

## COUNCIL REGULATION (EEC) No 1206/90

of 7 May 1990

## laying down general rules for the system of production aid for processed fruit and vegetables

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 426/86 of 24 February 1986 on the common organization of the market in products processed from fruit and vegetables <sup>(1)</sup>, as last amended by Regulation (EEC) No 1202/90 <sup>(2)</sup>, and in particular Articles 5 and 8 thereof,

Having regard to the proposal from the Commission <sup>(3)</sup>,

Whereas Article 3 (2) of Regulation (EEC) No 426/86 provides that in the case of dried grapes the producers are to undertake to withhold from delivery to the processing industry a given percentage of the quantities covered by contracts; whereas that percentage must ensure that the quality of products delivered by producers is adequate; whereas, in the case of dried grapes, the aid is to be paid on condition that a percentage to be determined of the quantities is not processed by processors; whereas those percentages must ensure that the quality of the product intended for consumption is adequate;

Whereas certain products eligible for production aid are in direct competition with each other; whereas production aid must not affect that competitive situation; whereas the aid must be calculated for the main products concerned and whereas the aid for the other products must be derived from the aid thus calculated;

Whereas Article 4 (2) of Regulation (EEC) No 426/86 provides that the minimum price to be paid to the producer for dried grapes and dried figs is to be increased during the marketing year; whereas the price of the raw material to be taken into account for the purposes of calculating the aid should accordingly be specified;

Whereas Article 5 (1) of the abovementioned Regulation provides that the price to be compared may be determined in the main producing and exporting third countries on the world market; whereas that price must be that paid to the producer at the farm-gate stage for raw material of a quality comparable with that of fresh Community products for processing; whereas, however, when that price is determined, those data should be weighted according to the actual exports of finished products from the producer countries concerned to the world market;

Whereas, for products for which Community production accounts for a substantial proportion of the market, the trend in prices and quantities traded between the Community and third countries during the calendar year preceding the fixing of the aids may provide additional information on the components for calculating the aid; whereas provision should accordingly be made for the possibility of reducing the aid where necessary;

Whereas the aid is calculated in respect of the raw material; whereas, however, the aid must be granted for the net weight of finished product; whereas the ratio between those two components may be established on the basis of the average yields recorded in the Community;

Whereas the possibility should be made available, in accordance with a suitable decision-making procedure, of implementing a system of monetary adjustment if this proves necessary to ensure normal conditions of competition with regard to third countries;

Whereas the storage agencies approved by the Member States are to purchase quantities of dried grapes and dried figs at the end of the marketing year; whereas those must be disposed of so as to avoid disturbing normal trade on the market; whereas, to that end, provision should be made for the conditions of sale to be determined at Community level;

Whereas the measures provided for in this Regulation replace those in Regulation (EEC) No 1277/84 <sup>(4)</sup>, as amended by Regulation (EEC) No 2367/89 <sup>(5)</sup>; whereas that Regulation must accordingly be repealed;

HAS ADOPTED THIS REGULATION:

*Article 1*

1. For currants, the percentage referred to in Article 3 (2) of Regulation (EEC) No 426/86 shall be 5%.
2. The percentages referred to in the third subparagraph of Article 6 (1) of Regulation 426/86 shall be as follows:
  - (a) for currants: 15%;
  - (b) for other dried grapes: 8%.

*Article 2*

1. As regards products derived from tomatoes, the production aid shall be calculated for:

<sup>(1)</sup> OJ No L 49, 27. 2. 1986, p. 1.

<sup>(2)</sup> See page 66 of this Official Journal.

<sup>(3)</sup> OJ No C 49, 28. 2. 1990, p. 92.

<sup>(4)</sup> OJ No L 123, 9. 5. 1984, p. 25.

<sup>(5)</sup> OJ No L 225, 3. 8. 1989, p. 1.

- (a) tomato concentrate covered by CN code 2002 90;
- (b) whole peeled tomatoes obtained from the San Marzano variety and covered by CN code 2002 10;
- (c) whole peeled tomatoes obtained from the Roma or similar varieties and covered by CN code 2002 10;
- (d) tomato juice covered by CN code 2009 50.

