

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 377 final
Brussels, 09.09.1994

94/ 0200 (CNS)

Proposal for a
COUNCIL REGULATION (EC)

adjusting, for the fourth time, the system of aid
for cotton introduced by Protocol 4
annexed to the Act of Accession of Greece

(presented by the Commission)

- 1 -

EXPLANATORY MEMORANDUM

Pursuant to Article 2 of Council Regulation (EEC) No 1964/87 adjusting the system of aid for cotton, the maximum reduction (cutoff) of the norm price applied in the event of an overrun of the maximum guaranteed quantity is 20% from the 1994/95 marketing year, whereas it was 15% for the 1993/94 marketing year. In order to prevent the increase in the limit from 15% to 20% having damaging repercussions for operators, the adjustment should be introduced progressively by applying an intermediate limit of 18.5% for the 1994/95 marketing year.



COUNCIL REGULATION (EC) No/...

of

adjusting, for the fourth time, the system of aid for cotton introduced by Protocol 4 annexed to the Act of Accession of Greece

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession of Greece, and in particular paragraph 11 of Protocol 4 on cotton, as last amended by Regulation (EEC) No 1553/93¹,

Having regard to Council Regulation (EEC) No 1964/87 of 2 July 1987 adjusting the system of aid for cotton introduced by Protocol 4 annexed to the Act of Accession of Greece², and in particular Article 3(2) thereof,

Having regard to the proposal from the Commission³,

Having regard to the opinion of the European Parliament⁴,

Having regard to the opinion of the Economic and Social Committee⁵,

Whereas Article 2(2) of Regulation (EEC) No 1964/87 provides that, with a view to avoiding excessive variations in the reduction of the norm price applied if the maximum guaranteed quantity is exceeded, the reduction shall be limited; whereas the said reduction is limited to 20% of the norm price from the 1994/95 marketing year, while the reduction for the 1993/94 marketing year was limited to 15%;

1 OJ No L 154, 25.06.1993, p. 21
2 OJ No L 184, 3.7.1987, p. 14. Regulation as last amended by Regulation (EEC) No 1553/93.
3 OJ No C
4 OJ No C
5 OJ No C

Whereas, in order to prevent the increase in the limit from 15% to 20% having damaging repercussions for operators, the adjustment should be introduced progressively by applying an intermediate limit of 18.5% for the 1994/95 marketing year,

HAS ADOPTED THIS REGULATION:

Article 1

This Regulation provides for adjustments to the system of aid for the production of cotton provided for in paragraph 3 of Protocol 4 annexed to the Act of Accession of Greece and adjusted by Regulation (EEC) No 1964/87.

Article 2

The second subparagraph of Article 2(2) of Regulation (EEC) No 1964/87 is replaced by the following:

However, without prejudice to the third subparagraph, if the reduction in the amount of aid exceeds 20% of the norm price, this reduction shall be limited to 20% for the marketing year concerned, except in the case of the 1994/95 marketing year, in respect of which the two percentages shall be 18.5%. The reduction which exceeds these limits shall be carried over to the norm price for the following marketing year within the limit of 7%.

Article 3

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

It shall apply from the 1994/95 marketing year.

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

Done at,

For the Council.

FINANCIAL STATEMENT

1. BUDGET HEADING: B1- 141

APPROPRIATIONS: 760 Mio Ecu

2. TITLE: Draft Council Regulation adjusting, for the fourth time, the system of aid for cotton introduced by Protocol 4 annexed to the Act of Accession of Greece

3. LEGAL BASIS: Article 3(2) of Regulation (EEC) No 1964/87

4. AIMS OF PROJECT: To limit the maximum reduction of aid for 1994/95 to 18.5% of the norm price

5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (93)	FOLLOWING FINANCIAL YEAR (94)
5.0. EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS) - NATIONAL ADMINISTRATION - OTHER	+ 21	-	+ 21
5.1. REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	-	-	-
	1996	1997	1998
5.0.1. ESTIMATED EXPENDITURE			
5.1.1. ESTIMATED REVENUE			
	1999		

5.2. METHOD OF CALCULATION:

$$1.014,6 \text{ Ecu/t} \times 1,5 \% \times 1,15 \text{ Mio t} \times 1,207 \text{ (FT)} = + 21,1 \text{ Mio ECU (B)}$$

6.0. CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?

xxx xxx

6.1. CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?

xxx xxx

6.2. IS A SUPPLEMENTARY BUDGET NECESSARY?

xxx xxx

6.3. WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?

Yes xxx

COMMENTS: The impact is included in the global cost of the prices decision for 1994/95 already announced to the Council when the compromise of 18-19 July was adopted.

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DOCUMENTS

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