COMMISSION REGULATION (EC) No 2707/98

of 15 December 1998

determining the world market price for unginned cotton and the rate for the aid

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, as last amended by Council Regulation (EC) No 1553/95 [1],

Having regard to Council Regulation (EC) No 1554/95 of 29 June 1995 [2] laying down general rules for the system of aid for cotton and repealing Regulation (EEC) No 2169/81, as last amended by Regulation (EC) No 1419/98 [3], and in particular Articles 3, 4 and 5 thereof,

Whereas Article 3 of Regulation (EC) No 1554/95 requires a world market price for unginned cotton to be periodically determined from the world market price determined for ginned cotton, using the historical relationship between the two prices as specified in Article 1 (2) of Commission Regulation (EEC) No 1201/89 of 3 May 1989 laying down rules for implementing the system of aid for cotton [4], as last amended by Regulation (EC) No 1664/98 [5]; whereas if it cannot be determined in this way it is to be based on the last price determined;

Whereas Article 4 of Regulation (EC) No 1554/95 requires the world market price for ginned cotton to be determined for a product of specific characteristics using the most favourable offers and quotations on the world market of those considered representative of the real market trend; whereas to this end an average is to be calculated of offers and quotations on one or more European exchanges for a cif product to a North European port from the supplier countries considered most representative as regards international trade; whereas these rules for determination of the world market price for ginned cotton provide for adjustments to reflect differences in product quality and the nature of offers and quotations; whereas these adjustments are specified in Article 2 of Regulation (EEC) No 1201/89;

Whereas application of the above rules gives the world market price for unginned cotton indicated hereunder;

Whereas the second subparagraph of Article 5(3a) of Regulation (EC) No 1554/95 stipulates that the advance payment rate for the aid is to be the guide price less the world market price and less a further amount calculated by the formula applicable when the guaranteed maximum quantity is overrun but with a minimum 7,5 % increase in the revised estimate for unginned cotton production; whereas Commission Regulation (EC) No 2591/98 [6] fixes the revised estimate of production of unginned cotton for the 1998/99 marketing year and the relevant percentage increase; whereas application of these rules gives the advance payment rates for each Member State indicated hereunder,

HAS ADOPTED THIS REGULATION:

Article 1

1. The world market price for unginned cotton as indicated in Article 3 of Regulation (EC) No 1554/95 is set at ECU 21,820 per 100 kilograms.

2. Advance payment of the aid as indicated in Article 5 (3a), second sentence, of Regulation (EC) No 1554/95 shall be at the rate of:

— ECU 62,370 per 100 kilograms in Spain,

— ECU 52,165 per 100 kilograms in Greece,

— ECU 84,480 per 100 kilograms in other Member States.

Article 2

This Regulation shall enter into force on 16 December 1998.

[1] OJ L 148, 30. 6. 1995, p. 45.
[2] OJ L 148, 30. 6. 1995, p. 48.
[3] OJ L 190, 4. 7. 1998, p. 4.
[4] OJ L 123, 4. 5. 1989, p. 23.
[5] OJ L 211, 29. 7. 1998, p. 9.
[6] OJ L 324, 2. 12. 1998, p. 25.

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

Done at Brussels, 15 December 1998.

For the Commission
Franz FISCHLER
Member of the Commission