COUNCIL REGULATION (EC) No 3119/93

of 8 November 1993

laying down special measures to encourage the processing of certain citrus fruits

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission [1],

Having regard to the opinion of the European Parliament [2],

Having regard to the opinion of the Economic and Social Committee [3],

Whereas mandarins, clementines and satsumas were eligible during the 1989/90 to 1991/92 marketing years for a processing support scheme which has not been continued in 1992/93; whereas a comparison of the situation during those two periods shows that the incentives for processing should be reintroduced for those products and continued for oranges;

Whereas the production of oranges and mandarins continued to be affected by serious marketing difficulties due in particular to the varieties produced and to overproduction; whereas the production of clementines has increased appreciably over recent years to the extent also of creating surpluses; whereas, lastly, satsumas, which are replaced by clementines on the market in fresh fruit, are also in surplus;

Whereas a processing support scheme must be capable of promoting the processing of the citrus fruits concerned respectively both into juice and into segments under contracts concluded between processors and producers guaranteeing the latter a minimum price and regular supplies for industry;

Whereas, in order to encourage producers to present their products for processing rather than for withdrawal, provision should be made for the minimum processing price to be fixed at the level of the highest withdrawal price for each product applicable during the period when withdrawals are heavy;

Whereas, in order to prevent distortions of competition, provision should be made for the financial compensation granted for the processing of mandarins and clementines to be fixed at a level such that, for each of those products, the difference between the minimum price and the financial compensation, i.e. the 'burden on the industry', is identical with that for the purchase of oranges, taking into consideration the difference in juice yields;

Whereas the production of satsumas is affected by structural shortcomings in relation to marketing which can be seen in the wide dispersal of supplies; whereas provision should be made to that end therefore for the grant of special aid to citrus fruit producers' organizations which conclude contracts with processors and for financial compensation for the latter; whereas the breakdown of the amounts into aid and financial compensation is justified by the need to allocate the funds mainly to supply; whereas a transitional period, during which aid for the processing of satsumas is also paid to individual citrus fruit producers, is necessary to enable the sector to adjust to these provisions;

Whereas, in order to ensure the effectiveness of the thresholds applicable in the citrus fruit sector under Regulation (EEC) No 1035/72 [4], account must be taken when establishing those thresholds of the quantities delivered for processing under this Regulation;

Whereas Regulations (EEC) No 2601/69 [5] and (EEC) No 1123/89 [6] should be repealed,

HAS ADOPTED THIS REGULATION:

TITLE I

Oranges, mandarins and clementines

Article 1

A financial compensation scheme for processing into juice shall be applied to mandarins, clementines and oranges harvested in the Community.

Article 2

The scheme referred to in Article 1 shall be based on contracts between producers and processors.

The contracts shall specify the quantities covered by them, the phasing of deliveries to processors and the prices to be paid to producers.

[1] OJ No C 259, 23. 9. 1993, p. 8.
[2] Opinion delivered on 29 October 1993 (not yet published in the Official Journal).
[3] Opinion delivered on 20 October 1993 (not yet published in the Official Journal).

[4] OJ No L 118, 20. 5. 1972, p. 1.
[5] OJ No L 324, 27. 12. 1969, p. 21.
[6] OJ No L 118, 29. 4. 1989, p. 25.

Once they have been concluded, contracts shall be sent to the competent authorities in the Member States concerned responsible for carrying out quantitative and qualitative checks on deliveries to processors.

Article 3

Financial compensation shall be granted to processors in respect of the quantities delivered by producers under the contracts referred to in Article 2 and if the processor has paid the producer, in respect of the raw material, a price at least equal to the minimum price, which shall be fixed for each product concerned at the level of the highest withdrawal price applicable during heavy withdrawal periods. The minimum price shall be fixed before the beginning of each marketing year.

Article 4

1. For oranges, the financial compensation may not exceed the difference between the minimum price referred to in Article 3 and the prices applied for the raw material in the producer third countries.

2. For mandarins and clementines, the financial compensation shall be fixed at a level such that, for each of these products, the burden on the industry is equivalent to that for oranges, taking into consideration the difference in juice yields.

