areas should gradually replace the existing system of production aid; whereas, during a transitional period of four marketing years, cultivation aid is to be gradually introduced to compensate for the reduction in production aid; whereas the conditions of this transition should be defined; whereas the monthly increments applicable to the minimum price payable to producers for sultanas and currants should be abolished;

Whereas account should also be taken of producers who are not engaged in combating phylloxera; whereas they should be granted increased aid;

Whereas to encourage a more rapid disposal of certain products and thus to avoid prolonged storage detrimental to the maintenance of quality, on the one hand, the minimum price paid by the storage agencies for the product bought in under the intervention arrangements should be reduced and, on the other hand, as from the 1994/95 marketing year, the quantities of sultanas and dried grapes that can be bought in by the storage agencies in the last two months of the marketing year should be limited and the buying-in price by those bodies should be reduced; whereas the costs of excessively long storage should, moreover, no longer be financed,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 426/86 is hereby amended as follows:

1. Article 2 (1) is replaced by the following:

'1. A system of production aid shall apply to the products listed in Annex I, Part A and obtained from fruit and vegetables harvested in the Community, without prejudice to the specific provisions for dried grapes in Article 6 and 6a.'

2. In Article 3 (2), 'sultanas and' is inserted before 'currants'.

3. Article 4 (2) is replaced by the following:

'2. The minimum price for dried figs valid at the start of the marketing year shall be increased each month, starting with the third month of the marketing year and continuing to the end of the marketing year, by a fixed amount corresponding to storage costs.'

4. Article 6 is replaced by the following:

'Article 6

1. Aid shall be granted for the cultivation of sultanas, muscatel grapes and currants which are dried for processing.

(1) OJ No C 96, 17. 4. 1990, p. 1.
(2) OJ No C 112, 7. 5. 1990, p. 34.
(3) OJ No L 49, 27. 2. 1986, p. 1.
(4) OJ No L 119, 11. 5. 1990, p. 66.

The amount of the aid shall be fixed per hectare of specialized area harvested on the basis of the average yield per hectare of the said areas. In addition, the amount of the aid shall be fixed to take account of :

— the need to ensure that the areas traditionally used to grow the said crops are maintained,

— the outlets available for these dried grapes.

The amount of aid may be differentiated on the basis of the varieties of grapes and on other factors which may affect yield.

This aid shall be introduced gradually during the 1990/91, 1991/92, 1992/93 and 1993/94 marketing years, in accordance with Article 6a.

2. If the specialized areas used for the production of dried grapes exceed a maximum guaranteed Community area, the amount of the aid shall be reduced for the following marketing year according to the extent by which that area is exceeded. The maximum guaranteed area shall take account of the average of the areas in the Community used for the crops referred to in paragraph 1, over the marketing years from 1987/88, 1988/89 and 1989/90.

3. The aid shall be granted once the areas have been harvested and the products have been dried for processing.

4. As from the 1991/92 marketing year, producers who replant their vineyard to combat phylloxera and who do not benefit from aids provided for under the operational programme against that disease shall benefit, during three marketing years, from the amount of aid that will be applicable during the last year of the transitional period. That aid shall be fixed also taking into account the amount of aid granted to holdings taking part in the operational programme against phylloxera, in accordance with Community decisions. The provision of paragraph 3 shall not apply.

5. The cultivation aid shall be deemed to be an intervention measure intended to stabilize the agricultural markets, within the meaning of Article 3 (1) of Regulation (EEC) No 729/70 (*).

6. The Commission shall fix the amount of the aid, the maximum guaranteed area and the detailed rules for applying this Article in accordance with the procedure laid down in Article 22.

7. Where applicable, the Commission shall establish the extent to which the maximum guaranteed area has been exceeded and shall determine the resultant reduction in the amount of aid.

(*) OJ No L 94, 28. 4. 1970, p. 13.'

