



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 6.8.2003
COM(2003) 479 final

REPORT FROM THE COMMISSION TO THE COUNCIL

with regard to developments in consumption, washing and marking of eggs

Proposal for a

COUNCIL REGULATION

amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs

(presented by the Commission)

REPORT FROM THE COMMISSION TO THE COUNCIL

with regard to developments in consumption, washing and marking of eggs

TABLE OF CONTENTS

1.	Summary and conclusions	3
2.	Introduction	3
3.	Developments of egg consumption.....	4
3.1.	Eggs in shell versus egg products	4
3.2.	Consumption of table eggs by farming methods	5
3.3.	Marketing channels	6
3.4.	Producer and retail prices.....	6
4.	Hygiene legislation and washing of eggs.....	7
4.1.	Council Decision 94/371/EC	7
4.2.	Recasting of food hygiene legislation (hygiene legislation proposals).....	7
4.3.	Washing of eggs.....	9
4.3.1.	State of the art	10
4.3.2.	Developments in Sweden.....	10
5.	Marking of table eggs.....	12
5.1.	Welfare Directive and Farm register.....	12
5.2.	Marking of table eggs.....	13
5.2.1.	Eggs produced in the EU.....	13
5.2.2.	Imported eggs.....	14
6.	Recommendations and proposals.....	15

1. SUMMARY AND CONCLUSIONS

This report replies to the request from the Council to examine egg consumption trends and the questions of egg hygiene, washing and marking to identify producer and production method. Based amongst other on *ad-hoc* expert group meetings and data collected from trade organisations and Member States, it describes consumption and marketing patterns with regard to eggs from different farming methods and aims to identify and propose possible measures to adapt the common marketing standards for eggs.

The report arrives at the following conclusions and recommendations:

1. In order both to improve traceability of eggs and information of consumers the stamping of table eggs with a code designating the producer's distinguishing number and permitting the farming method to be identified should be implemented as from 1 January 2004 as provided for in Regulation (EEC) No 5/2001 amending Regulation (EEC) No 1907/90.
2. In order to facilitate control of egg sales in local markets, also eggs sold by producers from their own production in these markets should be stamped.
3. Washing of table eggs under strict surveillance should be authorised for a transitional period of three years for packing establishments which on 1 June 2003 had been approved to this end. The European Food Safety Authority should prepare a comprehensive scientific report on washing of table eggs by 31 December 2005.
4. The Commission will promote campaigns run by professional organisations aiming at information of consumers about the new rules for egg marking.
5. The Commission will adapt Regulation (EEC) No 1274/91 with a view to provide, on the one hand, for sufficient flexibility in particular for small producers on the question where eggs should be stamped (farm or packing centre) and, on the other hand, for additional guarantees to prevent fraudulent practices in trade at the level of producers, packers and wholesalers.
6. The Commission will also propose adaptations to Regulation (EEC) No 1274/91 concerning identification marking of establishments (collectors, packing centres) and will take the necessary measures to avoid any overlapping between marketing standards and future Community rules on hygiene in particular as regards the approval of such establishments.

2. INTRODUCTION

On 19 December 2000 the Council introduced into the marketing standards for eggs compulsory marking of table eggs in the Community with a producer code permitting the farming method to be identified.

Council Regulation (EC) No 5/2001 amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs¹ laid down that this provision should apply as from 1 January 2004.

¹ OJ L 2, 5.1.2001, p. 1.

In the same Regulation the Council asked the Commission to present a report in the following terms: *"The Commission shall submit to the Council by no later than 30 June 2003 a report on developments with regard to egg consumption, the wishes of consumers and of consumers organisations and the issue of egg marking and egg monitoring, together with suitable proposals"*.

This report should furthermore according to the recitals 6 of the said Regulation, look at *"developments in the area of food hygiene rules, particularly as regards washed eggs, and on the outcome of World Trade Organisation negotiations"*.

On 16 December 2002 the Council reached political agreement on a proposal for a Regulation of the European Parliament and of the Council laying down specific hygiene rules for food of animal origin, with the inclusion in the Council's minutes of certain declarations from the Commission. In particular, the Commission confirms that, pursuant to Regulation (EEC) No 1907/90 as amended by Regulation (EC) No 5/2001, it will submit a report to the Council by 30 June 2003, together with appropriate proposals. The report will discuss in particular the relationship between hygiene legislation and legislation on the marketing of eggs, including identification marking, approval of establishments and washing of eggs.

The present report answers these requests. It is based, amongst other, on two expert group meetings to which representatives from producer, trade and consumer organisations had been invited. Furthermore, the question of egg washing has been examined with experts and during a visit to Sweden. Finally, this report does not refer to WTO negotiations as these talks are still in preparatory stage.

3. DEVELOPMENTS OF EGG CONSUMPTION

3.1. Eggs in shell versus egg products

Human egg consumption is mainly followed on the basis of two data series:

- (a) Consumer purchases of eggs;
- (b) Supply balance sheets.

Household panel data usually cover purchases of eggs in shell only and thus represent a part of total egg consumption not including household purchases of egg products or egg contents of foodstuff and consumption in catering.

In supply balance sheets total human egg consumption is calculated by adding/deducting import/export of eggs and egg products to (estimated) production of eggs, taking into account of other than food uses (eggs for hatching and technical use, losses, change in stocks).

Total human egg consumption calculated from supply balance sheets and expressed in kg per capita is shown in Table 1 for the Member States since 1986 (Austria, Sweden, Finland: since 1991).

Average EU per capita consumption looks to have been rather stable since 1990 oscillating between 12,5 and 13,5 kg. This stability is the combined results of divergent developments in three groups of countries. In certain Member States (UK, Spain, Italy, Ireland) two periods can be distinguished:

- until the early nineties: a drop and
- in recent years: a recovery of per-capita consumption.

A second group of countries registers a drop of consumption (Germany until early nineties, Finland, less in Sweden), whereas finally in the Netherlands, Portugal and Italy in the very last years consumption is rising.

Of particular importance for the development of overall egg consumption in developed countries is the growing consumption of convenience food as a result of social trends (single-person households and out-of-home work of women increasing). As a consequence, egg products and/or food containing eggs more and more replace the use of eggs in shell by households and catering.

Although there are no comprehensive statistics in the EU to provide reliable data various sources confirm this trend. 2002 estimates point to a 20% share of all table eggs being processed by the egg product industry. This figure is expected to reach more than 30% over the next ten years, similarly to the development in the USA, where today already one third of all table eggs produced are being processed.

3.2. Consumption of table eggs by farming methods

In parallel with growing awareness of animal welfare questions in Central and North-Western Europe demand for eggs from other than caged hens has steadily increased since the seventies and egg farming has adapted to these changes.

Within the Common Marketing Standards for eggs provision has been made as early as 1985 (Council Regulation (EEC) No 1831/84 and Commission Regulation (EEC) No 1943/85) for harmonised criteria, labelling and control of "alternative" farming methods (free range, deep litter, perchery/barn).

These farming methods were defined in 2001 to take account of Council Directive 1999/74/EC on the protection of laying hens and summarised in only three categories as from 2002:

- free range,
- barn,
- cage.

