

REGULATION (EEC) No 208/70 OF THE COMMISSION

of 4 February 1970

laying down detailed rules for the application of measures to encourage the processing of oranges

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community;

Having regard to Council Regulation (EEC) No 2601/69¹ of 18 December 1969 laying down special measures to encourage the processing of certain varieties of oranges, and in particular Articles 2 (3) and 3 (2) thereof;

Whereas Article 2 (1) of Regulation (EEC) No 2601/69 provides in particular that contracts between Community producers and processors shall relate to tonnages in excess of the average quantities processed by the latter during the three marketing years preceding the 1969/70 marketing year; whereas to that end a basic quota should be fixed for each undertaking which started its activities not later than during the 1966/67 marketing year, equal to the average quantities processed by that undertaking during the above-mentioned period;

Whereas, for undertakings of more recent origin, that Article provides that contracts shall relate to tonnages in excess of quantities to be determined on the basis of the processing capacity of those undertakings; whereas, therefore, for each of those undertakings, a basic quota should be fixed which takes into account both its processing capacity and the average consumption rate in undertakings in the Member State in question during the above-mentioned reference period; whereas, if the processing capacity of the undertakings increases, the same criterion can be used to fix new quotas for them;

Whereas, in accordance with Article 2 (1) of the above-mentioned Regulation, processing contracts must be concluded before the beginning of each marketing year; whereas, however, in order to obtain

maximum efficiency in operations based on those contracts, the contracting parties should be allowed to increase, by means of supplementary contracts and within certain limits, the amounts originally specified in those contracts;

Whereas, to ensure that the system functions smoothly, provision should be made to classify the products delivered pursuant to the contracts;

Whereas the smooth functioning of the system of quality and quantity controls provided for in the third subparagraph of the aforesaid Article 2 (1) can be ensured if the weight and the class of each batch delivered is determined at the time of receipt by the processor; whereas, moreover, after the controls have been carried out, a certificate should be issued giving the particulars referred to above;

Whereas, in order that the soundness of claims for compensatory payments can be verified, it is essential to specify the minimum amount of information which must be given when such claims are made;

Whereas the control provided for in Article 3 (1) of Regulation (EEC) No 2601/69 must make it possible to establish that the quantity of fresh products delivered under the contract corresponds to the quantity obtained from processing; whereas, if this is to be established, the control must be based on the stock records of the processing undertakings; whereas those stock records must therefore show the information required for that purpose;

Whereas the measures provided for in this Regulation are in accordance with the Opinion of the Management Committee for Fruit and Vegetables;

HAS ADOPTED THIS REGULATION:

Article 1

For the purposes of Regulation (EEC) No 2601/69, an 'undertaking' means an undertaking which on its

¹ OJ No L 324, 27.12.1969, p. 21.

own responsibility operates for economic purposes one or more factories having the necessary equipment for processing oranges.

Article 2

1. For each undertaking which started to process oranges not later than during the 1966/67 marketing year, processing contracts shall relate only to tonnages in excess of a basic quota equal to the arithmetical mean of the quantities of fresh oranges processed by the undertaking in question during the 1966/67, 1967/68 and 1968/69 marketing years.

2. For each undertaking which started to process oranges after the 1966/67 marketing year, processing contracts shall relate only to tonnages in excess of a basic quota calculated by applying to the orange processing capacity of that undertaking, expressed in weight of fresh products, the average consumption rate of the undertakings in the Member State in question during the marketing years referred to in paragraph 1.

That average rate shall be calculated by establishing the ratio between the average quantities of fresh oranges processed by the undertakings during the 1966/67, 1967/68 and 1968/69 marketing years and their processing capacity during the last of those marketing years.

3. Where the capacity of an undertaking for processing oranges is increased by the introduction of new techniques, a new basic quota shall be determined for that undertaking. That quota shall be calculated in accordance with the provisions of paragraph 2.

4. Member States shall determine the basic quota for each undertaking pursuing its activities in their territory.

Article 3

1. Each of the contracts referred to in Article 2 of Regulation (EEC) No 2601/69 shall be concluded in writing between one or more producers and a processor.

2. Processing contracts shall be concluded before 20 January each year. For the current marketing year, however, such contracts may be concluded up to 15 March 1970.

3. Up to 30 April each year, the contracting parties may decide, by means of a supplementary contract, to increase the quantities originally specified in the contract. Such increase may, however, relate only to:

— not more than 40% of the original quantities in respect of supplementary contracts concluded before 15 March,

— not more than 15% of the original quantities in respect of supplementary contracts concluded between 15 March and 30 April.

Article 4

A copy of each contract concluded and of any supplementary contracts shall be sent by the processor, before the date on which they enter into force, to the competent authority of the Member State where the oranges are produced and of the Member State where the processing is to take place.

Article 5

Products delivered to an undertaking on the basis of processing contracts shall be classified as follows:

Class I: products which satisfy the quality and minimum size requirements laid down in the common quality standards for Class I,

Class II: products which satisfy the quality and minimum size requirements laid down in the common quality standards for Class II,

Class III: products which satisfy the quality and minimum size requirements laid down in the common quality standards for Class III, or a mixture of products belonging to different classes.

Article 6

1. As each batch delivered under processing contracts is received by the processor, the authority appointed by the Member State where processing is to take place shall verify the weight of the products delivered and shall determine the class or classes to which they belong.

On completion of these controls, a certificate shall be issued for each batch to the processor specifying:

— the name and address of the contracting parties,
— the class or classes to which the product belongs and the net weight per class.

One copy of that certificate shall be sent to the producers.

2. If during the controls provided for above all or part of the products cannot be classified in

accordance with the provisions of Article 5, the authorities referred to in the preceding paragraph shall inform the contracting parties thereof.

Article 7

The application for financial compensation shall be lodged by the processor at the end of the processing year with the competent authority of the Member State in which the processing took place.

The application shall specify in particular:

- (a) the name and address of the applicant,
- (b) the following information:
 - the total quantity of fresh oranges purchased during the year,
 - the quantity of each class of that same product purchased under processing contracts and under any supplementary contracts,
- (c) a statement of the total quantity of products obtained from processing the fresh oranges.

A copy of the certificate referred to in Article 6 (1) in respect of each batch received by the processor under a processing contract shall be enclosed with that application.

Article 8

1. The control procedure laid down in the third subparagraph of Article 3 (1) of Regulation (EEC) No 2601/69 shall include in particular:

- verification of the total quantity of fresh oranges purchased by the processor during the marketing year and received by the undertaking,

- verification that that total quantity was in fact processed in that undertaking.

2. For the purposes of the control provided for in paragraph 1, undertakings shall keep stock records which shall show in particular:

- the quantity of fresh oranges purchased during the marketing year and received by the undertaking, marking separately those connected with processing contracts,
- the quantity of products obtained from processing the oranges,
- the quantity of processed oranges which left the undertaking.

Article 9

For each undertaking financial compensation shall be granted for the total quantity processed under contract, provided that the quantities for which a basic quota was fixed were purchased and processed.

Should that condition not be satisfied, financial compensation shall, except in cases of *force majeure*, be granted only for the quantities in excess of those for which a basic quota was fixed. That compensation shall be calculated on the basis of the same division of products by class as was made in connection with the processing contracts for all the products purchased.

Article 10

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

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

Done at Brussels, 4 February 1970.

For the Commission

The President

Jean REY