3. The financial compensation shall be paid to the processor at his request when the control authorities in the Member States in which processing is carried out have established that the products which are covered by contracts have been processed.

4. The amount of financial compensation shall be fixed before the beginning of each marketing year.

TITLE II

Satsumas

Article 5

1. An aid scheme shall be applied to satsumas harvested in the Community and processed into segments. It shall comprise the grant of:

— aid to recognized citrus fruit producers' organizations within the meaning of Article 13a of Regulation (EEC) No 1035/72,

— financial compensation to processors of satsumas into segments.

2. For the 1993/94 marketing year, however, the individual citrus fruit producers referred to in Article 19c of Regulation (EEC) No 1035/72 may receive aid equal to two-thirds of that paid to producers' organizations provided that all other relevant provisions are complied with.

Article 6

The scheme referred to in Article 5 shall be based on contracts concluded between citrus fruit producers or producers' organizations and processors on the terms referred to in Article 2.

Article 7

The financial compensation shall be granted and the minimum price fixed in accordance with Article 3.

Article 8

1. The amount of the aid may not exceed 75 % of the average financial compensation granted to processors of satsumas into segments during the 1989/90, 1990/91 and 1991/92 marketing years.

2. The aid shall be paid to the producers' organizations referred to in Article 5 at their request when the control authorities in the Member State in which processing is carried out establish that the satsumas which are covered by contracts have been delivered to the processing industry.

3. The financial compensation may not exceed 25 % of the average financial compensation granted to processors of satsumas into segments during the 1989/90, 1990/91 and 1991/92 marketing years.

4. The financial compensation shall be paid to the processor at his request when the control authorities in the Member State in which processing is carried out establish that the satsumas which are covered by contracts have been processed into segments.

5. The amounts of the financial compensation and the aid shall be fixed for a period of three marketing years. On completion of that period and following a review of the situation in the sector and on the basis of that situation, in particular as regards the concentration of supply, the Commission may determine the amounts applicable for subsequent marketing years in accordance with the procedure referred to in Article 10.

TITLE III

General provisions

Article 9

1. The quantities of oranges delivered for processing under this Regulation shall be added to those placed in intervention for the purpose of assessing the overrun of

the threshold fixed for this product pursuant to Article 16b of Regulation (EEC) No 1035/72. To that end the threshold shall be increased by a quantity equal to the average of the quantities of oranges for which financial compensation was paid during the marketing years 1984/85 to 1988/89 inclusive.

2. For the purposes of implementing Article 16a (1) and (2) of Regulation (EEC) No 1035/72, the quantities of mandarins and clementines delivered for processing under this Regulation shall be treated as:

— production intended for consumption as fresh fruit for the purpose of fixing the intervention thresholds,

— a quantity qualifying for an intervention measure for the purpose of ascertaining an overrun, if any, of the intervention thresholds.

3. The quantities of satsumas delivered for processing under this Regulation shall be added to the quantities placed in intervention for the purpose of assessing the overrun of the threshold fixed for this product pursuant to Article 16a of Regulation (EEC) No 1035/72. To that end the threshold shall be increased by a quantity equal to the average of the quantities of oranges for which financial compensation was paid during the marketing years 1989/90 to 1991/92 inclusive.

Article 10

Detailed rules for the application of this Regulation and in particular for fixing the minimum prices, the financial compensation and the aid for producers' organizations shall be adopted in accordance with the procedure laid down in Article 33 of Regulation (EEC) No 1035/72.

Article 11

The measures provided for in this Regulation shall be regarded as intervention intended to stabilize the agricultural markets within the meaning of Article 3 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy [1]. They shall be financed by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF).

Article 12

Before the end of the 1995/1996 marketing year, the Commission will, if necessary, send a report to the Council on the application of this scheme, with, where appropriate, suitable proposals.

Article 13

Regulations (EEC) No 2601/69 and (EEC) No 1123/89 are hereby repealed.

Article 14

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, 8 November 1993.

For the Council

The President

W. CLAES

[1] OJ No L 94, 28. 4. 1970, p. 13.