

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 451 final
Brussels, 26.10.1994

94/ 0243 (CNS)

Proposal for a

COUNCIL REGULATION (EC)

amending Regulation (EEC) No 805/68 on the common
organization of the market in beef and veal
as regards the deseasonalization premium

(presented by the Commission)

EXPLANATORY MEMORANDUM

When the agricultural prices and related measures were adopted for 1994/95 (in July 1994), the Commission declared that it would examine the operation of the slaughter deseasonalization premium to ensure that it did not interfere with the ordered placing on the market of livestock towards the end of the period of application and that it would present appropriate proposals to the Council for resolving this problem without any consequences for the budget before 1 September 1994.

Statistics (see attached table) for the two years of application of the deseasonalization premium (1993 and 1994) and for the numbers of animals slaughtered per month in the Member States eligible in 1995 for the premium, and particularly in Ireland where most of the animals concerned are held, show a sharp fall in the number of animals slaughtered (-80%) at the end of the period of application of the premium (end of April). The resulting disturbance of the market for beef and veal continues until July when the summer lambs arrive. This problem could probably be overcome by a reasonable extension of the period of application combined with a step-by-step reduction in the unit premium.

The new levels of the deseasonalization premium have been calculated on the basis of the average number of animals slaughtered per week in Ireland during 1993 and 1994. The amount saved by reducing the level of the premium in April can be used to pay the premiums applied for in May and June, thereby avoiding any consequences for the budget.

The attached proposal therefore fulfils the commitments made by the Commission.

The proposed measure falls within the exclusive competence of the Community. The most suitable instrument for the proposed measure is a regulation. The proposal is intended to correct an unwanted disturbance resulting from application of the deseasonalization premium which, at the end of the period, indirectly gives rise to problems on the market for beef and veal in the Member States with producers eligible for the premium.

TABLE - NET PRODUCTION - BULLOCKS (number of animals (x 1 000) slaughtered per month)

		JAN.	FEB.	MARCH	APRIL	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.	TOTAL
Ireland	1991	45.1	46.3	65.0	73.7	35.1	54.8	32.3	79.9	115.7	172.9	151.9	50.5	923.2
	1992	43.6	40.3	71.5	59.5	38.9	41.0	52.1	65.0	140.8	192.7	126.1	54.1	925.6
	1993	57.9	53.6	62.0	92.0	25.2	37.5	44.0	63.1	87.7	104.9	139.1	45.5	812.5
	1994	35.7	32.9	68.7	87.6	13.0								
Denmark	1991	0.2	0.1	0.2	0.2	0.2	0.1	0.1	0.2	0.7	1.6	0.8	0.1	4.5
	1992	0.2	0.1	0.2	0.1	0.2	0.1	0.1	0.2	0.5	1.9	1.1	0.1	4.8
	1993	0.1	0.2	0.3	0.3	0.1	0.1	0.2	0.2	0.6	1.6	0.8	0.1	4.6
	1994	0.8	0.4	0.4	0.6									
Germany	1991	1.0	1.1	1.1	1.5	1.2	0.9	0.8	1.0	9.1	22.4	4.9	1.1	46.2
	1992	1.0	1.2	1.4	1.5	1.4	1.3	1.2	1.5	7.9	21.9	5.0	1.8	47.0
	1993	1.3	1.6	2.0	3.3	1.1	1.1	0.9	1.4	7.3	14.4	4.0	1.3	39.9
	1994	2.3	2.4	2.9	4.3	1.1	1.0							

(*) Figures - EUROSTAT - animal production.

