COMMISSION REGULATION (EC) No 1524/98

of 16 July 1998

laying down detailed rules for the application of the specific measures adopted in respect of fruit and vegetables, plants and flowers for the benefit of the French overseas departments

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 3763/91 of 16 December 1991 introducing specific measures in respect of certain agricultural products for the benefit of the French overseas departments [1], as last amended by Regulation (EC) No 2598/95 [2], and in particular Articles 2(6), 14(4) and Article 16 thereof,

Whereas detailed rules for the application of Regulation (EEC) No 3763/91, as amended by Regulation (EC) No 2598/95, should be adopted as regards Article 2 thereof which provides for the extension to certain processed fruit of the measures to promote the supply of the French overseas departments (hereinafter referred to as 'the FOD'), and Article 14 thereof introducing aid for the production of processed fruit and vegetables;

Whereas common detailed rules for implementation of the specific measures for the supply of certain agricultural products to the FOD are laid down in Commission Regulation (EEC) No 131/92 [3], as last amended by Regulation (EC) No 1736/96 [4], and whereas detailed rules for the application of the system of import licences for products processed from fruit and vegetables are laid down in Commission Regulation (EC) No 1921/95 [5], as amended by Regulation (EC) No 2427/95 [6];

Whereas, pursuant to Article 2 of Regulation (EEC) No 3763/91, additional detailed rules should be laid down which are adapted to commercial practices as regards in particular the period of validity of licences and certificates and the amount of the security; whereas, in addition, the forecast supply balance for processed fruit for the FOD should be established, and the amount of aid should be set, taking account of the advantage resulting from customs duty exemption for products imported from third countries;

Whereas, in order to simplify the legislation, the body of this Regulation should include the provisions adopted in Commission Regulation (EC) No 489/97 of 17 March 1997 laying down detailed rules for the application of the specific measures adopted in respect of fresh fruit and vegetables, plants and flowers for the benefit of the French overseas departments (FOD) [7] for implementing the marketing and production aid schemes referred to in Articles 13 and 15 of Regulation (EEC) No 3763/91, and Regulation (EC) No 489/97 should be repealed;

Whereas, pursuant to the aforementioned Article 13, the marketing aid is to be set on a flat rate basis for each of the product categories to be determined, based on the average value of the products, and within the limits of annual quantities for each product category; whereas firstly a list of products eligible for the aid should be drawn up based on the supply needs of the regional markets, and secondly the categories should be established on the basis of the average value of the products so covered, and finally a maximum quantity for all the FOD should be set, providing for distribution of the quantities to be performed by the national authorities to enable the quantities available to be more closely matched to regional needs; whereas this requirement will allow products to be supplied to an FOD other than the one in which the product was harvested;

Whereas specific detailed rules should be laid down to ensure that the quantities set are monitored and the conditions for the grant of the aid are met; whereas, to that end, a system of approval of operators in the distribution and catering sectors and mass caterers, who undertake to meet certain requirements, will ensure satisfactory administration of the supply system;

Whereas, as regards the aid for the production of green vanilla and the aid for the production of essential geranium and vetiver oils, an approval mechanism, firstly for preparers of dried vanilla or vanilla extracts, and secondly for local collecting and marketing bodies, which undertake in particular to pay the aid in full to the recipient producers and meet the control requirements, will make it possible, within the framework of existing marketing structures, to apply these measures satisfactorily; whereas the quantities laid down in Article 13(3) of Regulation (EC) No 3763/91 are ceilings which, according to the most recent estimates communicated by the French authorities, will not be reached in the medium term; whereas for the sake of sound administration, and taking account of the needs of the most remote regions in question, the corresponding quantities available should be used for implementing the marketing scheme referred to above;

[1] OJ L 356, 24. 12. 1991, p. 1.
[2] OJ L 267, 9. 11. 1995, p. 5.
[3] OJ L 15, 22. 1. 1992, p. 13.
[4] OJ L 225, 6. 9. 1996, p. 3.
[5] OJ L 185, 4. 8. 1995, p. 10.
[6] OJ L 249, 17. 10. 1995, p. 12.
[7] OJ L 76, 18. 3. 1997, p. 6.