2. Production aid for:

- tomato flakes covered by CN code 0712 90 30, and
- tomato juice, including passata, covered by CN code 2002 90,

shall, without prejudice to the measures adopted pursuant to Article 2 (3) of Regulation (EEC) No 426/86, be derived from aid calculated for tomato concentrate, account being taken in particular of the dry extract content of the product.

3. Production aid for:

- peeled tomatoes, whole or in pieces, preserved by freezing and covered by CN code 0710 80 70,
- unpeeled whole tomatoes, preserved, covered by CN code 2002 10 90, and
- peeled and unpeeled tomatoes in pieces, including crush or pizza sauce, covered by CN code 2002 10,

shall, without prejudice to the measures adopted pursuant to Article 2 (3) of Regulation (EEC) No 426/86, be derived from the aid calculated for whole peeled tomatoes obtained from the Roma or similar varieties, account being taken in particular of the commercial characteristics of the product.

4. The production aid for dried grapes shall be calculated for sultanas.

The production aid for other varieties or types of dried grapes shall be derived from that aid, without prejudice to the measures adopted pursuant to Article 2 (3) of Regulation (EEC) No 426/86.

*Article 3*

1. For the purposes of applying the production aid provided for in Articles 5 (1) and 6 of Regulation (EEC) No 426/86, this Article shall apply.

2. The production aid may not exceed the difference between the minimum price paid to the producer in the Community and the price of the raw material in the main producing and exporting third countries.

3. The price of the raw material in the main competing third countries shall be determined mainly on the basis of the prices:

— actually applying at the farm-gate stage for fresh products of a comparable quality used for processing;

— weighted on the basis of the quantities of finished products exported by those third countries to the world market.

4. For products for which Community production accounts for at least 50 % of the quantities for consumption on the Community market, the aid may be reduced by the trend in prices and in the quantities of imports and exports, which shall be determined by comparing the data for the calendar year preceding the beginning of the marketing year with the data for the previous calendar year.

5. The minimum price for the raw material to be used for dried grapes and dried figs shall be the minimum price to be paid to the producer at the beginning of the marketing year, plus the average of the monthly increases provided for in Article 4 (2) of Regulation (EEC) No 426/86.

*Article 4*

When strictly necessary, the Commission may, in accordance with the procedure laid down in Article 22 of Regulation (EEC) No 426/86, establish a system of monetary adjustment with the aim of correcting the production aid by the impact on the minimum price minus the aid, of the differences between:

- the agricultural conversion rate, and
- the average of the rates referred to in Article 3 (1) of Regulation (EEC) No 1676/85 <sup>(1)</sup> during a period to be determined.

*Article 5*

The factors referred to in Article 5 (2) of Regulation (EEC) No 426/86 shall be calculated on the basis of the average quantities of raw material used and the net weight of finished products obtained in the Community during the 1987/88, 1988/89 and 1989/90 marketing years. Those factors shall be adjusted, where appropriate, depending on changes recorded subsequently.

*Article 6*

1. For the purposes of applying Article 8 of Regulation (EEC) No 426/86, Member States shall approve storage agencies presenting suitable guarantees on the one hand that they can store products under satisfactory technical conditions and on the other hand that they can satisfactorily manage products bought in.

<sup>(1)</sup> OJ No L 164, 24. 6. 1985, p. 1.

Those agencies shall be required in particular to store products bought in in separate premises and to keep separate accounts for those products.

2. The sale of dried grapes and dried figs bought in by storage agencies and the conditions governing such sales shall be decided in accordance with the procedure laid down in Article 22 of Regulation (EEC) No 426/86, account being taken of the need not to jeopardize the balance on the market.

3. Where special measures as referred to in the second subparagraph of Article 8 (3) of Regulation (EEC) No 426/86 are taken, special conditions may be laid down to ensure that the product will not be used for a purpose other than that specified.

In that case, a special security may be required to ensure that undertakings entered into are fulfilled; the security shall be forfeit, in full or in part, if the undertakings are not fulfilled or are only fulfilled in part.

4. The sale shall be organized by invitation to tender or at a price fixed in advance.

Tenders submitted shall only be taken into account where a security is lodged.

*Article 7*

Regulation (EEC) No 1277/84 is hereby repealed.

*Article 8*

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

It shall apply from the beginning of the 1990/91 marketing year for each product.

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

Done at Brussels, 7 May 1990.

*For the Council*  
*The President*  
G. COLLINS

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