5. The following Article is inserted :

'Article 6a

1. The minimum price to be paid to the producer for sultanas, dried muscatel grapes and currants shall be gradually reduced during the 1990/91, 1991/92, 1992/93 and 1993/94 marketing years.

This price shall be reduced from the 1990/91 marketing year up to the 1993/94 marketing year by ECU 19,941 per 100 kg per marketing year.

It shall no longer be fixed as from the 1994/95 marketing year.

2. The amount of the production aid shall, during the four marketing years referred to in paragraph 1, be fixed so as to enable Community produce to be marketed. When fixing the amount of aid, account shall be taken, in particular, of the amount of the aid fixed for the previous marketing year, adjusted to take account of movements in the minimum price referred to in paragraph 1 and, if necessary, of trends in processing costs assessed on a standard basis and in the minimum import price referred to in Article 9.

The aid shall be fixed in respect of the net weight of the processed product. The coefficients expressing the relationship between the weight of raw material used and the net weight of the processed product shall be defined on a standard basis.

The aid shall be granted only to processors who do not process a quantity of dried grapes of these varieties corresponding to a percentage of the quantities purchased. The aid shall not be paid in respect of the quantities in question.

The aid shall be granted to processors only for processed products which :

(a) have been produced from raw materials harvested in the Community for which the applicant has paid at least the minimum price referred to in Article 4 ;

(b) meet the minimum quality requirements.

Production aid shall no longer be applied as from the 1994/95 marketing year.

3. The cultivation aid referred to in Article 6 shall, during the four markting years referred to in paragraph 1, also be fixed so as to compensate for the reduction in the minimum price referred to in that paragraph.

4. The Council, acting by a qualified majority on a proposal from the Commission, shall fix the percentages provided for in paragraph 2.

5. The minimum quality requirements referred to in point (b) of the fourth subparagraph of paragraph 2 and the other detailed rules for applying this Article shall be adopted in accordance with the procedure laid down in Article 22.'

6. Article 8 is replaced by the following:

'Article 8

1. The agencies or legal or natural persons approved by the Member States concerned, hereinafter called "storage agencies", shall buy in during the last two months of the marketing year, sultanas, currants and dried figs produced in the Community during the current marketing year, provided that the products comply with quality standards to be determined. Sultanas and currants shall be purchased up to the limits laid down pursuant to Article 2 (3).

As from the 1994/95 marketing year, the quantities of sultanas and of currants bought-in in accordance with paragraph 2 may not exceed 27 370 tonnes.

2. The storage agencies shall buy in:

— the dried figs at the minimum price applicable at the beginning of the marketing year,

— the sultanas and currants at the minimum price applicable at the beginning of the marketing year in question, reduced by 15 % for the 1990/91 marketing year reduced by 20 % during the 1991/92 to 1993/94 marketing years; as from the 1994/95 marketing year, the products shall be bought-in by the storage agencies at the buying-in price in force during the 1993/94 marketing year, reduced by 5 %.

3. The products purchased by the storage agencies shall be disposed of on terms which do not jeopardize the balance of the market and which ensure equal access to the products for sale and equal treatment of purchasers.

Where products cannot be disposed of on normal terms, special measures may be taken.

4. Storage aid shall be granted to storage agencies for the quantities of products which they have purchased and for the actual duration of storage. However, the aid shall cease to be granted at the end of a period of 18 months following the end of the marketing year during which the product was purchased.

5. Financial compensation equal to the difference between the buying-in price paid by the storage agencies and the selling price shall be granted to the storage agencies. This compensation shall be reduced by the amount of any profits resulting from the difference between the purchase price and the selling price.

6. The Council, acting by a qualified majority, shall adopt the general rules for the application of this Article.

7. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 22.'

Article 2

Before the end of the 1993/94 marketing year, the Commission shall submit a report on the application of the measures introduced under this Regulation, together with, with necessary, appropriate proposals.

Article 3

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

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

Done at Brussels, 24 July 1990.

For the Council

The President

C. MANNINO