Whereas, pursuant to Article 14 of Regulation (EEC) No 3763/91, firstly a list of products eligible for the aid should be drawn up, within the limits of annual quantities established for each category and in line with the scope for the development of local production and processing, and the amounts of the aid should be set on the basis of the prices of local or imported raw materials, and secondly special detailed rules should be adopted to ensure that the system is monitored and the conditions for granting the aid are met, in particular as regards contracts and the minimum price guaranteed to producers, and whereas to that end it is appropriate to incorporate certain provisions of Commission Regulation (EC) No 504/97 ([1]), as amended by Regulation (EC) No 1491/97 ([2]), laying down detailed rules for the application of Council Regulation (EC) No 2201/96 ([3]), as amended by Regulation (EC) No 2199/97 ([4]), as regards the system of production aid for products processed from fruit and vegetables;

Whereas, as regards the marketing aid under the annual contracts referred to in Article 15 of Regulation (EEC) No 3763/91, it is necessary to define the concept of annual contract and specify the basis to be used for calculating the amount of aid, fixed at 10 % of the value of the production marketed, free at destination, and 13 % where Article 15(4) is applied; whereas, finally, the mechanism for distributing the quantities benefiting from the aid should be laid down for cases in which the ceilings fixed in that Article are exceeded;

Whereas general provisions applicable to these measures as a whole, especially those concerning control and notification, should be set out in a final chapter;

Whereas, in order to ensure optimum implementation of the new measures, the date of application of this Regulation should be 1 July 1998;

Whereas the measures provided for in this Regulation are in accordance with the joint opinion of the Management Committee for Fruit and Vegetables, the Management Committee for Products Processed from Fruit and Vegetables and the Management Committee for Live Plants,

HAS ADOPTED THIS REGULATION:

CHAPTER I

Aid for supply

Article 1

1. For the purposes of Article 2(1) of Regulation (EEC) No 3763/91, the fruit and vegetable products exempt from duty on import from third countires or receiving Community aid shall be as set out in the forecast supply balance given in Part A of Annex I to this Regulation.

2. The aid provided for in Article 2(4) of Regulation (EEC) No 3763/91 for products for which a forecast supply balance is established shall be as set out in Part B of Annex I to this Regulation.

Article 2

Subject to the specific provisions of this Regulation, Regulation (EEC) No 131/92 shall apply.

Article 3

1. France shall designate the competent authorities responsible for issuing the import licences, exemption certificates and aid certificates provided for in Articles 2, 2a and 3 respectively of Regulation (EEC) No 131/92 and for payment of the aid and administration of securities.

2. Licence and certificate applications shall be submitted to the competent authority during the first five working days of any month. Applications shall be admissible only where they do not exceed the quantity available under the forecast balance and where the operator has lodged a security of ECU 3 per 100 kg.

3. Licences and certificates shall be issued on the 10th working day of the month at the latest.

4. Licences and certificates shall expire on the last day of the second month following the month in which they were issued.

5. Where, pursuant to Article 4(1) of Regulation (EEC) No 131/92, a licence or certificate is issued for a quantity which is less than the quantity applied for, the operator may withdraw his application within three working days of the date on which the licence or certificate is issued. The security relating to the licence or certificate shall then be released.

CHAPTER II

Aid for marketing on the regional market

Article 4

The aid provided for in Article 13 of Regulation (EEC) No 3763/91 shall be granted in respect of fresh fruit and vegetables with the exception of bananas other than plantains falling within CN code 0803 00 11, flowers and live plants listed in Chapters 6, 7 and 8 of the Combined Nomenclature, pepper and fruits of the genera *Capiscum and Pimenta* falling within CN code 0904 and the spices falling within CN code 0910, for supply to the FOD market, under the conditions laid down in this Chapter.

([1]) OJ L 78, 20. 3. 1997, p. 4.
([2]) OJ L 202, 30. 7. 1997, p. 27.
([3]) OJ L 297, 21. 11. 1996, p. 29.
([4]) OJ L 303, 6. 11. 1997, p. 1.

Article 5

1. The aid shall be granted to the producers referred to in Article 6 in respect of the products listed in column II of Part A of Annex II under three categories A, B and C:

(a) which comply with the standards established pursuant to Title I of Commission Regulation (EC) No 2200/96 [1] as regards fruit and vegetables or, where such standards have not been established for the products concerned, with the quality specifications in the supply contracts referred to below; however, products presenting special characteristics linked to tropical production conditions shall not be excluded; and

(b) which are covered by supply contracts between the types of operator referred to in Article 6 for one or more marketing periods, concluded before the commencement of the relevant period, or before a date fixed by the competent authorities.

