

## COUNCIL REGULATION (EC) No 2202/96

of 28 October 1996

introducing a Community aid scheme for producers of certain citrus fruits

THE COUNCIL OF THE EUROPEAN UNION,

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

Having regard to the proposal from the Commission<sup>(1)</sup>,

Having regard to the opinion of the European Parliament<sup>(2)</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>(3)</sup>,

Whereas the present situation in the citrus fruit sector continues to be marked by serious difficulties in the disposal of Community production; whereas these difficulties are attributable mainly to the varietal aspects of production, production surpluses and marketing conditions for fresh and processed citrus fruit;

Whereas the Community supply of lemons, grapefruit, oranges and mandarins continues to keep pace with demand on the market in fresh fruit products for some varieties of products; whereas production of clementines has increased considerably in recent years to the extent that surpluses are being created; whereas satsumas, which are being replaced by clementines on the market in fresh fruit products, are also in surplus; whereas a system of support for producers should therefore provide an incentive for the disposal of the citrus fruit concerned with a view to their processing into juice and segments;

Whereas it seems appropriate to implement this system by means of contracts concluded between processors and producer organizations in order to ensure, firstly, regular supplies for processing industries and, secondly, effective checks on the products to be delivered and on the fact that they have actually been processed by the industry; whereas the system should guarantee supplies to consumers at reasonable prices and quality;

Whereas this new system must be able to function with a sufficient number of producer organizations from the outset; whereas, to that end, 'producer organizations granted preliminary recognition' within the meaning of this Regulation means not only the producer organizations referred to in Article 14 of Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organization of the market in fruit and

vegetables<sup>(4)</sup>, but also those referred to in Article 13 of that Regulation;

Whereas, in order to encourage producers to present their products for processing rather than withdrawal, provision should be made for the grant of an aid to producer organizations which deliver citrus fruit to the processing industries; whereas the amounts of the aid should be established for a transitional period of six years after which they should be a fixed sum; whereas those amounts are to be calculated on the basis of the ratio existing in 1995/96 between the financial compensation and the minimum price and be subject to an annual gradual reduction over the transitional period, except in the case of clementines and satsumas, in order to meet the general objectives of the common organization of the market in fresh products; whereas in the case of grapefruit, the aid to be applied is that established for lemons;

Whereas the production of citrus fruit features structural shortcomings in terms of marketing which are demonstrated by the excessive dispersal of supply; whereas therefore individual producers who deliver all their citrus fruit for processing through producer organizations should qualify under the system established by this Regulation; whereas for that reason and in order to ensure equality of treatment with the fresh products sector, provision should be made for the amount of the aid to be reduced; whereas, for the same structural reasons, it would be justified to grant an increase in the aid for producer organizations which conclude a contract for more than one year and in respect of minimum quantities;

Whereas the quantities that may be withdrawn from the market are limited by Regulation (EC) No 2200/96; whereas in cases where production is rising steps should be taken to prevent systematic recourse to processing as an alternative outlet; whereas the fixing of a threshold for processing, the overrunning of which, calculated on the basis of an average over three marketing years, would entail a reduction in aid in the current marketing year, would seem to be an appropriate measure to that end; whereas fixed thresholds should be laid down, based on the average quantity eligible for financial compensation during a reference period; whereas, provision should be made for introducing a system of advances, as aid may be reduced at the end of a marketing year as a result of overrunning of the threshold for processing;

Whereas the provisions of Regulation (EC) No 2200/96 should be applied to the processed citrus fruit sector to avoid duplication of rules and control bodies; whereas provision should also be made for penalties to guarantee uniform application of the new scheme throughout the Community,

<sup>(1)</sup> OJ No C 191, 2. 7. 1996, p. 7.

<sup>(2)</sup> OJ No C 277, 23. 9. 1996.

<sup>(3)</sup> OJ No C 212, 22. 7. 1996, p. 88.

<sup>(4)</sup> See page 1 of this Official Journal.

HAS ADOPTED THIS REGULATION:

#### Article 1

A Community aid scheme is hereby established for producer organizations which deliver for processing certain citrus fruits harvested in the Community. The scheme shall cover:

- (a) lemons, grapefruit, oranges, mandarins and clementines processed into juice;
- (b) clementines and satsumas processed into segments.

#### Article 2

1. The scheme referred to in Article 1 shall be based on contracts between, on the one hand, producer organizations recognized or provisionally admitted under Regulation (EC) No 2200/96 and, on the other, processors or legally constituted associations or unions of processors.

2. Such contracts shall be concluded before a specified date and for a minimum duration determined in accordance with the procedure laid down in Article 45 of Regulation (EC) No 2200/96. They must, *inter alia*, specify the quantities to which they relate, the phasing of deliveries to processors, and the prices to be paid to producer organizations, and state that the processor is under an obligation to process the products covered by the contracts.

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

- (a) products delivered to processors by producer organizations;
- (b) the actual processing of the quantities delivered.

#### Article 3

1. Aid shall be granted to producer organizations for the quantities delivered for processing under the contracts referred to in Article 2.

2. The amount of the aid is set out in Table 1 of the Annex hereto.

However:

- (a) where the contract referred to in Article 2 (1) covers more than one marketing year and a minimum quantity of citrus fruit, to be determined in accordance with the procedure laid down in Article 45 of Regulation (EC) No 2200/96, the amount of the aid shall be that indicated in Table 2 of the Annex hereto;
- (b) for quantities delivered under the provisions of Article 4, the amount of the aid shall be that indicated in Table 3 of the Annex hereto.

3. Without prejudice to the application of Article 5, the aid shall be paid by the Member States to producer organizations which apply therefor as soon as the inspecting authorities of the Member State in which processing is undertaken have established that the products covered by the contracts have been delivered to the processing industry.

