



COMMISSION OF THE EUROPEAN COMMUNITIES

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99/ 0182 (CNS)

Proposal for a

COUNCIL REGULATION (EC)

**amending Regulation (EC) No 1577/96 introducing a
specific measure in respect of certain grain legumes**

(presented by the Commission)

EXPLANATORY MEMORANDUM

On the basis of the report on the application of the system applicable to certain grain legumes the Commission feels that the system should continue in its present form: an MGA of 400 000 ha and aid at EUR 181/ha. However, MGA overruns demonstrate that developments in cultivated area need to be better managed.

To achieve that, the Commission proposes to take account of the different uses of the products: human food for lentils and chick peas and animal feed for vetches. The relative proportion of areas for which aid has been requested since application of the measure started is given in Annex II of the report, which shows that on average lentils and chick peas accounted for some 40% of the area aided and vetches for 60%. The Commission proposes to subdivide the MGA on that basis, giving 160 000 ha and 240 000 ha respectively. Unused hectares in one MGA during a marketing year would be reallocated to the other MGA before an overrun occurred.

Lastly, the Commission also proposes to change the competent management committee so as to align the regulation with practice by replacing the Management Committee for Dried Fodder with the Management Committee for Cereals.

Proposal for a

COUNCIL REGULATION (EC)

**amending Regulation (EC) No 1577/96 introducing a
specific measure in respect of certain grain legumes**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 36 and 37 thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the European Parliament²,

Having regard to the opinion of the Economic and Social Committee³,

- (1) Whereas Regulation (EC) No 1577/96⁴ introduces a specific measure in respect of certain grain legumes;
- (2) Whereas the markets for the crops covered by this measure are different: animal feed for vetches and human food for lentils and chick peas; whereas, because the maximum guaranteed area system has been applied to those crops taken together until now, it has not been possible to manage properly the development of land under crops in view of the increase in the area under vetches since application of the system started; whereas, as a result, the maximum guaranteed area should be subdivided so as better to direct grain legume production in the European Union;
- (3) Whereas for the purposes of applying the system the Management Committee for Dried Fodder should be replaced by the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

¹ OJ C

² OJ C

³ OJ C

⁴ OJ L 206, 16.8.1996, p. 4. Regulation last amended by Commission Regulation (EC) No 1826/97 (OJ L 260, 23.9.1997, p. 11).

Article 1

Regulation (EC) No 1577/96 is amended as follows:

1) Article 3 is replaced by the following:

«Article 3

1. Where the areas for which aid is requested under this Regulation exceed the maximum guaranteed areas fixed in paragraph 2 of this Article, the aid to be paid for that marketing year shall be reduced proportionately.
2. The maximum guaranteed areas are fixed at 160 000 hectares for lentils and chick peas and 240 000 hectares for vetches. Where a maximum area is not reached during a marketing year the unused balance shall be reallocated to the other maximum guaranteed area for that marketing year before an overrun occurs.»

2) In Article 6, paragraph 1 is replaced by the following:

- «1. The Commission shall lay down detailed rules of application in accordance with the procedure provided for in Article 23 of Regulation (EEC) No 1766/92⁵. In accordance with that procedure, the Commission shall determine the overruns in the maximum guaranteed areas and shall fix the definitive aid by no later than 15 November of the marketing year in question.»

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 with effect from the 2000/2001 marketing year.

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

Done at Brussels,

For the Council
The President

⁵ OJ L 181, 1.7.1992, p. 21. Regulation last amended by Regulation (EC) No 1253/1999 (OJ L 160, 26.6.1999, p. 18).

FINANCIAL STATEMENT

FINANCIAL STATEMENT				
1. BUDGET HEADING: B1-131		APPROPRIATIONS: EUR 73 million		
2. TITLE OF THE MEASURE: Proposal for a Council Regulation(EC) amending Regulation (EC) No 1577/96 introducing a specific measure in favour of certain grain legumes.				
3. LEGAL BASIS: Articles 36 and 37 of the Treaty				
4. PURPOSE OF THE MEASURE: To amend the MGA system for grain legumes by separating lentils and chick peas from vetches.				
5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS (EUR million)	CURRENT FINANCIAL YEAR (1999) (EUR million)	FOLLOWING FINANCIAL YEAR (2000) (EUR million)	
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTION) - NATIONAL ADMINISTRATION - OTHER	-	not applicable	-	
5.1 REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL				
	2001 (EUR million)	2002 (EUR million)	2003 (EUR million)	2004 (EUR million)
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 IS A SUPPLEMENTARY BUDGET NECESSARY?		YES / NO		
6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?		YES / NO		
OBSERVATIONS: The measure costs the same as the current situation. Since the total MGA stays the same, given the stabiliser system the CMO will continue to cost the budget EUR 72.4 million.				