2. The amounts of aid applicable to each category of product shall be those set out in column IV of Part A of Annex II.

3. The aid shall be granted up to the annual quantities for each category of product set out in column III of Part A of Annex II.

The competent authorities shall determine for each FOD the products and quantities thereof in respect of which aid may be granted. They shall adjust the apportionment in the light of specific needs and available quantities.

4. Where justified by the supply needs for one or more products, the competent authorities may grant the aid for supply to a FOD other than the one in which the product concerned was harvested.

Article 6

1. Supply contracts shall be concluded between individual producers or producer groups on the one hand and, on the other, operators in the distribution sector, enterprises in the catering sector or mass caterers established in the production region and approved by the national authorities, without prejudice to Article 5(4).

The increase in aid provided for in the sixth subparagraph of Article 13(1) of Regulation (EEC) No 3763/91 and shown in column V of Part A of Annex II shall apply to contracts concluded by producer organisations recognised in accordance with Article 11 of Council Regulation (EC) No 2200/96 or producer groups recognised under Council Regulation (EEC) No 1360/78 [2] with operators in the distribution sector, enterprises in the catering sector or mass caterers.

2. The national authorities shall grant approval, upon application, to the distributors, enterprises and mass caterers referred to in paragraph 1 which undertake in writing to:

(a) supply the regional market with the products covered by the supply contracts;

(b) keep separate accounts for the supply contracts;

(c) provide the competent authorities, when the latter so request, with all supporting documentation concerning the implementation of the contracts and fulfilment of the undertakings made pursuant to this Regulation.

Article 7

1. Producers wishing to benefit from the aid arrangements shall send to the administration designated by the competent authorities, not later than the deadline set by those authorities, a declaration accompanied by a copy of a supply contract or a preliminary supply contract as referred to in Article 6(1), giving at least the following information:

— the business names of the parties to the contract,

— a precise description of the product(s) covered by the contract,

— an indication of the quantities to be supplied during the marketing period(s) and the forecast supply schedule.

2. The competent authorities may set a minimum quantity for each aid application.

Article 8

1. Where the information referred to in Article 7(1) indicates that there is a likelihood of the quantity set for a category of products shown in column III of Part A of Annex II being exceeded, the competent authorities shall set a provisional reduction coefficient to be applied to all aid applications in respect of that category of products.

The coefficient, which shall be equivalent to the ratio between the quantities referred to in column III of Part A of Annex II and those set by contract plus any additional quantities agreed, shall be calculated before any decision is taken to grant the aid and not later than one month after the date referred to in Article 7(1).

2. Where paragraph 1 is applied, the competent authorities shall establish at the end of the marketing year the definitive reduction coefficient to be applied to all aid applications in respect of the category of products concerned submitted during the marketing year.

[1] OJ L 297, 21. 11. 1996, p. 1.
[2] OJ L 166, 23. 6. 1978, p. 1.

CHAPTER III

Aid for the production of green vanilla and essential oils of geranium and vetiver

Article 9

1. Production aid for green vanilla falling within CN code ex 0905 intended for the production of dried (black) vanilla or vanilla extracts as provided for in Article 13(2) of Regulation (EEC) No 3763/91 shall be paid to the green vanilla producer via the processors approved by the competent authorities.

Where necessary for the proper application of the measure, the authorities shall specify the technical characteristics of the green vanilla which is eligible for production aid.

2. The competent authorities shall grant approval to processors established in the production region:

(a) whose plant and equipment is suitable for the preparation of dried (black) vanilla or vanilla extracts;

and

(b) who undertake in writing:

— to transfer the full amount of ECU 6,04 per kg to the green vanilla producer pursuant to one or more supply contracts not later than one month from the date of payment of the aid by the competent authorities,

— to keep separate accounts for transactions connected with the application of this Article,

— to allow any checks or inspections required by the competent administrations and to notify all information relating to the application of this Article.

