

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(88) 304 final

Brussels, 17 October 1988

Proposal for a COUNCIL DECISION

on the conclusion of the Agreements in the form of an exchange of letters between the European Economic Community and, on the one hand, Barbados, Belize, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, the Republic of the Ivory Coast, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Suriname, St. Christopher and Nevis, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda, the Republic of Zimbabwe and, on the other hand, the Republic of India on the guaranteed prices for cane sugar for the 1988/89 delivery period

(presented by the Commission)

Commission Communication to the Council on the guaranteed prices
applicable in the 1988/89 delivery period to cane sugar
originating in the ACP States referred to in Protocol 7
annexed to the Third ACP-EEC Convention and in India

1. Protocol 7 on ACP sugar annexed to the Third ACP-EEC Convention and the Agreement between the European Economic Community and the Republic of India contain the Community's undertaking to purchase and import, at guaranteed prices, cane sugar which the exporting countries concerned cannot market commercially in the Community at prices equivalent to or higher than the guaranteed prices.
2. The present guaranteed prices (1987/88) apply until 30 June 1988. The Commission considers that the guaranteed prices for the 1988/89 delivery period should be negotiated in such a way that, with effect from 1 July 1988 at the earliest, the returns guaranteed to ACP States and India for their deliveries to the Community of white or raw cane sugar cif free out are comparable with the price guaranteed to Community producers of sugar.
3. The Commission therefore proposes that the Council should
 - (a) give its agreement that the Commission will conduct negotiations with the countries concerned in accordance with the guidelines set out in Annex I;
 - (b) adopt, following approval of the conclusions reached during these negotiations, the proposal for a regulation on the conclusion of the agreements in the form of exchange of letters, as set out in Annex II.
4. Financial implications

There are no financial implications other than those already taken into account within the framework of the agricultural price proposals for 1988/89 (Doc. COM(88)120 final - vol.II of 24 March 1988).

GUIDELINES FOR NEGOTIATIONS

The Council of the European Communities hereby give its agreement to the following guidelines for negotiations:

"The Commission, pursuant to Articles 5(4) of Protocol 7 on ACP sugar annexed to the Third ACP-EEC Convention of Lomé (1) and Article 5(4) of the Agreement between the European Economic Community and the Republic of India on cane sugar (2), shall initiate negotiations with the ACP States referred to in that Protocol and the Republic of India on the guaranteed prices provided for under that Protocol and under that Agreement that are to apply for the 1988/89 delivery period. It shall conduct these negotiations in consultation with the Member States' representatives. The guaranteed prices, cif free out, for the white and raw sugar deliveries of the ACP States and the Republic of India shall be negotiated in such a way that these guaranteed prices for white and raw cane sugar do not exceed the Community's corresponding intervention prices in 1988/89. The prices thus negotiated shall apply at the earliest to the start of the 1988/89 delivery period on 1 July 1988."

(1) OJ No L 86, 31. 3.1986, p. 164.

(2) OJ No L 190, 22. 7.1975, p. 35.

Proposal for a
COUNCIL DECISION

on the conclusion of the Agreements in the form of exchange of letters between the European Economic Community and, on the one hand, Barbados, Belize, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, the Republic of the Ivory Coast, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Suriname, St. Christopher and Nevis, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda, the Republic of Zimbabwe and, on the other hand, the Republic of India on the guaranteed prices for cane sugar for the 1988/89 delivery period

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 113 thereof,

Having regard to the proposal from the Commission,

Whereas implementation of Protocol 7 on ACP Sugar annexed to the Third ACP-EEC Convention (1) and of the Agreement between the European Economic Community and the Republic of India on cane sugar (2) is carried out, in accordance with Article 1(2) of each, within the framework of the management of the common organization of the sugar market,

Whereas it is appropriate to approve the Agreements in the form of exchange of letters between the European Economic Community and, on the one hand, the States referred to in the Protocol and, on the other hand, the Republic of India on the guaranteed prices for cane sugar for the 1988/89 delivery period,

HAS DECIDED AS FOLLOWS:

(1) OJ No L 86, 31. 3.1986, p. 164.
(2) OJ No L 190, 22. 7.1975, p. 35.

Article 1

The Agreements in the form of exchange of letters between the European Economic Community and, on the one hand, Barbados, Belize, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, the Republic of the Ivory Coast, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Suriname, St. Christopher and Nevis, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda, the Republic of Zimbabwe and, on the other hand, the Republic of India on the guaranteed prices for cane sugar for the 1988/89 delivery period are hereby approved on behalf of the Community.