On the basis of data collected by Member States in the framework of the marketing standards regulations, the evolution of alternative hen numbers in the Community can be illustrated. As shown in Table 2, the total number increased from some 10 Mio in 1991 to 39 Mio in 2002, or from 3% to 14% of all hens. UK, A, IRL, DK and NL score more than 20%, whereas E, EL and P have no or only few hens in non-cage commercial units.

Regarding retail sales, free range and barn eggs reach higher shares in particular in exporting countries like NL as well as in DK and A (close to 50%) where supermarket chains, on their own initiative and/or under pressure from animal welfare groups, have greatly reduced or even stopped sales of cage eggs. Partial data are available from Germany where packed eggs

with "special marketing terms"² have increased their share in total retail sales of eggs from 26% in 1998 to 39 % in 2002 (source: ZMP). For the UK it is estimated that by 2012 the egg market will be 50% cage and 50% alternative, of which 42% free range, 8% barn (source: EUWEP, expert group meeting February 2003).

The organic egg market is of minor importance. According to a study published in 2002 production of organic eggs in 2000 reached 1,3% on EU average, DK being the notable exception with 15% (see Table 3).

Sales of alternative eggs have been partly reduced in 2002 in some countries following slower growth of consumer income (source: ZMP).

3.3. Marketing channels

The Commission has invited representatives of producers, trade and consumers to two expert group meetings to examine consumption trends and questions of egg marking (July 2002, February 2003). The experts were amongst other asked to supply data on sales and purchasing patterns for table eggs. Unfortunately data received are not representative for the Community as information was made available for few Member States only (see Tables 4a and 4b).

The following conclusions are therefore valid only for the Member States shown:

- direct sales from farmers to consumers are generally not more than 10% except Austria (organic and free range eggs) and Germany. For the latter country, however, changed data collection as from 2003 has resulted in significantly different pattern; direct sales (at the farm, door-to-door, local markets) of formerly nearly 50% of all household purchases have fallen to 22%;
- the share of producer-packers varies greatly according to Member State (E: 99%, F: 35% for cage eggs) and method of production (no producer-packer for free range/organic eggs in France, but share between 30% and 85% in A).

3.4. Producer and retail prices

Data supplied by the expert group for up to 5 Member States illustrate that at retail barn/deep litter eggs are on average 60% more expensive than standard cage eggs. For free range eggs and organic eggs consumers are asked to pay 95% and 150% higher prices. These price differences are lower when discount retailers (ALDI etc.) get more involved in the sale of alternative eggs.

The price differences are in contrast to:

- declaration by the consumer representative in the expert group of February 2003 that consumers are ready to pay 40% more for alternative eggs;
- the production costs for eggs³ of different types show smaller differences than the respective retail prices i.e. retail margins are higher for alternative eggs.

² Methods of farming incl. organic, "corn eggs".

³ Assuming that 2002 was an "average" year for producers were prices received were at or slightly above break even.

4. HYGIENE LEGISLATION AND WASHING OF EGGS

4.1. Council Decision 94/371/EC

Council Decision 94/371/EC lays down certain specific public health conditions for the placing on the market of hens' eggs belonging to the following types: class A eggs, non-refrigerated or non-preserved class B eggs and ungraded eggs. However, it does not apply to eggs intended for the production of egg products.

Its major objectives are to regulate critical steps of the production and marketing chain of eggs:

- storage and transportation:
the Decision states that eggs must be kept dry, out of direct sunshine and stored and transported at a preferably constant temperature at the producer's premises until sale to the consumer;
- delivery to the consumer:
the Decision sets out the maximum time limit for delivering eggs to the consumer at 21 days after laying. In addition, it defines the sell-by date as a period corresponding to the date of minimum durability less seven days.

Some of these provisions have been taken into account when recasting the existing Community legislation on food hygiene, as described below.

4.2. Recasting of food hygiene legislation (hygiene legislation proposals)

One of the key elements of the White Paper on Food Safety, which was adopted by the Commission in January 2000, is the hygiene package. This package, which comprises five legislative acts, will create a single transparent hygiene policy and will merge, harmonise and simplify EU hygiene legislation previously covered by 17 separate directives. It has thus resulted in five proposals for Regulations relating to food hygiene, official controls and animal health problems.

Good progress was made in the legislative process for this package since it was submitted to the Council and the European Parliament on 24 July 2000 for adoption by co-decision. The fourth proposal was adopted and published in December 2002. Moreover, the Council reached political agreement on the first proposal in June 2002 and in December 2002 on the second proposal. It agreed, however, that it would not adopt a common position until it had made sufficient progress on other elements of the package (mainly the third proposal) so as to ensure their consistency.

The leitmotif throughout the recasting of the hygiene rules, and particularly in the two first proposals, is that food operators bear full and prime responsibility for the safety of the food they produce. The implementation of hazard analysis and control principles (HACCP) and the observance of hygiene rules must ensure this safety. This is in line with the internationally accepted approach advocated by the *Codex Alimentarius*. In addition, provision is made for hygiene rules to be applied at all levels of the food chain, from primary production to delivery to the final consumer ('from the farm to the table').

The first proposal of the package (called *Hygiene I*) aims at establishing a common basis for hygiene to be respected by all business operators. This proposal covers all food from animal

origin as well as from plant origin and provides for the establishment of guides to good practice by the food sectors in order to give guidance to food business operators on food safety and the implementation of HACCP. It also gives flexibility for food businesses in remote areas, for traditional food production and for the implementation of HACCP in small businesses and provides for the registration of all food businesses by the competent authority.

The second proposal (called *Hygiene 2*) aims at establishing detailed hygiene rules to be respected by all food business operators handling food of animal origin (including eggs and egg products). This proposal applies to unprocessed and processed products of animal origin, but also to products of animal origin used in the manufacture of composite products made from products of plant origin and processed products of animal origin.

The third proposal (called *Hygiene 3*) lays down specific rules for the organisation of official controls on products of animal origin and more precisely on meat, molluscs, fishery products, milk and milk products. They will apply in addition to the general rules provided for in the proposal for a Regulation on official food and feed safety controls. The fourth proposal (called *Hygiene 4*) aims to define the measures that need to be taken in order to prevent the spread of animal diseases through products of animal origin. Finally, a separate fifth proposal (called *Hygiene 5*) to repeal the existing legislation with respect to the above subjects has been attached to complete the exercise.

The main provisions, which will affect the egg sector, are those contained in the two first proposals of this package.

- At the level of primary production, egg producers will have to adopt good practice and take actions in order to ensure that food and food sources are produced under hygienic conditions. Their activities will have to be carried out in accordance with general hygienic rules specifically developed for primary production (Hygiene 1 - Annex I) and, where necessary, with the specific hygienic rules concerning the storage and transport of eggs (Hygiene 2 - Annex III, Section X, Chapter I). They will be subject to registration by the competent authority.
- For all the following production stages, the implementation of the HACCP system will become mandatory. Collectors, packing centres and establishments manufacturing egg products will have to put in place, implement and maintain permanent procedures based on the HACCP principles to verify that the products they place on the market are safe. To that end, they may use guides or codes to good practice developed to serve as support tools for the operations they carry out.