Article 10

1. Production aid for essential oils of geranium and vetiver falling within CN codes 3301 21 and 3301 26 as provided for in Article 13(3) of Regulation (EEC) No 3763/91 shall be paid to producers through local collection and marketing bodies approved by the competent authorities.

The aid shall be paid for finished products obtained in accordance with recognised manufacturing procedures and having the technical characteristics published by the competent authorities.

2. The competent authorities shall grant approval to the bodies referred to in paragraph 1 established in the production region which undertake in writing:

(a) to transfer to the producers the full amount of ECU 44,68 per kg of essential oils of geranium and vetiver pursuant to one or more supply contracts not later than one month from the date of payment of the aid by the competent administration;

(b) to keep separate accounts for transactions connected with the application of this Article;

(c) to allow any checks or inspections required by the competent administration and to notify all information relating to the application of this Article.

Article 11

1. Where the quantities for which aid applications are made under Article 9 or 10 exceed the annual quantities laid down in Part B of Annex II, the competent authorities shall set a percentage reduction to be applied to all applications.

2. The competent authorities shall adopt the necessary additional administrative provisions for the application of Articles 9 and 10, in particular as regards the submission of aid applications, and shall carry out the necessary checks on green vanilla producers, dried vanilla and vanilla extract processors, producers of geranium and vetiver oils and the collection and marketing bodies for these products.

They may make payment of the aid conditional upon the presentation of delivery notes jointly signed by the producer and, as the case may be, the processors or the approved collection and marketing bodies.

CHAPTER IV

Aid for the processing of fruit and vegetables

Article 12

The production aid provided for in Article 14 of Regulation (EEC) No 3763/91 shall be paid to the processors approved by France under the conditions laid down in this Chapter.

Article 13

1. The aid shall be paid for the processing of fruit and vegetables harvested in the FOD for which processors have paid a price at least equal to the minimum price under processing contracts covering the manufacture of products listed in Part B of Annex III.

2. The aid shall be paid up to the annual quantities for each of the three categories A, B and C set out in column II of Part A of Annex III.

The amounts of aid applicable to each category of products shall be as set out in column IV of Part A of Annex III. However, the aid shall not be payable for pineapples falling within CN code 0804 30 used in the manufacture of preserved products qualifying for the aid scheme provided for in Council Regulation (EEC) No 525/77 [1].

[1] OJ L 73, 21. 3. 1977, p. 43.

3. The marketing year shall run from 1 January to 31 December.

Article 14

1. Processors wishing to qualify for the aid arrangements shall submit an application for approval to the administration designated by the competent authorities, not later than the deadline set by those authorities, giving all information required by France with a view to the administration and monitoring of the system of aid.

2. The French authorities shall grant approval, upon application, to processors or legally constituted processor associations or groups which:

(a) have equipment suitable for processing fruit and vegetables; and

(b) undertake in writing to:

— keep separate accounts for implementation of the contracts referred to in Article 15,

— provide the competent administration, when the latter so requests, with all supporting documentation concerning the implementation of the contracts and fulfilment of the undertakings made pursuant to this Regulation.

Article 15

1. Contracts as referred to in Article 14(1) of Regulation (EEC) No 3763/91, hereinafter referred to as 'processing contracts', shall be concluded in writing before the beginning of each marketing year. They shall take one of the following forms:

(a) a contract between a producer or a producer organisation recognised pursuant to Article 11 of Regulation (EC) No 2200/96, on the one hand, and a processor or an association or group of processors approved by the national authorities, on the other;

(b) an undertaking covering supplies, where the producer organisation referred to in (a) above acts as processor.

2. Processing contracts must specify:

(a) the business names of the parties to the contract;

(b) a precise description of the product(s) covered by the contract;

(c) the quantities of raw materials to be supplied;

(d) the timetable for deliveries to the processor;

(e) the price to be paid for the raw materials, excluding in particular costs connected with packing, transport, and the payment of taxes, which shall, where applicable, be indicated separately. The price shall not be lower than the minimum price referred to in Article 13(1);

(f) the finished products to be produced.

3. On terms laid down for each product by the French authorities, the parties may decide, by written amendments to processing contracts, to increase the quantities originally stipulated therein.

Such amendments shall relate overall to no more than 30 % of the quantities originally stipulated in the contracts.

