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(Acts whose publication is obligatory)

COUNCIL REGULATION (EEC) No 1152/78

of 30 May 1978

amending Regulation (EEC) No 516/77 on the common organization of the market in products processed from fruit and vegetables

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

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

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament⁽¹⁾,

Whereas the producer prices of certain products processed from fruit and vegetables which are of particular importance in the Mediterranean regions of the Community are considerably higher than in non-member countries; whereas this difference in prices may well continue for the next few marketing years; whereas Community products should therefore be made more competitive by adopting the necessary measures to enable them to be sold at prices which compete with those charged by the major non-member producing countries and provision made for these measures to be reviewed before 1 October 1982;

Whereas, to this end, a system of production aid should be introduced enabling the products in question to be manufactured at a price lower than that which would result from the payment of a remunerative price to producers of the fresh products; whereas this system should be linked to a system of contracts providing both for regular supplies to the processing industries and a minimum price to be paid by processors to producers;

Whereas, because of the abundant supply of raw materials and the elasticity of processing capacity, there is a danger that the granting of aid for the production of processed fruit and vegetables might encourage such

production to expand considerably from year to year; whereas, in order to avoid any difficulties which might result in the sale of processed products, provision should be made for the possibility of limiting the granting of aid to one part of production;

Whereas, since the system referred to above would also apply to tomato concentrates, the minimum import price system for that product should be abolished;

Whereas the expenditure incurred by Member States as result of the obligations arising from application of this Regulation is chargeable to the Community, in accordance with Article 3 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy⁽²⁾, as last amended by Regulation (EEC) No 2788/72⁽³⁾,

HAS ADOPTED THIS REGULATION:

Article 1

The following Article shall be added to Regulation (EEC) No 516/77:

Article 2a

The marketing years shall extend from:

- 1 July to 30 June for tomato concentrates and peeled tomatoes falling within subheading ex 20.02 C, tomato juice falling within heading No ex 20.07 and peaches, prepared or preserved, falling within subheading ex 20.06 B of the Common Customs Tariff;
- 1 September to 31 August for prunes falling within subheading ex 08.12 C of the Common Customs Tariff.

⁽¹⁾ OJ No C 108, 8. 5. 1978, p. 49.

⁽²⁾ OJ No L 94, 28. 4. 1970, p. 13.

⁽³⁾ OJ No L 295, 30. 12. 1972, p. 1.

For the other products the marketing years shall be determined, where necessary, in accordance with the procedure laid down in Article 20.'

Article 2

The following Articles 3a, 3b and 3c shall be added to Regulation (EEC) No 516/77 :

Article 3a

1. For the period starting from the beginning of the 1978/79 marketing year, a system of production aid shall be introduced for products as specified in Annex Ia, obtained from fruit and vegetables harvested in the Community.

The Commission will forward to the Council a report enabling it to review, before 1 October 1982, the operation of this scheme and to decide on the policy to be followed in the future on aid and protection for these products.

The Council, acting by a qualified majority on a proposal from the Commission, may decide to amend Annex Ia taking into account the production and marketing conditions for the products concerned.

2. The system referred to in paragraph 1 shall be based on contracts binding, within the Community, producers or recognized groups or associations thereof and processors or legally constituted groups or associations thereof. These contracts, concluded for a minimum period to be determined, must specify the quantities of raw material to which they relate, the schedule for deliveries to processors and the price to be paid to producers. On their conclusion, the contracts shall be forwarded to the bodies designated by the Member States concerned, which shall be responsible for supervising the execution of the contracts.

3. For deliveries made under such contracts, a minimum price shall be fixed which processors must pay to producers.

This price shall be calculated for the first time on the basis of :

- (a) the average of the prices paid by processors for the raw material during the marketing year preceding that for which the minimum price is fixed ;
- (b) the trend in production costs in the fruit and vegetable sector.

It shall be calculated on subsequent occasions having regard to :

- (a) the minimum price in force during the previous marketing year ;
- (b) the trend in production costs in the fruit and vegetable sector.

4. The minimum price shall be fixed before the beginning of each marketing year.

5. Where the Community production potential for a product referred to in Annex Ia is likely to cause a major imbalance between production and marketing possibilities, the Council, acting by a qualified majority on a proposal from the Commission, may decide to limit the granting of the production aid to a specified quantity, taking account of average production in the three years preceding the marketing year for which the aid is fixed.

Article 3b

1. The amount of the aid shall be so fixed as to make up the difference between the prices of Community products and those of products from non-member countries.

2. The prices of Community products shall be established having regard to :

- (a) the minimum price referred to in Article 3a ;
- (b) the processing costs, disregarding those undertakings with the highest costs.

3. The prices of products from non-member countries shall be determined having regard to :

- (a) the free-at-frontier prices on import to the Community ;
- (b) the prices obtaining in international trade.

However, when the aid is fixed for the first time for tomato concentrates the criterion specified in (a) shall not be applied.

4. Production aid shall be granted to processors who have concluded contracts in accordance with Article 3a.

5. The aid shall be paid, on application, to the interested parties as soon as the body designated by the Member State in which the processing is carried out have established that :

- the processor has paid the producer a price not less than the minimum price ;

- the products under contract have been processed ;
- the products after processing comply with the quality standards in force.

6. The amount of the aid shall be fixed before the beginning of each marketing year.

Article 3c

Detailed rules for the application of Articles 3a and 3b shall be adopted in accordance with the procedure laid down in Article 20. The amount of the aid and the minimum price shall be fixed in accordance with the same procedure.'

Article 3

The following Annex Ia shall be inserted in Regulation (EEC) No 516/77 :

ANNEX Ia

CCT heading No	Description
ex 08.12 C	Prunes derived from dried plums ("prunes d'Ente")
ex 20.02 C	Tomato concentrates
ex 20.02 C	Peeled tomatoes
ex 20.06 B	Peaches in syrup
ex 20.07	Tomato juice'

Article 4

Article 3 and the second indent of Article 10 (2) of Regulation (EEC) No 516/77 shall be repealed on 1 July 1978.

Article 5

This Regulation shall enter into force on 1 June 1978.

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

Done at Brussels, 30 May 1978.

For the Council

The President

I. NØRGAARD