In addition, they will have to comply with general and specific hygienic rules:

- the general hygiene rules (Hygiene 1 - Annex II) refer to requirements with which, in particular, the infrastructure and the equipment used in all food businesses will have to comply;
- the specific hygiene rules (Hygiene 2 - Annex III, Section X, Chapters I and II) simplify the requirements laid down in Decision 94/371/EC (see point 4.1) and in Directive 89/437/EEC on hygiene and health problems affecting the production and placing on the market of egg products.

- From a general point of view, the marketing of products of animal origin produced in the Community will only be authorised if they have been processed entirely in establishments, which are registered, or, where necessary, approved by the competent authority. The activities of collectors, packing centres and establishments manufacturing egg products will be subject to approval. Similarly, the placing on the market of a product of animal origin handled in an establishment subject to approval will in principle only be authorised if it bears an identification mark indicating the approval number of the establishment. The draft common position of the Council reached in December 2002 on the specific hygiene rules provides that *"an identification mark is not necessary for eggs in respect of which Regulation (EEC) No 1907/90 lays down requirements concerning labelling or marking"*. It means that the register and identification of collectors and packing centres continues to be covered by common marketing standards;
- from a specific point of view, as regards eggs, the current requirements relating to the storage and transport of eggs are maintained in the proposal (Hygiene 2). Similarly, the maximum date for the delivery of eggs to consumer is still fixed at 21 days. However, the date of minimum durability is no more defined.

4.3. Washing of eggs

The practice of washing eggs of class A for human consumption is forbidden by the European Union legislation. A fresh egg of class A should be produced in a way that ensures it is fit for human consumption. Washed eggs should be downgraded. This is in contrast to certain third country attitudes, such as USA, Japan and Australia where washing of eggs is commonly practised.

Among the Member States, it is only in Sweden that table eggs are commonly washed, in order to meet a consumer preference. Even in other Member States, like UK and Italy, the consumers may have the idea that a washed egg is safer. This idea in the mind of consumers has emerged as a consequence of repeated food poisoning cases, caused by egg-borne *Salmonella enteritidis* and media campaigns on this subject. The increased use of alternative systems and the consequently higher percentage of non-cage eggs available on the market may produce a higher number of dirty eggs. These dirty eggs must be downgraded and sell at a lower price, which causes a loss of income to the producers. This explains why the washing of eggs still attracts interest.

Nevertheless, it should be taken into account that a cuticle membrane, that is an organic layer, covers the whole surface of an egg. Under normal conditions and good handling practices, the cuticle protects the egg against dehydration and offers a natural barrier to the common contaminants present in the flora that colonises the surface of the egg. The egg content can be contaminated in a vertical way, when the layer's ovaries or oviduct are infected, and in a horizontal way, when contaminants, originating for example from faecal material or dust in the nest, can get through the shell inside the egg. The washing of eggs cannot change the situation of a vertical transmission of contaminants. In case of a horizontal transmission, the cuticle offers a natural barrier and when not handled properly, damage of the cuticle can cause a higher fragility of the egg and the risk of contamination of its content rises. Risk of damage of the cuticle can be caused by:

- presence of water on the shell (also a simple condensation can damage the cuticle when the egg is packed wet),
- presence of iron in the wash water,

- faecal contamination on the shell and, in this case,
- physical brushing to remove the dirtiness,
- high pressure (while washing for example), etc.

For these reasons, the practice of cleaning eggs must be carried out very gently and carefully, to avoid the destruction of the natural cuticle and subsequent lowering of quality of the egg.

4.3.1. State of the art

The washing of table eggs of class A is not permitted by European legislation. Article 5(2) of Commission Regulation (EEC) No 1274/91 of 15 May 1991 introducing detailed rules for implementing Regulation (EEC) No 1907/90 on certain marketing standards for eggs⁴ states that "*Grade 'A' eggs shall not be washed or cleaned by any other means before or after grading.*" Because of this provision, washed eggs must be downgraded to class B eggs but this practise is rarely applied within EU, with the exception of Sweden. The reluctance shown within EU to allow the practice of washing eggs comes from the possibility of deterioration of the cuticle, as described above.

The EU legislation provides for the merging of present class B and C eggs into class B and that, starting from 1 January 2004, class B eggs should not be sold as table eggs any longer. This creates a concern in Sweden where the washing of eggs is a common habit and certain consumers' preference goes in favour of buying washed eggs.

In countries where egg washing is permitted, this practise is seen as a fairly low risk operation.

Nowadays, the practice of egg washing and equipment available on the market make the whole practise more accountable than before. The current commercial egg-washing machines are friendlier on the egg.

Currently, the commercial general process for egg washing can be divided into four stages:

1. wetting
2. washing
3. rinsing and
4. drying.
5. The normal grading and packing operation as carried out in installations not using washing would then follow.

The cost affordable by medium and large-sized packing centres, with an insignificant increase of the egg price. The costs are estimated at € 0,01 per egg washed and could be considered negligible when the consumer is ready to pay for it.

4.3.2. Developments in Sweden

The washing of eggs has been going on in Sweden for the past forty years. The Swedish consumer attitude is to prefer washed eggs, after a campaign of information, with a strong

⁴ OJ L 121, 16.5.1991, p. 11.

demand upon washing from catering sector, especially for hospitals. A little more than 50% of table eggs are washed in Sweden.

The Swedish authorities asked the European Commission to be allowed to continue to wash table eggs for their internal market. Commission services has held one working group meeting in May 2003 and a two-day visit to Sweden that took place on 5 and 6 June 2003, where the Commission was assisted by a senior expert on egg washing from UK. The visit gave an opportunity to see in-line egg washing machinery and to discuss egg washing with representative of the competent authority including National Food Administration inspectors, who were present throughout the visit. Visits were made to two egg packing centres - one did not wash eggs, the other did. The views expressed highlighted the range of opinions that have been a feature of the debate on egg washing. The egg product industry requires clean products and also the hatcheries wash or disinfect eggs. The Swedish base their reasons for washing table eggs on the possible risks of presence on the shell of parasites, bacteria, viruses, fungus, dust, urate. They see major risk when moving layers from traditional cages to floor production or enriched cages, where layers are more in contact with litter, manure and micro-organisms living in the environment. Moreover, they consider that unwashed eggs can cause a cross-contamination from the eggshell in the refrigerators and when handling eggs, with other food. At present, table eggs in Sweden are stored at controlled temperature. The chain for temperature control involves producers, lorries, packing stations, retailers and shops up to the consumer. Eggs are kept at the standardised temperature of 10-15°C.

There are few egg packers at the moment in Sweden, half of them not washing eggs and half washing eggs and marketing them as class B. Re-washing dirty eggs already washed is not permitted - this is an important safeguard.

In many ways, the systems operating are similar to those in place in countries outside the EU where washing is routinely undertaken.

The washing process itself appears to treat the eggs carefully, with just gentle brushing. However, there was inadequate information on the effect of the washing process upon the structure of the eggshell and the possibility of cuticle damage. Machine manufacturers generally do not hold this information because egg-washing practices are seen as being safe and well established in other countries. Whilst this second packing centre visited has data on shelf life of eggs (total bacterial counts of shells and egg content, Haugh Units and air space height) through the studies undertaken in conjunction with the Swedish Institute for Food and Biotechnology, recommendations were made for more direct ways of evaluating the effect of washing practices upon shell quality.

