COMMISSION REGULATION (EC) No 1234/95

of 31 May 1995

fixing the aid for cotton

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession of Greece, and in particular paragraphs 3 and 10 of Protocol 4 on cotton annexed thereto, as amended by Protocol 14 annexed to the Act of Accession of Spain and Portugal, and Commission Regulation (EEC) No 4006/87 (1),

Having regard to Council Regulation (EEC) No 2169/81 of 27 July 1981 laying down the general rules for the system of aid for cotton (2), as last amended by Regulation (EEC) No 1554/93 (3), and in particular Article 5 (1) thereof,

Whereas, pursuant to Article 5 of Regulation (EEC) No 2169/81, aid must be granted for unginned cotton harvested in the Community when the world market price for unginned cotton is below the guide price;

Whereas the aid is equal to the difference between these two prices;

Whereas the third sentence of Article 7 (1) of Commission Regulation (EEC) No 1201/89 of 3 May 1989 laying down rules implementing the system of aid for cotton (4), as last amended by Regulation (EEC) No 2046/93 (5), stipulates that aid applications may be lodged during June and July 1995 for both the 1994/95 and 1995/96 marketing years; whereas the aid valid for the two marketing years in question should therefore be fixed during those months;

Whereas in the absence of a guide price for cotton valid for the 1995/96 marketing year, the amount of aid to be granted where it is fixed in advance for that marketing year can be fixed only provisionally on the basis of the Commission's most recent price proposals to the Council for the 1995/96 marketing year; whereas this amount must therefore be applied provisionally only, and must be confirmed or replaced as soon as the price for 1995/96 marketing year is known;

Whereas, pursuant to the second subparagraph of Article 2 (2) of Council Regulation (EEC) No 1964/87 of 2 July 1987 adjusting the system of aid for cotton (6), as last amended by Regulation (EC) No 2760/94 (7), the aid for cotton for the 1995/96 makerting year is reduced by ECU 7,102/100 kilograms as fixed by Commission Regulation (EC) No 2150/94 (8), as amended by Regulation (EC) No 3012/94 (9), and by the reduction fixed to take account of the expected overrun of the maximum guaranteed quantity fixed by the second subparagraph of Article 2 (1) of Regulation (EEC) No 1964/87; whereas, in these circumstances, the amount of the aid has been provisionally calculated on the basis of an overall provisional reduction of ECU 33,078/100 kilograms;

Whereas the world market price for unginned cotton is determined periodically on the basis of the world prices recorded for ginned cotton and cotton seed, talking into account the estimated yield of the Community harvest in cotton seed and in ginned cotton and also the net cost of ginning;

Whereas the world market price for ginned cotton and cotton seed is determined in accordance with Article 4 of Regulation (EEC) No 2169/81;

Whereas, if the world market price for unginned cotton cannot be determined as described above, this price shall be established on the basis of the most recent price determined;

Whereas the world market price for unginned cotton is equal to the sum of the values for ginned cotton seed defined in Article 1 of Commission Regulation (EEC) No 1201/89 minus the cost of ginning;

Whereas the above values are established on the basis of the prices determined in accordance with Articles 2 and 3 of Regulation (EEC) No 1201/89; whereas the world market price is determined on the basis of the most favourable offers and quotations recorded, excluding offers and quotations which cannot be regarded as representative of the real market trend;

Whereas the necessary adjustments must be made in cases where the offers and quotations recorded do not satisfy the requirements indicated above;

(1) OJ No L 377, 31. 12. 1987, p. 49.
(2) OJ No L 211, 31. 7. 1981, p. 2.
(3) OJ No L 154, 25. 6. 1993, p. 23.
(4) OJ No L 123, 4. 5. 1989, p. 23.
(5) OJ No L 185, 28. 7. 1993, p. 19.
(6) OJ No L 184, 3. 7. 1987, p. 14.
(7) OJ No L 294, 15. 11. 1994, p. 1.
(8) OJ No L 228, 1. 9. 1994, p. 31.
(9) OJ No L 320, 13. 12. 1994, p. 9.

Whereas, pursuant to Article 4 (4) of Regulation (EEC) No 2169/81, if there are no suitable offers or quotations for determining the world market price for cotton seed, that price shall be established on the basis of the most favourable offers and quotations for cotton seed recorded on the Community market or, if those offers and quotations cannot be established, on the basis of the value of the products obtained from processing the seed in the Community, less the processing cost; whereas this value is determined in accordance with Article 4 of Regulation (EEC) No 1201/89;

Whereas the representative market rates defined in Article 1 of Council Regulation (EEC) No 3813/92 [1], as last amended by Regulation (EC) No 150/95 [2], are used to convert amounts expressed in third country currencies and are used as the basis for determining the agricultural conversion rates of the Member States' currencies; whereas detailed rules on the application and determination of these conversions are laid down in Commission Regulation (EEC) No 1068/93 [3], as last amended by Regulation (EC) No 1053/95 [4];

Whereas the aid must be fixed once a month, and in such a way that it can be applied for the first day of the month following the date of fixing; whereas it may be altered between fixings;

Whereas it follows from applying these provisions to the offers and quotations known to the Commission that the aid for cotton should be as set out in this Regulation;

Whereas the Commission has presented a proposal to the Council to adapt the system of aid for cotton; whereas the proposal provides in particular for amendments to the method for determining the world market price for unginned cotton and to the stabilizer system and fixes a guide price for the 1995/96 marketing year; whereas, should the proposal be adopted by the Council and apply to the 1995/96 marketing year, the aid will have to be replaced by an amount calculated in accordance with the new provisions applicable,

HAS ADOPTED THIS REGULATION:

Article 1

1. The aid for unginned cotton provided for in Article 5 of Regulation (EEC) No 2169/81 shall be:

— ECU 45,049 per 100 kilograms for the 1994/95 marketing year,

— ECU 54,766 per 100 kilograms for the 1995/96 marketing year.

2. However, the amount of the aid for 1995/96 shall be confirmed or replaced with effect from 1 June 1995 to take account of the guide price for cotton for that marketing year, the consequences of the stabilizer system and any adaptations to the arrangements.

Article 2

This Regulation shall enter into force on 1 June 1995.

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

Done at Brussels, 31 May 1995.

For the Commission

Franz FISCHLER

Member of the Commission

[1] OJ No L 387, 31. 12. 1992, p. 1.
[2] OJ No L 22, 31. 1. 1995, p. 1.
[3] OJ No L 108, 1. 5. 1993, p. 106.
[4] OJ No L 107, 12. 5. 1995, p. 4.