The amount of the aid received by producer organizations shall be paid to their members.

4. Measures shall be adopted in accordance with the procedure laid down in Article 45 of Regulation (EC) No 2200/96 to ensure that the processing industry meets its obligation to process the products delivered by the producer organizations.

#### Article 4

1. Producer organizations shall pass on the benefit of the scheme established in this Regulation to individual producers who are not members of any such organizations who undertake to market through them their entire output of citrus fruit intended for processing and who pay a subscription to cover the extra management costs borne by the organization because of the application of this paragraph.

2. Where paragraph 1 is applied,

- (a) the amount of the aid received by the producer organization shall be paid to the individual producer concerned;
- (b) the quantities supplied by individual producers may not be included in the multiannual contracts referred to in Article 3 (2) (a).

#### Article 5

1. Processing thresholds shall be established, on the one hand, for lemons, grapefruit and oranges separately, and, on the other hand, for mandarins, clementines and satsumas taken together, as follows:

- lemons:  
444 000 tonnes,
- grapefruit:  
6 000 tonnes,
- oranges:  
1 189 000 tonnes,
- mandarins, clementines and satsumas:  
320 000 tonnes.

2. For each marketing year, overrunning of the processing thresholds shall be assessed on the basis of the average quantity processed under the scheme established by this Regulation over the last three marketing years, including the current marketing year.

3. Where an overrun has been established in accordance with paragraph 2, the aid fixed for the current marketing year in accordance with Article 3 (2) for the products in question shall be reduced by 1 % per tranche of the overrun.

Overrun tranches shall be equal 1 % of the level of each threshold indicated in paragraph 1.

#### Article 6

Detailed rules for the application of this Regulation, and in particular for a system of advances, payment of aid, monitoring measures and penalties, the marketing years, the minimum characteristics of the raw materials delivered for processing and the financial consequences of exceeding the threshold shall be adopted in accordance with the procedure laid down in Article 45 of Regulation (EC) No 2200/96.

#### Article 7

The provisions of Title VI relating to national and Community checks in Regulation (EC) No 2200/96 shall apply to the monitoring of compliance with this Regulation.

#### Article 8

If measures are needed to facilitate the transition from the previous arrangements to those established by this Regulation or to apply mechanisms not abolished by this Regulation, such measures shall be adopted in accordance with the procedure laid down in Article 45 of Regulation (EC) No 2200/96.

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

Done at Luxembourg, 28 October 1996.

#### Article 9

The Commission shall submit to the Council, on the basis of two years' operation, a report on the application of this scheme, together with appropriate proposals, if necessary.

#### Article 10

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<sup>(1)</sup>. They shall be financed by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF).

#### Article 11

The following are hereby repealed, with effect from the date of application of this Regulation:

- Council Regulation (EEC) No 1035/77 of 17 May 1977 laying down special measures to encourage the marketing of products processed from lemons<sup>(2)</sup>, and
- Council Regulation (EC) No 3119/93 of 8 November 1993 laying down special measures to encourage the processing of certain citrus fruits<sup>(3)</sup>.

#### Article 12

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

It shall apply from the 1997/98 marketing year.

For the Council

The President

I. YATES

<sup>(1)</sup> OJ No L 94, 28. 4. 1970, p. 13. Regulation as last amended by Regulation (EC) No 1287/95 (OJ No L 125, 8. 6. 1995, p. 1).

<sup>(2)</sup> OJ No L 125, 19. 5. 1977, p. 3. Regulation as last amended by Regulation (EEC) No 1199/90 (OJ No L 119, 11. 5. 1990, p. 61).

<sup>(3)</sup> OJ No L 279, 12. 11. 1993, p. 17.

## ANNEX

## Amounts of aid referred to in Article 3 (1)

TABLE 1

(ECU/100 kg net)

	1997/98 marketing year	1998/99 marketing year	1999/2000 marketing year	2000/01 marketing year	2001/02 marketing year	2002/03 and subsequent marketing years
Lemons	9,36	9,31	9,25	9,21	9,15	9,10
Grapefruit	9,36	9,31	9,25	9,21	9,15	9,10
Oranges	10,03	9,98	9,94	9,89	9,85	9,80
Mandarins	11,31	10,86	10,42	9,98	9,54	9,10
Clementines	8,90	8,95	8,99	9,03	9,07	9,10
Satsumas	7,34	7,69	8,04	8,40	8,75	9,10

TABLE 2

(ECU/100 kg net)

	1997/98 marketing year	1998/99 marketing year	1999/2000 marketing year	2000/01 marketing year	2001/02 marketing year	2002/03 and subsequent marketing years
Lemons	10,76	10,70	10,64	10,59	10,52	10,47
Grapefruit	10,76	10,71	10,64	10,59	10,52	10,47
Oranges	11,54	11,48	11,43	11,37	11,33	11,27
Mandarins	13,00	12,49	11,99	11,48	10,97	10,47
Clementines	10,26	10,30	10,34	10,38	10,42	10,47
Satsumas	8,44	8,85	9,25	9,66	10,06	10,47

TABLE 3

(ECU/100 kg net)

	1997/98 marketing year	1998/99 marketing year	1999/2000 marketing year	2000/01 marketing year	2001/02 marketing year	2002/03 and subsequent marketing years
Lemons	8,42	8,38	8,33	8,28	8,23	8,19
Grapefruit	8,42	8,38	8,33	8,28	8,23	8,19
Oranges	9,03	8,98	8,95	8,90	8,86	8,82
Mandarins	10,17	9,78	9,38	8,98	8,59	8,19
Clementines	8,03	8,06	8,09	8,13	8,16	8,19
Satsumas	6,61	6,92	7,24	7,56	7,88	8,19