Proposal for a
COUNCIL REGULATION (EC) No /94
of 1994
amending Regulation (EEC) No 805/68 on the common
organization of the market in beef and veal
as regards the deseasonalization premium

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,

Having regard to the opinion of the European Parliament,

Whereas Article 4c of Regulation (EEC) No 805/68 on the common organization of the market in beef and veal⁽¹⁾, as last amended by Regulation (EC) No 1884/94⁽²⁾, provides for the granting of a deseasonalization premium to encourage the putting up for slaughter of castrated male bovine animals outside the annual "off-grass" period;

Whereas the sudden cessation of payment of that premium at the end of April can cause serious disturbances on the markets of the Member States concerned; whereas payment of the premium should consequently be staggered to avoid the said adverse effects; whereas, therefore, the period of application should be extended and the level of the premium reduced step by step,

(1) OJ No L 148, 28.6.1968, p. 24.
(2) OJ No L 197, 30.7.1994, p. 27.

HAS ADOPTED THIS REGULATION:

Article 1

Article 4c(2) of Regulation (EEC) No 805/68 is hereby replaced by the following:

"2. The amount of this premium per castrated male bovine animal which has already benefited from the special premium shall be:

- ECU 60 per animal slaughtered during the first 15 weeks of the following year,
- ECU 45 per animal slaughtered during the 16th and 17th weeks of the following year,
- ECU 30 per animal slaughtered during the 18th to the 21st week of the following year, and
- ECU 15 per animal slaughtered during the 22nd and 23rd weeks of the following year."

Article 2

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

It shall apply from 1 January 1995.

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

Done at

1994

For the Council

FINANCIAL STATEMENT

Date: [REDACTED]

1. BUDGET HEADING: B1 - 2123

APPROPRIATIONS:
ECU 21 million

2. TITLE:

Proposal for a Council Regulation amending Regulation (EEC) No 805/68 on the common organization of the market in beef and veal as regards the deseasonalization premium.

3. LEGAL BASIS: Article 4c of Regulation (EEC) No 805/68.

4. AIMS OF PROJECT:

To prevent a sudden fall in the number of animals slaughtered at the end of the period of application of the deseasonalization premium (end of April) by providing for a reasonable extension of that period combined with a step-by-step reduction in the unit premium so as to resolve this problem without any consequences for the budget.

5. FINANCIAL IMPLICATIONS

PERIOD OF 12 MONTHS

CURRENT FINANCIAL
YEAR
(94)

FOLLOWING FINANCIAL
YEAR
(95)

5.0. EXPENDITURE

- CHARGED TO THE EC BUDGET (REFUNDS)
- NATIONAL ADMINISTRATION
- OTHER

p.m.

-

p.m.

5.1. REVENUE

- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)
- NATIONAL

-

-

-

1996

1997

1998

1999

5.0.1. ESTIMATED EXPENDITURE

p.m.

p.m.

p.m.

p.m.

5.1.1. ESTIMATED REVENUE

-

-

-

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5.2. METHOD OF CALCULATION:

See Annex

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

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

6.2. IS A SUPPLEMENTARY BUDGET NECESSARY?

6.3. WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?

COMMENTS:

A N N E X

Calculation - 12 months:

1. Current Regulation

- Weeks 1 to 17 (January to April)
245 000 head x ECU 60/head x 1.207 (DR) = (B) ECU 17.7 million

2. Proposal

- Weeks 1 to 15 (January - mid-April)
190 000 head x ECU 60/head x 1.207 (DR) = (B) ECU 13.8 million
 - Week 16 to 17 (end of April)
55 000 head x ECU 45/head x 1.207 (DR) = (B) ECU 3.0 million
 - Weeks 18 to 21 (May)
20 000 head x ECU 30/head x 1.207 (DR) = (B) ECU 0.7 million
 - Weeks 22 to 23 (mid-June)
10 000 head x ECU 15/head x 1.207 (DR) = (B) ECU 0.2 million
- TOTAL (B) ECU 17.7 million

Conclusion

The draft proposal for a Regulation involves no extra expenditure. There are no financial consequences.

ISSN 0254-1475

COM(94) 451 final

DOCUMENTS

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Catalogue number : CB-CO-94-474-EN-C

ISBN 92-77-81264-8

Office for Official Publications of the European Communities
L-2985 Luxembourg