COUNCIL REGULATION (EC) No 1626/98

of 20 July 1998

fixing the amounts of aid for flax fibre and hemp and the amount withheld to finance measures to promote the use of flax fibre for the 1998/99 marketing year

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1308/70 of 29 June 1970 on the common organisation of the market in flax and hemp [1], and in particular Articles 2(3) and 4(3) thereof,

Having regard to the proposal from the Commission [2],

Having regard to the opinion of the European Parliament [3],

Having regard to the opinion of the Economic and Social Committee [4],

Whereas Article 4 of Regulation (EEC) No 1308/70 provides that the amounts of aid for flax grown mainly for fibre and for hemp grown in the Community are to be fixed each year;

Whereas, in accordance with Article 4(2) of that Regulation, this amount shall be fixed per hectare of area sown and harvested so as to ensure an even balance between the volume of production required in the Community and the amount that can be marketed; whereas it must be fixed, taking into account the price for fibres and flax and hemp seed on the world market;

Whereas over recent marketing years the hemp market has seen a marked and continuing trend towards increasing the area sown to hemp; whereas to curb this trend, which could unbalance the longer-term equilibrium of the market, and reduce the impact on budget expenditure, the level of aid should be adjusted accordingly;

Whereas Article 2(3) of Regulation (EEC) No 1308/70 provides that the portion of aid for financing Community measures to encourage the use of flax fibre is to be fixed when the aid is fixed for the marketing year in question in accordance with the criteria referred to in the said Article 2(3); whereas it is to be fixed in the light of trends on the market in flax, the amount of the aid for flax and the cost of the measures to be introduced; whereas account should also be taken of the financing already provided for;

Whereas application of the abovementiond criteria entails fixing the amount of aid and the portion of the aid to be used for financing measures to promote the use of flax fibre at the levels set out below,

HAS ADOPTED THIS REGULATION:

Article 1

For the 1998/99 marketing year, the amounts of aid provided for in Article 4 of Regulation (EEC) No 1308/70 shall be:

(a) ECU 815,86 per hectare as regards flax;

(b) ECU 662,88 per hectare as regards hemp.

Article 2

For the 1998/99 marketing year, the amount of the aid for flax to be used to finance the measures to promote the use of flax fibre referred to in Article 2 of Regulation (EEC) No 1308/70 shall be ECU 0 per hectare.

Article 3

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

It shall apply from 1 August 1998.

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[1] OJ L 146, 4. 7. 1970, p. 1. Regulation as last amended by Regulation (EC) No 3290/94 (OJ L 349, 31. 12. 1994, p. 105).
[2] OJ C 87, 23. 3. 1998, p. 9.
[3] OJ C 210, 6. 7. 1998.
[4] OJ C 214, 10. 7. 1998.

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

Done at Brussels, 20 July 1998.

For the Council
The President
W. MOLTERER