Discussions held highlighted that the competent authority was very supportive of a continuation of egg washing in Sweden. Certain retailers and institutional buyers (e.g. hospitals) insisted on washed eggs, regarding them as cleaner and safer. It was feared that the loss of washing would lead to some of these buyers switching to the use of egg products instead of shell eggs and that this market could then be affected by cheap imports from other countries. The procedures used by the NFA for inspections of packing premises were explained. At present, the number of in-line egg washing machines in Sweden is limited to only around 4-5 in total, but these pack a high percentage of eggs. Some 95% of the production industry uses white shelled eggs and only 5% are brown. Small amounts of dirt are more visible on white than on brown-shelled eggs.

In the absence of approval for egg washing on an organised basis, there will continue to be a huge temptation for Swedish producers to illegally wash eggs on the farm, using sub-standard

equipment with inadequate safeguards. Prohibition of illegal washing is difficult to enforce and the temptation is likely to increase as thresholds for dirt get tougher and countries move towards non-cage production systems in which first quality eggs are more valuable but the likelihood of dirt contamination on shells is greater.

In conclusion, from a technical perspective, allowance should be made for table eggs to be washed on a voluntary basis in Sweden on the basis of a temporary derogation in common marketing standards. These washed eggs should conform with criteria of class A eggs and be labelled as "washed eggs" on the pack. This derogation should be limited to establishments already washing eggs at present and subject to the adoption of the strictest standards and controls including of prior approval of equipment used. This view is based on previous studies of the subject as well as the findings of the visit.

A long-standing argument against egg washing, and its authorisation all over European Union is that it may be used to cover up poor husbandry and hygiene standards on farms and packing centres. Egg washing should be available only to those who are prepared to adopt the highest standards both at farm and packing centre level. In recognition that poor washing can make an egg more vulnerable, only those businesses with a 'food hygiene' mentality should be permitted to wash eggs. This need not exclude smaller operators.

5. MARKING OF TABLE EGGS

5.1. Welfare Directive and Farm register

Directive 1999/74/EC lays down specific requirements for the protection of laying hens. It defines minimum standards for various systems of farming and allows the Member States to choose the most appropriate system or systems. Article 7 of this directive requires that every establishment covered by its scope shall be registered by the competent authority of the Member State and given a distinguishing number. This number is foreseen as the medium for tracing eggs placed on the market for human consumption.

The arrangements for the implementation of the registration are laid down in Commission Directive 2002/4/EC of 30 January 2002⁵. The Member States were obliged to adopt the necessary legislation establishing a registration system at national level by 31 March 2003 and, by 31 May 2003, to register all establishments with 350 or more laying hens, allocating the distinguishing code to them.

In May 2003 formal notices according to Article 226 EC were sent to 13 Member States. By 17 June 2003, only four Member States had notified full transposition and two only partial transposition.

Directive 2002/4/EC defines the necessary data required for registration. Furthermore, it lays down the structure of the number, which shall be composed of a code for the farming method as defined in the marketing standards (1 = free range, 2 = barn, 3 = cage), two digit letter ISO code for the Member State and an identification of the establishment. Regarding the last element, Member States are free to use already existing registration numbers, used for other purposes.

⁵ OJ L 30, 21.1.2002, p. 44.

5.2. Marking of table eggs

5.2.1. Eggs produced in the EU

Detailed rules for the stamping of class A eggshell with *"a code designating the producer's distinguishing number and permitting the farming method to be identified"*, according to Article 7(1)(a), be determined in accordance with the procedure laid down in Article 20 of Council Regulation (EEC) No 1907/90, i.e. by Commission implementing Regulation following the Management Committee procedure.

The Commission will therefore propose amendments to Commission Regulation (EEC) No 1274/91 introducing detailed rules for implementing Regulation (EEC) No 1907/90 on certain marketing standards for eggs.

These will, regarding the use of the farm code, the indication of the farming method and other related matters, concern the following points in particular:

- farm code and other indications on eggs:
The farm code as defined by Directive 2002/4/EC must be stamped on eggs. Apart from this compulsory code the indication of the farming method in full on eggs should be optional;
- an explanation of the farm code may be given on the pack (inside or outside);
- the main question is the place of stamping table eggs, at farm or in the packing centre. Stamping at the farm has the obvious advantage that the origin of the eggs is clearly identifiable and later "mistakes" (fraudulent practices) are avoided. On the other hand, cost and handling problems are becoming more important on smaller units. Furthermore, farm stamping covers all eggs and not only table eggs (80% of total production) while "double" stamping will also happen (farm: code; packing centre: dates).
It is therefore appropriate to consider a flexible approach i.e. provide the option to stamp at farm or packing centre where in the latter case additional conditions regarding separation of individual suppliers should be laid down. This corresponds to the majority view expressed in the expert groups by representatives of all groups and doesn't hinder the use and further development of certification schemes based on and promoting farm stamping of eggs;
- in order to improve the traceability of eggs in case of sales at weekly markets, it is proposed to repeal the derogation to exempt the farmers' sales at local markets from the labelling provisions of Article 7(1)(a). In fact, experience has shown that such sales are often not limited to the farmers' own production and local authorities are not in a position to stop such fraudulent practices. To help the correct application of marketing standards at local market, it should be further proposed that:
 - ungraded eggs leaving packing centres to other packing centres shall always be stamped with the farm code,
 - all ungraded eggs traded between Member States must be stamped with the farm code.

5.2.2. *Imported eggs*

The Code stamping of table eggs marketed in the Community applies to imported eggs as well. Article 7(1)(b) of Council Regulation (EEC) No 1907/90 provides that the Commission shall evaluate the labelling methods in force in exporting third countries.

Depending upon the findings two types of codes are envisaged:

- if in certain countries procedures are equivalent to Community rules, imported eggs may be given a distinguishing code as referred to in Article 7(1)(a) of Regulation (EEC) No 1907/90;
- if procedures are not considered to be equivalent a distinguishing code shall be given enabling the unspecified nature of the farming method and the country of origin to be identified.

The detailed rules for stamping imported eggs will be laid down in the Commission's implementing Regulation.

The control of the compliance with these rules should be left to the national competent authorities in charge of monitoring the compliance with the relevant health and veterinary rules. In fact EU veterinary legislation regarding imports of eggs in shell from third countries is not yet fully harmonised. It is left to Member States to approve packing stations in EU-approved third countries from which eggs in shell may be imported into the respective Member State.

Table 6 shows the list of third countries from which eggs in shell were imported during the last three years 2000-2002. Most of these imports were for inward processing. For certain imports under "normal" regime cif prices seem to indicate other than hen table eggs (Mexico: special pathogen free fertilised eggs; USA: hatching eggs; China, Taiwan, Singapore: quail eggs).

Taking this into account the Commission has written to the following 10 third countries asking for information on egg grading and labelling rules, criteria for farming methods and farm registers operated: Czech Republic, Hungary, Lithuania, Poland, Norway, Switzerland, USA, Canada, Israel, PR China.

By 20 June 2003 had replied: Czech Republic, Lithuania, Switzerland, Israel.

Lithuania and Israel have declared that their shell egg export to the EU concern eggs for processing. Switzerland has indicated that in 2002 no exports of eggs to EU were registered and that in view of the high production costs compared to those in the Community it is not likely that commercial exports will take place.