The text of the Agreements is attached to this Decision.

Article 2

The President of the Council is hereby authorized to designate the person empowered to sign the Agreements referred to in Article 1 in order to bind the Community.

Article 3

This Decision will be published in the Official Journal of the European Communities.

Done at Brussels,

For the Council

Text No I

AGREEMENT

in the form of exchange of letters between the European Economic Community and, Barbados, Belize, the People's Republic of the Congo, Fiji, the Cooperative Republic of Guyana, the Republic of the Ivory Coast, Jamaica, the Republic of Kenya, the Democratic Republic of Madagascar, the Republic of Malawi, Mauritius, the Republic of Suriname, St. Christopher and Nevis, the Kingdom of Swaziland, the United Republic of Tanzania, Trinidad and Tobago, the Republic of Uganda and the United Republic of Zimbabwe on the guaranteed prices for cane sugar for the 1988/89 delivery period.

Letter No 1

1. The representatives of the ACP States referred to in Protocol 7 on ACP sugar annexed to the Third ACP-EEC Convention of Lomé and of the Commission on behalf of the European Economic Community, have agreed, pursuant to the provisions of the said Protocol, on the following:

For the delivery period 1 July 1988 to 30 June 1989, the guaranteed prices referred to in Article 5(4) of the Protocol shall, for the purpose of intervention within the terms of Article 6 of the Protocol, be:

- | | |
|-----------------------|------------------------|
| (a) for raw sugar,* | ECU per 100 kilograms; |
| (b) for white sugar,* | ECU per 100 kilograms. |

2. These prices shall refer to sugar of standard quality as defined in Community legislation, unpacked, cif, free out of European ports of the Community. The introduction of these prices in no way prejudices the respective positions of the Contracting Parties in respect of the principles appertaining to the determination of the guaranteed prices.
3. Although retroactivity is not provided for in respect of the 1988/89 prices, it is agreed that this year's decision does not prejudice the position of the ACP States in relation to retroactivity in any future negotiation in accordance with Article 4(3) of the above-mentioned Protocol.

* The amounts indicated will take account of the outcome of the negotiations with the ACP States.

I should be obliged if you would acknowledge receipt of this letter and confirm that this letter and your reply constitute an Agreement between the Governments of the above-mentioned ACP States and the Community.

Please accept, Sir, the assurance of my highest consideration.

For the Council
of the European Communities

Letter No 2

Sir,

I have the honour to acknowledge receipt of your letter of today which reads as follows:

"....."

I have the honour to confirm the agreement of the Governments of the ACP States referred to in this letter with the foregoing.

Please accept, Sir, the assurance of my highest consideration.

For the Governments

Text No II

AGREEMENT

in the form of an exchange of letters between the European Economic Community and the Republic of India on the guaranteed prices for cane sugar for 1988/89

Letter No 1

Brussels,

Sir,

1. The Representatives of India and of the Commission, on behalf of the European Economic Community, have agreed within the framework of the negotiations provided for in Article 5(4) of the Agreement between the European Economic Community and the Republic of India on cane sugar, on the following:
 - for the period 1 July 1988 to 30 June 1989 the guaranteed prices referred to in Article 5(4) of the Agreement shall, for the purpose of intervention within the terms of Article 6 of the Agreement, be:

(a) for raw sugar,*	ECU per 100 kilograms,
(b) for white sugar,*	ECU per 100 kilograms.

These prices shall refer to sugar of standard quality as defined in Community legislation, unpacked, cif, free out of European ports of the Community.

2. Although retroactivity is not provided for in respect of the 1988/89 prices, it is agreed that this year's decision does not prejudice the position of India in relation to retroactivity in any future negotiation in accordance with Article 4(3) of the Agreement.

I should be obliged if you would acknowledge receipt of this letter and confirm that this letter and your reply constitute an Agreement between your Government and the Community.

Please accept, Sir, the assurance of my highest consideration.

For the Government of
the Republic of India

* These amounts indicated will take account of the outcome of the negotiations with India.

Letter No 2

Brussels,

Sir,

I have the honour to acknowledge receipt of your letter of today which reads as follows:

"....."

I have the honour to confirm the agreement of my Government with the foregoing.

Please accept, Sir, the assurance of my highest consideration.