4. Where producer organisations act also as processors, the processing contracts covering their own production shall be deemed to have been concluded after the following particulars are forwarded to the competent authority within the time limit laid down in paragraph 5:

(a) the total area on which the raw material is grown, together with cadastral reference numbers or a reference recognised as equivalent by the inspection agency,

(b) an estimate of the total harvest,

(c) the quantity intended to be processed,

(d) the forecast processing schedule.

5. The processor or association of processors shall forward a copy of each processing contract and of any amendments thereto to the body designated by France. Such copies must be forwarded to the competent authorities within 10 working days following the conclusion of the contract or of any amendment thereto and reach them five working days before the start of deliveries.

6. For the 1998 marketing year, the final date for signing the contracts referred to in paragraph 1 shall be deferred to 30 September 1998.

Article 16

1. Without prejudice to cases covered by Article 15(1)(b), processors shall pay the price of the raw materials to the producer organisation or individual producer exclusively by bank or post-office transfer order or by crossed cheque.

Producer organisations shall pay producers the amount referred to in the first subparagraph in full within 15 working days of receipt, by bank or post-office transfer order or by crossed cheque. In cases as referred to in Article 15(1)(b), payment may be made by opening a credit. France shall adopt the measures necessary to check compliance with the provisions of this paragraph and shall provide in particular for penalties to be imposed on the administrators of the producer organisation in relation to the seriousness of the failure to comply.

2. France may adopt additional provisions relating to processing contracts, covering in particular time limits, terms and methods of payment of the minimum price and damages payable by processors, producer organisations or producers where they do not fulfil their obligations under contracts.

Article 17

Without prejudice to minimum quality criteria laid down or to be laid down in accordance with the procedure provided for in Article 46 of Regulation (EC) No 2200/96, raw materials delivered to processors under processing contracts shall be of sound and fair merchantable quality and suitable for processing.

Article 18

1. Processors shall submit two aid applications in respect of each marketing year to the agency designated by France:

(a) the first relating to products processed from 1 January to 31 May;

(b) the second relating to products processed from 1 June to 31 December.

2. Aid applications shall indicate in particular the net weight of the raw materials used and of the finished products obtained, described in accordance with Parts A and B of Annex II respectively. They shall be accompanied by copies of the transfer orders or crossed cheques provided for in the first subparagraph of Article 16(1). In the case of undertakings covering supplies, such copies may be replaced by a declaration by the producer to the effect that the processor has credited him with a price at least equal to the minimum price. Such copies or declarations shall quote the references of the relevant contracts.

Article 19

1. Where the information referred to in Article 15(5) indicates that there is a likelihood of the quantity set for a category of products shown in column III of Part A of Annex III being exceeded, the competent authorities shall set a provisional reduction coefficient to be applied to all aid applications in respect of that category submitted under Article 18(1)(a) above.

The coefficient, which shall be equivalent to the ratio between the quantities referred to in Column III of Part A of Annex III and those set by contract plus any additional quantities agreed, shall be calculated not later than 31 March.

2. Where paragraph 1 is applied, the competent authorities shall establish at the end of the marketing year the definitive reduction coefficient to be applied to all aid applications in respect of the category of products concerned submitted under Article 18(1)(a) and (b).

Article 20

1. Processors shall keep records showing at least the following:

(a) consignments of raw materials purchased and entering their premises each day and covered by processing contracts or amendments thereto, together with the numbers of any receipts in respect of such consignments;

(b) the weight of each consignment brought into their premises and the name and address of the other party to the contract;

(c) the quantities of finished products obtained each day from processing of the raw materials on which the aid is payable;

(d) the quantities and prices of products leaving the processor's premises, consignment by consignment, with details of the consignee. Such data may be recorded by reference to supporting documents, provided the latter contain the abovementioned particulars.

2. Processors shall retain proof of payment in respect of all raw materials purchased under processing contracts or amendments thereto.

3. Processors shall undergo any inspections or checks deemed necessary and shall keep such additional records as the French authorities require to conduct any checks they deem necessary. Where an inspection or checks cannot be conducted for reasons attributable to the processor, despite the latter having been formally notified thereof, no aid shall be paid in respect of the marketing years in question.

