# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(94) 489 final Brussels, 16.11.1994

Proposal for a

### COUNCIL REGULATION (EC)

setting for the 1994/95 marketing year the percentages referred to in Article 3(1)(a) of Regulation (EEC) No 426/86 in connection with the premium granted for products processed from tomatoes

(presented by the Commission)

#### **EXPLANATORY MEMORANDUM**

This measure must be taken at Community level, since this is an area in which only the Community has power to act. Its intensity and proportionality are described in detail below.

Article 3(1)(a) of Regulation (EEC) No 426/86 provides for the grant of a premium equivalent to 2% of the aid payable in respect of those quantities of finished products produced from tomatoes obtained from the quantity of fresh tomatoes supplied under contracts concluded with producers' associations.

The premium is only paid if the processors or their associations:

- have accepted all the fresh tomatoes covered by the contracts;
- can prove that the tomatoes processed under the said contracts represent a significant percentage of the total quantity of processed tomatoes.

The purpose of this proposal is to set the percentage applicable to the 1994/95 marketing year at the same level as for the previous year, taking into account the role currently played by producers' associations in the Community.

It should be recalled that the aim of the measure is to encourage concentration of the supply of fresh tomatoes in order to achieve a better administration of the quantities to be produced and the possible outlets, in particular those quantities going to processing.

#### Proposal for a

#### COUNCIL REGULATION (EC) No. ....

setting for the 1994/95 marketing year the percentages referred to in Article 3(1)(a) of Regulation (EEC) No 426/86 in connection with the premium granted for products processed from tomatoes

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 426/86 of 24 February 1986 on the common organization of the market in products processed from fruit and vegetables, (1) as last amended by Regulation (EEC) No 549/94, (2) and in particular Article 3(3) thereof,

Having regard to the proposal from the Commission,

Whereas, in order to encourage the conclusion of contracts between groups of tomato producers on the one hand and associations of processors or processors on the other, Regulation (EEC) No 426/86 provides for the grant on certain terms of an additional premium;

whereas the "significant specific percentage" for the total quantity of processed tomatoes covered by contracts concluded with producers' groups must be set for the 1994/95 marketing year;

<sup>(1)</sup> OJ No L 49, 27.2.1986, p. 1.

<sup>(2)</sup> OJ No L 69, 12.3.1994, p. 5.

Whereas, in view of the important role played by tomato producers' groups in the producer Member States, it is desirable to maintain at the same level as for the 1993/94 marketing year the percentage of the quantities of tomatoes covered by contracts concluded with producers' associations in relation to the total quantity of processed tomatoes. Whereas, however, the question of the expediency of the measure and whether or not to pursue it will need to be examined in the context of the reform of the common organisation of the market in fruit and vegetables,

HAS ADOPTED THIS REGULATION:

#### Article 1

For the 1994/95 marketing year the percentage mentioned in Article 3(1)(a) of Regulation (EEC) No 426/86 shall be 80%.

#### Article 2

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

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

Done at Brussels,

For the Council

### FINANCIAL STATEMENT

1. BUDGET HEADING: 1511 APPROPRIATIONS: ECU 398 million				
2. TITLE:  Proposal for a Council Regulation fixing, for the 1994/95 marketing year, the percentages referred to in  Article 3(1a) of Regulation (EEC) No 426/86 concerning the grant of aid for products processed from  tomatoes.				
3. LEGAL BASIS: Regulation (EEC)	No 426/86			
4. AIMS OF PROJECT:  To encourage the conclusion of contracts between groups of producers and processors.				
   5. FINANCIAL IMPLICATIONS	Period of 12 months   	Current Financial 1994	Year   Followir	ng Financial Year 1995
5.0 EXPENDITURE   - CHARGED TO THE EC BUDGET   - (REFUNDS/INTERVENTION)   - NATIONAL ADMINISTRATION   - OTHER	     ECU 6.4 million   	<u>-</u>	     ECU	J 6.4 million
   5.1 REVENUE   - OWN RESOURCES OF THE EC   (LEVIES/CUSTOMS DUTIES)   - NATIONAL				
	1995	1996	1997	1998 
5.0.1 ESTIMATED EXPENDITURE 5.1.1 ESTIMATED REVENUE	-	-   	*	
5.2 METHOD OF CALCULATION:   Expenditure for the processing of tomatoes for the 1994/95 marketing year is estimated at ECU 332.5 million (A).   Given that the increase in aid is 2% of that sum, the cost of the measure is:   ECU 332.5 million (A) x 2% x 80% x 1.207 (DT) = ECU 6.4 million   6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				
YES				
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?  YES				
6.2 IS A SUPPLEMENTARY BUDGET NE			-	NO
6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?				
OBSERVATIONS:				
The 1995 preliminary draft budget has earmarked an appropriation corresponding to this amount.				

COM(94) 489 final

# **DOCUMENTS**

EN

03

Catalogue number: CB-CO-94-518-EN-C

ISBN 92-77-81993-6