Farm register exists in Switzerland and Israel. Lithuania is finalising the preparation of the procedure for the registration of egg farms according to Directive 2002/4/EC, which is planned to enter into force in June 2003. In Switzerland (no caged hens) and Israel, table eggs must be stamped with the country of origin (CH) or the name or trademark of the approved contractor (packing centre) and the weight category (Israel). Stamping the farming method or producer code is not compulsory in both countries.

It results from the documentation so far received from four countries, that only Lithuania would fully qualify for full equivalence in conformity with Article 7(1)(b) of Regulation (EEC) No 1907/90 provided that implementation of the Directive 2002/4/EC is achieved by

1 January 2004. Further information is requested from Czech Republic regarding some questions outstanding (type of farming and farm register) as well as from Hungary and Poland which have so far not replied.

6. RECOMMENDATIONS AND PROPOSALS

Having examined consumption trends as well as the questions of egg hygiene, washing and marking the Commission recommends the following steps and measures to be undertaken

1. In order both to improve traceability of eggs and information of consumers the stamping of table eggs with a code designating the producer's distinguishing number and permitting the farming method to be identified should be implemented as from 1 January 2004 as provided for in Regulation (EEC) No 5/2001 amending Regulation (EEC) No 1907/90.
2. In order to facilitate control of egg sales in local markets, also eggs sold by producers from their own production in these markets should be stamped.
3. Washing of table eggs under strict surveillance should be authorised for a transitional period of three years for packing establishments which on 1 June 2003 had been approved to this end. The European Food Safety Authority should prepare a comprehensive scientific report on washing of table eggs by 31 December 2005.
4. The Commission will promote campaigns run by professional organisations aiming at information of consumers about the new rules for egg marking.
5. The Commission will adapt Regulation (EEC) No 1274/91 with a view to provide, on the one hand, for sufficient flexibility in particular for small producers on the question where eggs should be stamped (farm or packing centre) and, on the other hand, for additional guarantees to prevent fraudulent practices in trade at the level of producers, packers and wholesalers.
6. The Commission will also propose adaptations to Regulation (EEC) No 1274/91 concerning identification marking of establishments (collectors, packing centres) and will take the necessary measures to avoid any overlapping between marketing standards and future Community rules on hygiene in particular as regards the approval of such establishments.

Table 1 – Egg consumption per capita*in kg*

Year	BLEU	DK	D	EL	E	F	IRL	I	NL	A	P	FIN	S	UK	EU
1986	14,52	14,80	16,33	11,87	16,26	15,41	11,29	10,50	10,96		6,94			13,13	13,76
1987	14,33	14,36	15,88	12,46	16,15	15,53	11,25	11,70	9,38		7,03			13,58	13,91
1988	12,26	12,04	15,60	12,66	16,27	16,38	10,70	11,58	9,71		7,18			13,15	13,90
1989	12,46	14,19	14,82	12,36	15,85	15,57	9,46	10,42	9,96		7,44			11,50	13,09
1990	13,33	14,66	14,40	11,90	16,27	14,99	9,92	10,39	10,60		7,54			12,37	13,18
1991	13,88	15,03	14,72	11,28	15,24	14,99	11,43	11,27	9,26	12,03	7,75	13,16	12,07	10,64	12,96
1992	14,11	15,76	14,13	11,13	14,40	14,96	10,51	11,57	10,21	11,88	8,20	13,29	12,23	10,33	12,77
1993	14,12	14,95	13,21	11,05	14,70	14,66	9,79	10,67	11,31	13,88	8,40	10,71	12,27	10,22	12,37
1994	14,35	16,08	13,32	10,85	14,35	15,75	8,64	10,51	13,20	13,71	8,68	10,40	10,08	10,21	12,60
1995	14,51	15,86	13,74	10,59	14,69	15,96	9,44	10,52	15,27	13,79	8,37	11,82	11,96	10,02	12,67
1996	14,47	14,06	13,64	10,73	13,02	16,00	7,45	10,28	12,17	13,90	8,26	10,99	12,45	10,71	12,51
1997	14,43	15,16	13,93	10,63	14,35	15,55	7,45	9,86	13,32	14,43	8,25	10,40	12,21	10,86	12,58
1998	16,18	16,25	13,66	10,75	13,78	15,72	6,07	10,52	14,40	14,03	8,84	10,18	12,25	10,49	12,62
1999	14,52	14,51	13,74	10,55	15,10	15,95	7,10	11,79	14,51	13,38	8,92	9,95	11,84	10,08	12,89
2000	13,60	13,96	13,63	10,91	18,01	15,87	9,75	14,72	14,63	13,24	9,21	10,02	11,92	10,36	13,56
2001	12,99	14,62	13,55	11,59	15,64	15,77	9,71	13,02	13,85	13,13	9,86	9,44	11,80	11,43	13,24
2002 e	14,44	15,44	13,61	11,19	16,02	15,35	9,21	13,06	15,88	13,83	9,53	9,83	10,99	12,26	13,26
2003 f	12,87	15,35	13,26	11,02	16,06	15,30	9,14	12,94	11,09	13,49	9,07	9,74	11,13	11,97	12,85

e = estimation; f = forecast.

Table 2 – Alternative egg production: average number of laying hens (1991-2002)