CHAPTER V

Aid for marketing under annual contracts

Article 21

1. For the purposes of Article 15 of Regulation (EEC) No 3763/91, 'annual contract' means a contract by which an operator, either a natural or a legal person established elsewhere in the Community, outside the FOD, undertakes, before the beginning of the marketing period for the product or products in question, to purchase all or part of the production of an individual producer, producers' association or group in the FOD, with a view to marketing it elsewhere.

2. Operators who intend to submit an application for aid shall send the annual contract to the competent French administration before the start of the marketing period for the product or products in question.

The contract shall at the very least include the following information:

(a) the business names of the contracting parties and their places of establishment;

(b) the description of the product or products;

(c) the quantities concerned;

(d) the duration of the commitment;

(e) the marketing schedule;

(f) the packaging and presentation method and information relating to transport (conditions and costs);

(g) the exact delivery stage.

3. The competent administration shall assess the contracts for conformity with Article 15 of Regulation (EEC) No 3763/91 and with this Regulation. It shall verify that the contracts contain all the information specified in paragraph 2 above.

It shall inform the operator whether paragraph 6 is likely to be applied.

4. For the purpose of calculating the aid, the value of marketed production, delivered to destination zone, shall be evaluated on the basis of the annual contract, the particular transport documents and any other supporting documents submitted to justify the application for payment.

The value of the marketed production to be taken into account shall be equivalent to that of a delivery at the first port or airport of unloading.

The competent administration may request any information or additional supporting documentation required to calculate the aid.

5. Applications for aid shall be submitted by the buyer who entered into the commitment to market the product.

Where the management of the aid scheme so requires, the competent administration may specify marketing periods or years for each product.

6. Where, for a given product and for a given overseas department, the quantities for which aid is requested exceed the volume of 3 000 tonnes laid down in Article 15 of Regulation (EEC) No 3763/91 or, in the case of melons falling within CN code ex 0807 10 90, the limit laid down in paragraph 5 of that Article, the national authorities shall determine a uniform percentage reduction to be applied to all aid applications.

7. The increase in aid provided for in Article 15(4) of Regulation (EEC) No 3763/91 shall be paid on presentation of the commitments entered into by the partners to pool, for a period of not less than three years, the knowledge and know-how required to achieve the objective of the joint venture. These commitments shall include a clause prohibiting cancellation before the end of the aforementioned three-year period.

Where the aforementioned commitments are broken, the buyer may not submit an application for aid for the marketing year concerned.

CHAPTER VI

General provisions

Article 22

1. Applications for aid shall be submitted to the administration designated by the French authorities in accordance with the models established by the latter and, for the aids under Chapters II, III, IV and V, within the periods prescribed by them.

2. The applications shall be accompanied by invoices and all other supporting documents relating to the measures undertaken, in particular the reference of the supply contracts, delivery contracts, processing contracts or annual contracts for the aid referred to in, respectively, Chapters II, III, IV and V.

3. The competent administration, having verified the applications for aid and the relative supporting documents, shall pay out, in the two months following the end of the period for lodging applications, the aid determined in accordance with this Regulation.

Article 23

1. France shall communicate to the Commission:

(a) before the beginning of each marketing year, the minimum prices referred to in Chapter IV, set in accordance with Article 14 of Regulation (EEC) No 3763/91 in respect of each category of products set out in Annex III;

(b) no later than 31 May, broken down by category or product, the quantities covered by contract for the current marketing year pursuant to Chapters II, IV and V;

(c) no later than 31 May, a report on the implementation of the measures referred to in this Regulation in the preceding marketing year showing in particular:

— broken down by group of products set out in Part A of Annex I, the quantities in the forecast supply balance referred to in Chapter I for which exemption from import duty was granted or for which Community aid was paid,

— broken down by groups of products set out in Part A of Annex I, the quantities exported to third countries or to the rest of the Community,

— broken down by product set out in Part A of Annex II, the quantities which qualified for the aid and the increased aid referred to in Chapter II,

— the quantities of green vanilla and oil of geranium and vetiver which qualified for the aid referred to in Chapter III,

— the quantities of raw material which qualified for the aid referred to in Chapter IV, broken down by product set out in Part A of Annex III, and the quantities, expressed in net weight, of finished products broken down in accordance with Part B of Annex III,

— the quantities which qualified for the aid and the increased aid referred to in Chapter V, broken down by product, and their average value within the meaning of Article 21(4);

(d) no more than a month following their publication, the additional detailed rules adopted for the application of this Regulation.