For the Government of
the Republic of India

FICHE FINANCIERE

DATE : 6.10.1988

1. LIGNE BUDGETAIRE : 110

CREDITS : 1.464 Mio ECU

2. INTITULE DE LA MESURE : Conclusion des accords sous forme d'échange de lettres entre la CEE et les pays ACP, d'une part, et de la République de l'Inde, d'autre part.

3. BASE JURIDIQUE : Traité CEE - Article 113

4. OBJECTIFS DE LA MESURE : Garantir les prix au stade CAF aux Etats ACP et à la République de l'Inde pour leurs livraisons de sucre de canne blanc ou brut à la Communauté afin qu'ils soient comparables aux prix garantis aux producteurs de sucre de la Communauté, pour la période de livraison 1988/89.

5. INCIDENCES FINANCIERES	PERIODE DE 12 MOIS	EXERCICE EN COURS (88)	EXERCICE SUIVANT (89)
5.0 DEPENSES A LA CHARGE			
- DU BUDGET DES CE (RESTITUTIONS/ RESTITUTIONS)	640,6 Mio ECU (B)	-	640,6 Mio ECU (B)
- RESTITUTIONS			
5.1 RECETTES			
- RESSOURCES PROPRES DES CE (PRELEVEMENTS/DROITS DE DOUANE)			
- SUR LE PLAN NATIONAL			
	90	91	
5.0.1 PREVISIONS DES DEPENSES	-	-	-
5.1.1 PREVISIONS DES RECETTES			

5.2 MODE DE CALCUL : $1,3 \text{ Mio tonnes} \times 450 \text{ Ecu/t} = 585 \text{ Mio ECU (A)} \times 1,095 \text{ (DT)} = 640,6 \text{ Mio ECU (B)}$

6.0 FINANCEMENT POSSIBLE PAR CREDITS INSCRITS AU CHAPITRE CONCERNE DU BUDGET EN COURS D'EXECUTION OUI/NON

6.1 FINANCEMENT POSSIBLE PAR VIREMENT ENTRE CHAPITRES DU BUDGET EN COURS D'EXECUTION OUI/NON

6.2 NECESSITE D'UN BUDGET SUPPLEMENTAIRE OUI/NON

6.3 CREDITS A INSCRIRE DANS LES BUDGETS FUTURS OUI/NON

OBSERVATIONS : Il s'agit d'un règlement d'application dans le cadre de la convention de LOME III - Protocole N° 7.
De ce fait, elle ne crée pas d'incidences financières nouvelles par rapport à la situation antérieure.
Le coût de réexportation de quantités équivalentes de sucre communautaire pour le budget de la Communauté est estimée à environ 640,6 Mio ECU (B).
Il est déjà tenu compte dans le P.B. 1989.

FICHE D'IMPACT SUR LA COMPETITIVITE ET L'EMPLOI

I. Quelle est la justification principale de la mesure ?

Obligation de négociation annuelle conformément à l'article 5 § 4 du Protocole n° 7 ACP/CEE sur le sucre annexé à la Convention de Lomé.

II. Caractéristiques des entreprises concernées. En particulier :

6 raffineries portuaires : 1 au Royaume-Uni

(a) Y a-t-il un grand nombre de PME ? 2 en France et 3 au Portugal

Il ne s'agit pas de PME mais de grandes entreprises ayant des capacités de raffinage entre 300.000 et 1.300.000 tonnes.

(b) Note-t-on des concentrations dans des régions

i. éligibles aux aides régionales des Etats membres ?

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ii. éligibles au Feder ?

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III. Quelles sont les obligations imposées directement aux entreprises ?

conformément audit Protocole d'acheter le sucre en cause au moins aux prix garantis fixés.

IV. Quelles sont les obligations susceptibles d'être imposées indirectement aux entreprises via les autorités locales ?

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V. Y a-t-il des mesures spéciales pour les PME ?

Lesquelles ?

xxxxxxxxxxxxxxxxxxxxxx

VI. Quel est l'effet prévisible

a) sur la compétitivité des entreprises ?

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b) sur l'emploi ?

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VII. Les partenaires sociaux ont-ils été consultés ?

Quels sont leurs avis ?

La mesure proposée n'étant pas nouvelle (ces prix sont négociés et fixés annuellement depuis 1975) et les prix en cause étant étroitement liés aux prix agricoles de campagne la consultation s'effectue en fait dans le cadre général des prix de campagne et au sein du Comité Economique et Social.