	Year	BLEU	DK	D	EL	E	F	IRL	I	NL	A	P	FIN	S	UK	EU
Free range	1991	5 317	45 491	259 302			135 974	133 062	n.d.		-		-	-	2 649 087	3 228 233
	1993	5 774	76 220	206 736			750 000	201 822	n.d.	486 929	-		-	-	3 760 000	5 487 481
	1995	4 465	340 597	778 123			621 506	215 647		766 488	286 668		n.d.		3 993 661	6 720 487
	1996	18 377	381 724	1 524 451			1 100 000	219 000		970 989	285 157				4 192 831	8 407 372
	1997	28 217	352 828	1 381 085			1 150 000	281 673		1 853 136	344 466				4 589 317	9 636 256
	1998	60 756	370 236	1 801 535			1 180 000	318 000		2 175 000	456 433				5 153 516	11 059 043
	1999	71 760	393 599	2 267 166			1 270 000	364 526		2 650 000	542 992				6 019 357	13 036 408
	2000	96 836	311 024	2 899 353			1 482 000	435 215	15 850	3 500 000	589 007				6 281 793	15 022 071
	2001	156 042		3 160 936			2 109 806	469 750	18 281	4 144 311	680 557			15 552	6 555 983	16 941 685
	2002			4 507 493	2 200			509 686		4 579 992	773 815	30 000			6 926 041	16 555 412
Semi-intensive	1991	17 596		17 026			923 640		n.d.		-		-	-		276 079
	1993	43 752		24 126			120 000		n.d.	88 201	-		-	-		1 185 375
	1995	28 117		44 268			2 028 056			99 274	310		n.d.			2 199 715
	1996	20 742		31 136			1 700 000			91 158	563					1 843 036
	1997	21 052		140 934			2 000 000		7 727	118 000	1 280					2 287 713
	1998	14 891		139 523			1 370 000			141 000	259					1 665 414
	1999	29 844		197 147			1 889 460		20 123	175 000	3 585					2 311 574
	2000	36 129		217 422			2 112 000		39 573	230 000	5 068			2 720		2 637 844
	2001	51 026		246 991			3 047 661		163 020	226 957	2 002	16 322		30 093		3 782 070
	2002															
Deep litter (barn)	1991	137 539	349 792	1 122 524			420 234		n.d.	2 932 076	-		-	-	8 161	5 179 450
	1993	127 922	297 181	1 322 887					n.d.	3 431 460	-		-	-		5 816 553
	1995	212 872	570 356	2 458 605			103 197		174 119	3 435 299	360 503		n.d.	550 000		7 504 448
	1996	209 263	666 669	2 353 942					166 304	3 578 470	439 363		25 058	800 000		7 799 706
	1997	282 370	719 362	2 112 330					249 175	3 835 300	555 817		100 975	324 012		7 623 524
	1998	266 457	655 642	2 411 497			8 914		249 387	4 027 000	630 716		141 467	356 987		8 117 351
	1999	275 468	640 174	2 544 508			248 282		449 790	4 200 000	692 375		149 800	500 169	50 637	9 058 828
	2000	378 573	536 735	2 534 619			450 000		599 150	4 710 000	753 274		157 400	472 865	44 421	9 883 763
	2001	364 102		2 688 802			1 309 370		699 853	4 447 359	732 592		197 900	396 759		10 640 880
	2002			3 221 584				55 100		4 994 359	853 860		251 400		1 860 929	10 383 372
Perchery	1991	41 107		48 780			88 130		n.d.		-		-	-	979 364	1 684 673
	1993	22 960	5 500	6 290				4 960	n.d.	414 963	-		-	-	1 230 000	1 756 916
	1995	21 524	53 100	19 683			18 000	4 320		254 870	18 600		n.d.	130 000	1 066 604	1 568 101
	1996	9 538	42 000	22 274						190 550	27 600			135 000	1 066 183	1 465 545
	1997	8 607	30 060	34 062						108 840	43 034			301 306	1 222 207	1 705 082
	1998	10 387	23 200	31 315			79 680			114 000	17 875			476 243	1 338 392	2 073 217
	1999	10 142	19 500	54 059			590 090	23 000		135 000	20 393			430 350	1 953 774	3 215 915
	2000	8 838	9 300	66 128			590 080	30 960	12 435	160 000	14 012			415 086	2 039 050	3 331 877
	2001	9 849		123 074			635 960	44 900	23 458	292 660	9 709			698 796	2 031 365	3 869 362
	2002															
TOTAL alternative	1991	201 559	395 283	1 447 632			1 567 978	133 062	n.d.	2 932 076	-		-	-	3 636 612	12 627 683
	1993	200 408	378 901	1 560 039			870 000	206 782	n.d.	4 421 553	-		-	-	4 990 000	14 738 062
	1995	266 978	964 053	3 300 679			2 770 759	219 967	174 119	4 555 931	666 081		n.d.	680 000	5 060 265	17 992 751
	1996	257 920	1 090 393	3 931 803			2 800 000	219 000	166 304	4 831 167	752 683		25 058	935 000	5 259 014	19 515 659
	1997	340 246	1 102 250	3 668 411			3 150 000	281 673	256 902	5 915 276	944 597		100 975	625 318	5 811 524	21 252 575
	1998	352 491	1 049 078	4 383 870			2 638 594	318 000	249 387	6 457 000	1 105 283		141 467	833 230	6 491 908	22 915 025
	1999	387 214	1 053 273	5 062 880			3 997 832	387 526	469 913	7 160 000	1 259 345		149 800	930 519	8 023 768	27 622 725
	2000	520 376	857 059	5 717 522			4 634 080	466 175	667 008	8 600 000	1 361 361		157 400	890 671	8 365 264	30 875 555
	2001	581 019		6 219 803			7 102 797	514 650	904 612	9 111 287	1 424 860	16 322	197 900	1 141 200	8 587 348	35 233 997
	2002			7 729 077	n.d.			564 786		9 574 351	1 627 675		251 400		8 786 970	(26 938 784)
TOTAL laying hens	2002	12 069 000	3 553 000	45 821 000	7 013 000	42 615 000	53 560 000	2 121 000	51 394 000	32 738 000	5 762 000	5 731 000	3 715 000	5 106 000	32 907 000	304 107 002

Table 3 – Share of organic egg production and consumption - 2000 (%)

Member State	Production (volume)	Consumption (value)
B	0,3	0,5
DK	15,1	8,1
D	1,4	1,3
EL	0,0	0,0
E	0,1	0,1
F	2,1	1,6
IRL	n.d.	n.d.
I	0,3	0,4
L	5,6	n.d.
NL	0,3	1,3
A	3,5	2,2
P	n.d.	n.d.
FIN	1,2	1,1
S	2,1	1,3
UK	2,0	1,9
EU average	1,3	1,2

Source: U. Hamm e.a.: *Analysis of the European market for organic food, 2002.*

Table 4a – Sales channels for table eggs

Cage eggs			E	F	A	
% of sales	producers to consumers	- on the farm				2
		- on local markets				2
		- to the home		10		2
		TOTAL	< 1	10		6
	wholesale markets		< 1	0		13
	packing centres		91	83		40
	Industry		8	7		6
	retailer/catering		< 1	0		35
	Export		< 1	0		0
% share of producer-packers on total output			99	35		90
Barn and deep litter eggs			E	F	A	
					barn	deep litter
% of sales	producers to consumers	- on the farm			6	2
		- on local markets			2	2
		- to the home		10	0	2
		TOTAL		10	8	6
	wholesale markets					
	packing centres			90	75	1
	Industry				2	90
	retailer/catering				15	1
	Export				0	2
% share of producer-packers on total output				2	90	30
Free range eggs			E	F	A	
% of sales	producers to consumers	- on the farm				10
		- on local markets				10
		- to the home		10		2
		TOTAL	10	10		22
	wholesale markets					1
	packing centres		90	90		15
	Industry					1
	retailer/catering					61
	Export					0
% share of producer-packers on total output			< 1	0		85
Organic eggs			E	F	A	
% of sales	producers to consumers	- on the farm				15
		- on local markets				15
		- to the home		10		5
		TOTAL		10		35
	wholesale markets					1
	packing centres			90		15
	Industry					1
	retailer/catering					48
	Export					0
% share of producer-packers on total output				0		50

Source: Expert group February 2003

Table 4b – Household purchases of eggs, Germany

	OLD PANEL			NEW PANEL
	2000	2001	2002	Jan. - April 2003
farm, door to door	40	39	38	14
weekly market	9	9	9	8
discount	28	29	32	46
consumer market	13	13	13	20
other	11	10	8	12

Table 5 – Production costs and retail prices for eggs - 2002

(€/100 eggs)