2. For the 1998 marketing year the deadline referred to in paragraph 1(a) shall be 31 August 1998.

Article 24

1. The national authorities shall take all the necessary measures to guarantee compliance with the conditions to which the grant of the aid provided for in Articles 2, 13, 14 and 15 of Regulation (EEC) No 3763/91 is subject.

To that end, they shall carry out random on-the-spot checks on aid applications representing at least 20 % of the quantities and 10 % of the beneficiaries.

They shall withdraw the approvals referred to in Articles 6(2), 9(2), 10(2) and Article 14 where the commitments to which they are subject are not fulfilled.

They may suspend the payment of aid according to the seriousness of the irregularities discovered.

2. Where aid has been paid out unduly, the competent administration shall recover the sums paid out, with interest from the date on which the aid was paid out to the date on which it was repaid by the beneficiary.

Where the undue payment has been made because of a false declaration, false documents or serious negligence on the part of the recipient, a penalty equal to the amount paid out unduly, with interest calculated in accordance with the above subparagraph, shall be imposed.

The interest rate shall be that applied by the European Monetary Cooperation Fund to its transactions in ecus as published in the C series of the *Official Journal of the European Communities,* in force on the date of the undue payment and increased by three percentage points.

3. The aid recovered shall be paid to the paying authorities or agencies and deducted by them from the expenditure financed by the European Agricultural Guidance and Guarantee Fund.

Article 25

Regulation (EEC) No 489/97 is hereby repealed.

References to the Regulation repealed shall be construed as references to this Regulation in accordance with the table of equivalence in Annex IV.

Article 26

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

It shall apply from 1 July 1998.

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

Done at Brussels, 16 July 1998.

For the Commission

Franz FISCHLER

Member of the Commission

ANNEX I

Part A: Forecast supply balance for processed fruit and vegetables for the FOD for the period 1 July to 31 December 1998

Product group	CN code	Product	Quantity (tonnes)
A	ex 2007 91 ex 2007 99	Fruit purées, being cooked preparations, whether or not containing added sugar or other sweetening matter, for processing citrus fruit other, not including tropical fruit	50
B	ex 2008 30 ex 2008 40 ex 2008 50 ex 2008 60 ex 2008 70 ex 2008 80 ex 2008 92 ex 2008 99	Fruit pulps, otherwise prepared or preserved, whether or not containing added sugar or other sweetening matter or spirit not elsewhere specified or included, for processing citrus fruit pears apricots cherries peaches strawberries mixtures, not including tropical fruit other, not including tropical fruit	750
C	ex 2009 11 11 ex 2009 11 19 ex 2009 19 11 ex 2009 19 19	Concentrated fruit juices (including grape must), unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, for processing orange juice	500
D	ex 2009 20 11 ex 2009 20 19	grapefruit or pomelo juice	650
	ex 2009 60 11 ex 2009 60 19 ex 2009 60 51 ex 2009 60 71	grape juice	
	ex 2009 70 11 ex 2009 70 19	apple juice	
	ex 2009 80 11 ex 2009 80 19	pear juice	
	ex 2009 80 35 ex 2009 80 38	juice of any other fruit, not including tropical fruit	
	ex 2009 90 11 ex 2009 90 19	mixtures of apple and pear juice	
	ex 2009 90 21 ex 2009 90 29	other mixtures, not including tropical fruit	
		Total	1 950

Part B: Amounts of aid referred to in Article 1(2):

Product groups defined in Part A	ECU/100 kg
A	39,69
B	21,66
C	37,12
D	43,29

ANNEX II

Part A: Products referred to in Article 5(1)
Maximum quantities referred to in Article 5(3) for each period from 1 January to 31 December
Amounts of aid referred to in Article 5(2) and increased aid referred to in the second subparagraph of Article 6(1)

