COMMISSION REGULATION (EEC) No 2328/92

of 31 July 1992

amending Regulation (EEC) No 1201/89 laying down rules implementing the system of aid for cotton

THE COMMISSION 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 Protocol 4 on cotton, as last amended by Regulation (EEC) No 4006/87 (1),

Having regard to Council Regulation (EEC) No 2619/81 of 27 July 1981 laying down the general rules for the system of aid for cotton (2), as amended by Regulation (EEC) No 2053/92 (3), and in particular Article 11 thereof,

Whereas Article 7 of Commission Regulation (EEC) No 1201/89 (4), as last amended by Regulation (EEC) No 2756/91 (5), states that the aid applicaiton is to be lodged on or before the date on which the application for supervised storage of the cotton is made; whereas to facilitate marketing it should be made possible for the aid application to be lodged after the cotton has been brought into supervised storage; whereas such a change will require adjustment of certain provisions on the lodging of applications for aid and for supervised storage and on payment of the advance on the aid; whereas lodgment of the aid application shortly after the closing date should not result in the aid being totally forfeited;

Whereas Council Regulation (EEC) No 1964/87 of 2 July 1987 adjusting the system of aid for cotton introduced by Protocol 4 annexed to the Act of Accession of Greece (6), as last amended by Regulation (EEC) No 2052/92 (7), has introduced a system of maximum guaranteed quantities which includes in particular in certain cases a deferral in the reduction in the guide price; whereas, with a view to the cases a deferral in the reduction in the guide price; whereas, with a view to the proper management of the system, the arrangements for this deferral should be laid down;

Whereas the measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Flax and Hemp,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1201/89 is hereby amended as follows:

1. the following subparagraph is added to Article 5 (3):

   'If, however, the application is lodged:

   — between 1 and 31 August of the marketing year for which aid is applied for the amount to be granted shall be that applicable on the previous 31 July reduced by 50 %,

   — after 31 August of that marketing year, the aid application shall be rejected.';

2. Article 6 is replaced by the following:

   'Article 6

   The reduction in the aid for a given marketing year shall be:

   — increased by an amount corresponding to half the percentage of the guide price for the marketing year in question obtained by dividing the difference between the estimated production of the previous marketing year and the actual production of that year by the guaranteed maximum quantity for that marketing year, where estimated production was less than actual production,

   — decreased by an amount corresponding to half the percentage of the guide price of the marketing year in question obtained by dividing the difference between the estimated production of the previous marketing year and the actual production of that year by the guaranteed maximum amount for that marketing year, where estimated production was greater than actual production.

   However, the first three percentage points of the results of this calculation shall be ignored in adjusting the aid. The calculation is to be carried out to three decinal places.';

3. in Article 7 (1) the second sentence of the English text is replaced by the following:

   'It shall be lodged, for each harvest, between 1 June preceding the marketing year which the aid is applied for and 31 July of the marketing year in question.';

4. in Article 7 (4) the following indent is added:

   '— a reference to the application for supervised storage if already lodged.';

(1) OJ No L 377, 31. 12. 1987, p. 49.
(2) OJ No L 211, 31. 7. 1981, p. 2.
(3) OJ No L 215, 30. 7. 1992, p. 12.
(4) OJ No L 123, 4. 5. 1989, p. 23.
(5) OJ No L 264, 20. 9. 1991, p. 21.
(6) OJ No L 184, 3. 7. 1987, p. 14.
(7) OJ No L 215, 30. 7. 1992, p. 10.

5. in Article 9 (3) the last indent is replaced by:

'— a reference to the aid application lodged or a statement that it will be lodged at a later date.';

6. Article 9 (8) is replaced by the following:

8. 'As soon as the application for supervised storage has been lodged, Member States shall, on request, grant an advance on the aid provided a security at least equal to the advance has been lodged. The amount of the advance shall be equal to the amount of the aid, or, if the application for aid has set yet been lodged, it shall be equal to the amount of aid applicable on the date supevised storage began, in which case the security shall be at least equal to the amount of the advance, plus 10 %. The security shall take one of the forms provided for in Article 8 of Regulation (EEC) No 2220/85. The security shall be forfeited pro rata to the quantities for which the obligation provided for in paragraph 9 is not fulfilled and/or by the amount by which the advance paid out exceeds the amount of aid to be paid.';

7. in Article 10 (1) the words 'for each aid application' are replaced by 'for each consignment.'

Article 2

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

It shall apply from 1 September 1992.

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

Done at Brussels, 31 July 1992.

For the Commission

Ray MAC SHARRY

Member of the Commission