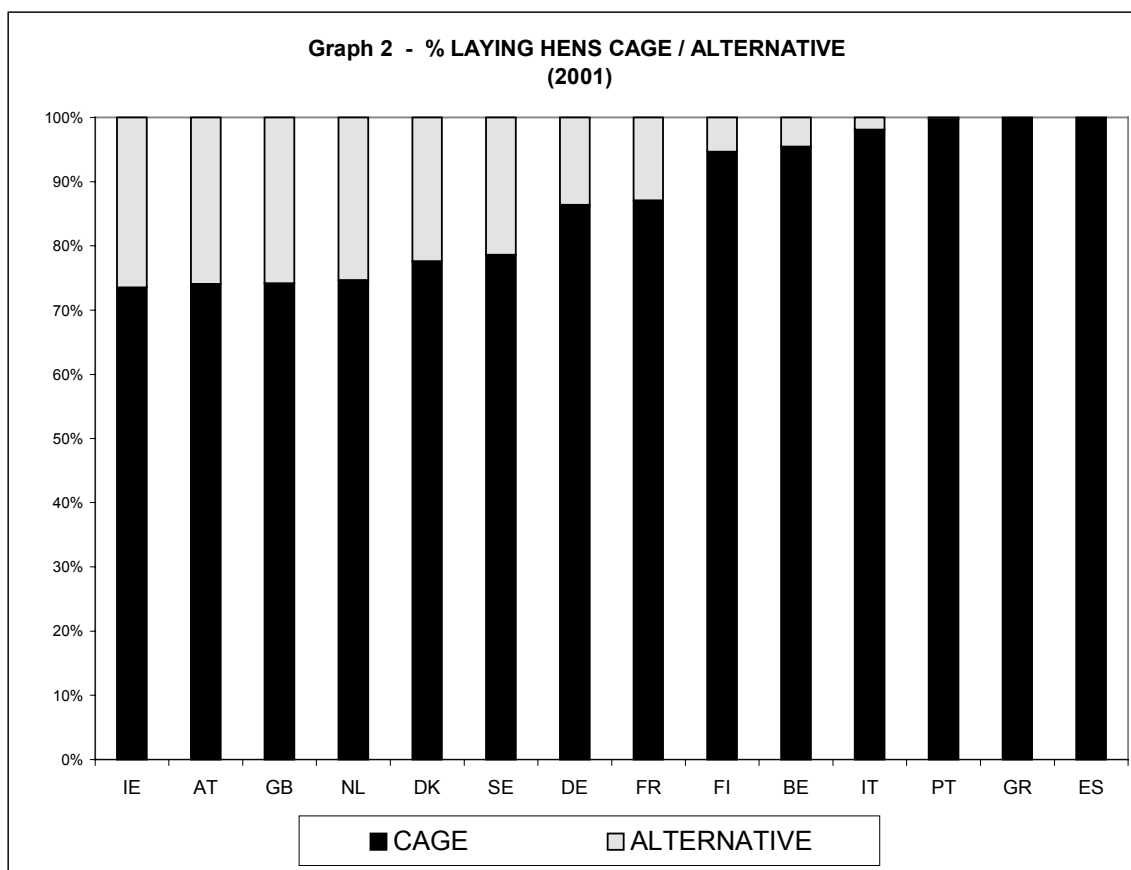
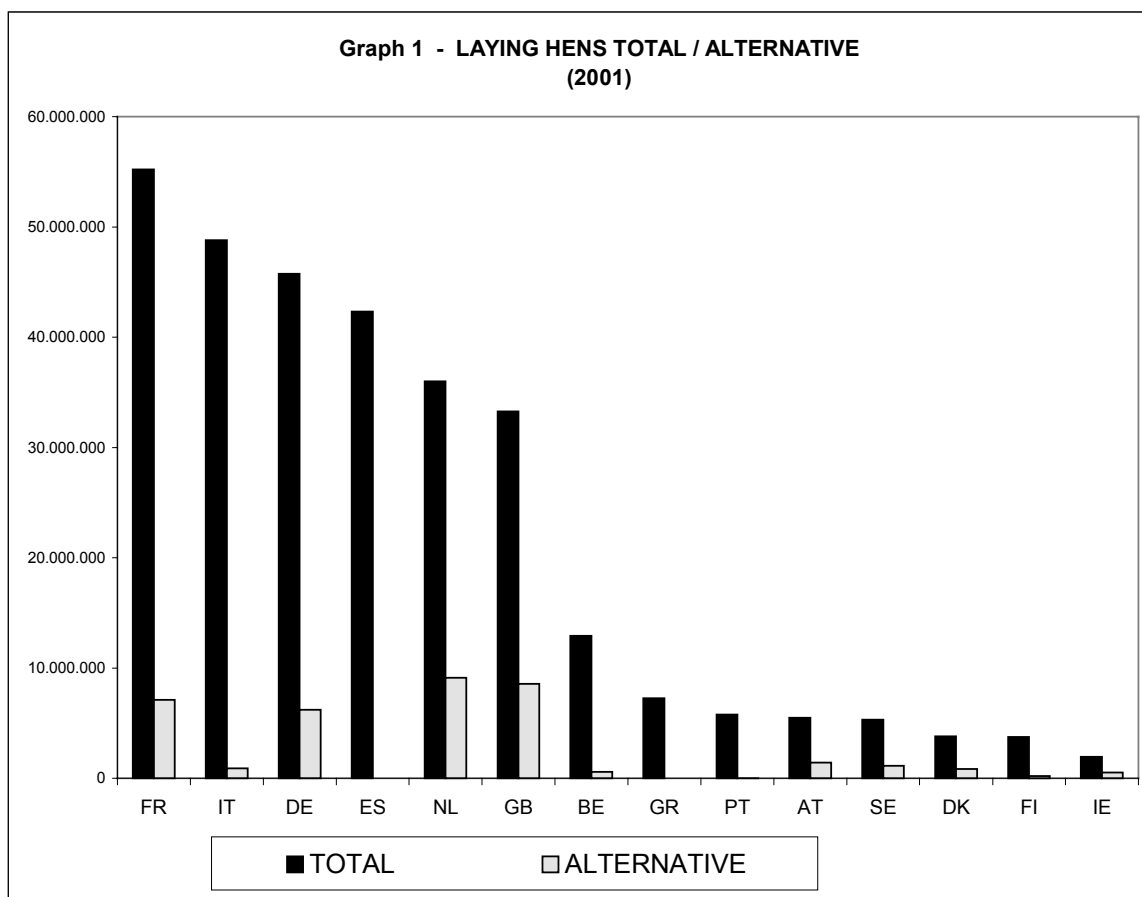
Type of eggs	Member State	Production costs		Retail price	
Standard cage	D	4,20	(a)	9,3	(M)
	F	4,60		14,4	(2001)
	E	4,10	(a)	9,0	(M)
	NL	4,40		9,9	(2001)
	A	4,30		min. 8,6	
Barn / deep litter	D	5,50		16,3	(M)
	NL	5,44		13,4	(2001)
	A	4,90		min. 14,5	
Free range	D	6,40		17,2	(M)
	F	6,73		23,7	(2001)
	A	5,30		min. 20,3	
Organic	D	-		28,7	
	F	11,00		31,7	(2001)
	NL	10,70		20,0	(2001)
	A	7,70		min. 35,0	

Source: Expert group ZMP, LEI (a).