Column I	Column II		Column III	Column IV	Column V
Product category	CN code	Product	Maximum quantity	Aid	Increased aid
A	0701 ex 0706 10 ex 0707 00 05 0709 90 90 0803 00 11 0804 30 00 0807 11 00	potatoes carrots cucumbers christophines, breadfruit plantains pineapples watermelons	6 800 tonnes	15,00 ECU/100 kg	15,75 ECU/100 kg
	ex 0603 10	tropical flowers (standard anthurium, alpinas, heliconias, porcelain rose, bird-of-paradise flower)	3 640 000 units	15,00 ECU/100 units	15,75 ECU/100 units
B	0702 00 00 ex 0703 10 ex 0704 ex 0705 11 0709 90 10 0709 30 00 0714 20 10 ex 0714 90 11 ex 0709 60 10 ex 0709 60 99 ex 0709 90 90 0804 40 ex 0804 50 00 ex 0805 ex 0807 ex 0810 90 30 ex 0810 90 85	tomatoes onions cabbages cabbage lettuce salad vegetables other than lettuce and chicory aubergines sweet potatoes yams, dachines or taro sweet peppers other peppers turban squash avocados mangoes citrus fruit (oranges, mandarins, lemons and limes, grapefruit and pomelos) melons and papayas lychees strawberry guavas	13 000 tonnes	23,00 ECU/100 kg	24,15 ECU/100 kg
C	0703 20 0708 20 0810 10 ex 0810 90 40 ex 0810 90 85 ex 0910 10 ex 0910 30 00	garlic green beans strawberries passion fruit maracuja, granadilla, rambutan ginger turmeric	700 tonnes	30,00 ECU/100 kg	31,50 ECU/100 kg
	ex 0603 90 00 ex 0603 10 0603 10 11 0603 10 51	tropical flowers (hybrid anthurium, Canna indica) orchids roses roses	2 500 000 units	30,00 ECU/100 units	31,50 ECU/100 units

Part B: Maximum quantities referred to in Article 12 for each period from 1 January to 31 December

CN code	Product	Quantity (kg)
ex 0905 00 00	green vanilla	75 000
3301 21	essential oil of geranium	12 500
3301 26	essential oil of vetiver	2 500

ANNEX III

Part A: Products referred to in Article 13(1)
Maximum quantities per marketing year referred to in Article 13(2)
Amounts of aid referred to in Article 14(3)

Column I	Column II		Column III	Column IV
			Amount of aid	
Product category	CN code	Product	Quantity (tonnes)	Aid ECU/100 kg
A	ex 0703 10 ex 0706 10 00 ex 0714 90 0803 00 11 ex 0804 30 00 ex 0804 50 00 0810 10 ex 0810 90 85 ex 0810 90 85	onions for rougail and achards carrots for rougail and achards christophines, breadfruit plantains pineapples guavas strawberries strawberry guavas ambarellas	8 320	21,56
B	ex 0704 90 0714 10 0714 20 10 ex 0714 90 ex 0709 90 90 ex 0805 20 0805 30 90 0807 20 00 ex 0810 90 30 ex 0810 90 40 ex 0810 90 85	cabbage for rougail and achards manioc sweet potatoes dachines turban squash tangor mandarins limes papaws (papayas) jackfruit, lychees carambolas Antilles apricots, rambutans, Surinam cherries, soursops	1 550	35,44
C	0703 20 00 0709 60 99 ex 0703 20 ex 0714 90 ex 0804 50 00 ex 0805 90 00 ex 0810 90 40	garlic for rougail and achards peppers beans for rougail and achards yams mangoes combava passion fruit	560	41,21

Part B: Finished products referred to in Article 14(1)

CN code	Product
ex 0710	vegetables, frozen, uncooked
ex 0712	dried vegetables
ex 0714	dried vegetables
2001	fruit and vegetables preserved by vinegar or acetic acid
2004 90 98	frozen vegetables
ex 2005 90	vegetable preserves and vegetables, vacuum sterilised
ex 2006 00	fruit preserved in sugar
2007	jams, fruit jellies, marmalades, fruit or nut purée and pastes
ex 2008	fruit pulps
2009	fruit juices

ANNEX IV

TABLE OF EQUIVALENCE

Regulation (EC) No 489/97	This Regulation
Chapter I	*Chapter II*
Article 1	Article 4
Article 2	Article 5
Article 3	Article 6
Article 4	Article 7
Article 5	Article 8
Chapter II	*Chapter III*
Article 6	Article 9
Article 7	Article 10
Article 8	Article 11
Chapter III	*Chapter V*
Article 10	Article 22
Article 11	Article 24