Table 6 – Imports of table eggs - average 2000-2002

	TOTAL		NORMAL REGIME		INWARD PROCESSING	
	t	€/t	t	€/t	t	€/t
Czech Republic	1 808	613,0	989	620,1	794	602,7
Lithuania	347	581,2	112	708,8	213	521,1
Hungary	250	1 711,9	230	1 777,9	20	952,4
Poland	2 011	554,2	1 065	539,7	718	594,9
Norway	240	647,5	58	825,4	181	590,2
Switzerland	5	1 044,2	5	1 044,2		
USA	4 223	889,7	1 091	1 639,5	3 132	628,5
Canada	14	1 146,3	14	1 146,3		
Mexico	24	13 173,7	24	13 173,7		
Chile	1	9 008,8	1	9 008,8		
Israel	1 824	563,5	967	586,6	857	537,3
Singapore	3	3 493,6	3	3 493,6		
China	185	1 809,0	185	1 809,0		
Taiwan	3	3 517,3	3	3 517,3		
Hong Kong	4	2 480,2	4	2 480,2		
TOTAL	10 947	777,9	4 756	1 010,0	5 916	603,8

Source: Comext



EXPLANATORY MEMORANDUM

By Regulation (EC) No 5/2001 amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs the Council introduced compulsory marking of table eggs in the Community with a producer code permitting the farming method to be identified as from 1 January 2004.

In the same Regulation the Council asked the Commission to present a report in the following terms: "*The Commission shall submit to the Council by no later than 30 June 2003 a report on developments with regard to egg consumption, the wishes of consumers and of consumers organisations and the issue of egg marking and monitoring, together with suitable proposals*".

This report should furthermore, according to recital 6 of the said Regulation, look at "*developments in the area of food hygiene rules, particularly as regards washed eggs, and on the outcome of World Trade Organisation negotiations*".

The present report answers these requests. It is based, amongst other, on two expert group meetings to which representative from producers, trade and consumers organisations had been invited. Furthermore, the question of egg washing has been examined with experts and during a visit to Sweden. Finally, this report does not refer to WTO negotiations as these talks are still in a preparatory stage.

The main conclusions of the report are:

1. In order to facilitate control of egg sales in local markets, also eggs sold by producers from their own production in these markets should be stamped.
2. Washing of table eggs under strict surveillance should be authorised for a transitional period of three years for packing establishments, which, on 1 June 2003 had been approved to this end. The European Food Safety Authority should prepare a comprehensive scientific report on washing of table eggs by 31 December 2005.
3. The Commission will promote campaigns run by professional organisations aiming at information of consumers about the new rules for egg marking.
4. The Commission will adapt Regulation (EEC) No 1274/91 with a view to provide, on the one hand, for sufficient flexibility in particular for small producers on the question where eggs should be stamped (farm or packing centre) and, on the other hand, for additional guarantees to prevent fraudulent practices in trade at the level of producers, packers and wholesalers. Within this Regulation the Commission will also propose adaptations concerning identification marking of packing centres and will take the necessary measures to avoid any overlapping between marketing standards and future Community rules on hygiene in particular as regards the approval of such establishments.

Council Regulation (EEC) No 1907/90 should therefore be amended as regards the first and the second conclusion.

Proposal for a

COUNCIL REGULATION

amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to Council Regulation (EEC) No 2771/75 of 29 October 1975 on the common organisation of the market in eggs⁶, and in particular Article 2(2) thereof,

Having regard to the proposal from the Commission⁷,

Whereas:

- (1) Community legislation provides, starting from 1 January 2004, for only two categories of eggs. Class B eggs should not be sold as table eggs any longer. This creates a certain concern especially in some Member States where the washing of eggs is common and the consumer's preference is in favour of buying washed eggs. The Commission has therefore been asked to allow the practice of washing eggs to continue.
- (2) Allowance should be made for table eggs to be washed on a voluntary basis on the basis of a derogation. In this case, washed eggs should conform with criteria of class A eggs but should be labelled as "washed eggs" on the pack. This derogation should be subject to the adoption of strict standards and controls by the competent authority and followed up by in depth-scientific studies on egg washing.
- (3) The provisions of Council Regulation (EEC) No 1907/90⁸ have in the past not been applied for egg sales by the producers on local markets except auction markets. Control of this derogation has proved to be difficult in particular regarding its limitation to the farmers' own production. In order to facilitate controls producers should be obliged to stamp table eggs destined for being sold in local markets.
- (4) Following the merging of class B and C as from 1 January 2004, class B eggs can only be sold to the food and non-food industry. Certain provisions regarding marking of these eggs and their packs should be adapted.
- (5) Regulation (EEC) No 1907/90 should therefore be amended,

⁶ OJ L 282, 1.11.1975, p. 49. Regulation as last amended by Regulation (EC) No 806/2003 (OJ L 122, 16.5.2003, p. 1).

⁷ OJ C ..., ..., p. ...

⁸ OJ L 173, 6.7.1990, p. 5. Regulation as last amended by Regulation (EC) No 5/2001 (OJ L 2, 5.1.2001, p. 1).

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1907/90 is hereby amended as follows:

- (1) In Article 2(3), the following second subparagraph is added:

"Eggs sold by the producer in a local public market shall however be stamped in accordance with Article 7(1)(a)."

- (2) In Article 6, the following paragraph 4 is added:

"4. Packing centres that have been authorised to wash table eggs on 1 June 2003 at the latest may, for a transitional period until 31 December 2006, be authorised to continue to wash eggs, under strict surveillance of the competent authority, for delivery to the final consumer.

Eggs referred to in the first subparagraph shall be in conformity with the criteria of class A eggs but shall be graded as "washed eggs" and labelled as such on the packs.

Member States shall inform the Commission and other Member States on the names and addresses of the packing centres authorised and the surveillance measures applied."

- (3) Article 7(1)(a) is replaced by the following:

"(a) A code designating the producer's distinguishing number and permitting the farming method to be identified shall be stamped on class A eggs and on "washed eggs" within the meaning of Article 6(4)."

- (4) In Article 8, paragraphs (2) and (3) are replaced by the following:

"2. Class A eggs which no longer have the characteristics fixed for that grade shall be downgraded to class B. They shall be delivered directly to food industry undertakings approved in accordance with Directive 89/437/EEC or the non-food industry, and their packs be clearly marked to show this destination."

- (5) In Article 10(1), point (f) is deleted.

- (6) In Article 15(b), point (ee) is replaced by the following:

"(ee) the date of packing and the date of minimum durability followed by appropriate storage recommendations, for class A eggs, and the packing date for class B eggs".

Article 2

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

It shall apply from 1 January 2004.

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

Done at Brussels,

For the Council
The President

FINANCIAL STATEMENT				
1. BUDGET HEADING: B1-2310		APPROPRIATIONS: EUR 8 million (budget 2003)		
2. TITLE: Proposal for a Council Regulation amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs				
3. LEGAL BASIS: Council Regulation (EEC) No 2771/75				
4. AIMS: Implementing rules on marketing standards for eggs.				
5. FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR 2003 (EUR million)	FOLLOWING FINANCIAL YEAR 2004 (EUR million)	
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	-	-	-	
5.1 REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	-	-	-	
	2005	2006	2007	2008
5.0.1 ESTIMATED EXPENDITURE	-	-	-	-
5.1.1 ESTIMATED REVENUE	-	-	-	-
5.2 METHOD OF CALCULATION:				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET? YES / NO				
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET? YES / NO				
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY? YES / NO				
6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS? YES / NO				
OBSERVATIONS: The measure as such has no financial implications.				