

# European Communities

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## EUROPEAN PARLIAMENT

# Working Documents

1973-1974

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25 June 1973

DOCUMENT 104/73

## Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (doc. 96/73) on a regulation amending Regulation Nr 1009/67/EEC on the common organization of the market in sugar

Rapporteur: Mr I. FRÜH

PE 33.429/fin.



By letter of 5 June 1973 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation No. 1009/67/EEC on the common organization of the market in sugar.

The President of the European Parliament referred this proposal to the Committee on Agriculture.

The Committee on Agriculture appointed Mr Früh rapporteur on 5 June 1973.

It considered the proposal at its meeting of 14 and 15 June 1973 and unanimously adopted the motion for a resolution, together with explanatory statement.

The following were present:

Mr Houdet, Chairman, Mr Vetrone, Vice-Chairman, Mr Früh, Rapporteur, Mr Baas, Mr Brugger, Mr Durieux, Mr Héger, Mr John Hill, Mr Hilliard, Mr Kavanagh, Mr De Koning, Mr Laban, Mr Ligios, Miss Lulling, Lord Mansfield (deputizing for Lord St. Oswald), Mr Scott-Hopkins.



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The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending regulation No. 1009/67/EEC on the common organization of the market in sugar

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM(73) 859 final),
  - having been consulted by the Council, pursuant to Article 43 of the EEC Treaty (Doc. 96/73),
  - having regard to the report of the Committee on Agriculture (Doc.104/73),
1. Approves the proposal from the Commission;
  2. Instructs its President to forward this resolution and the Committee's report to the Council and Commission of the European Communities.



EXPLANATORY STATEMENT

1. Article 31 of the regulation on the common organization of the market in sugar<sup>1</sup> permits each Member State to decide whether or not to apply on its territory the provisions of Article 30, under which individual sugar manufacturers are required to inform the Member States in which they operate of contracts they have signed for the delivery of beet. Two Member States decided not to apply this regulation. This means that, in accordance with Article 31 (3), these Member States must fix a maximum quota for each sugar-producing undertaking. Article 31 (3), para. two, stipulated that this quota must be fixed not later than 30 June for the current marketing year. Since the sugar marketing year begins on 1 July, the Member States concerned did not need to fix the maximum quota for the individual undertakings until the end of the marketing year.

2. The result of this procedure was that the Commission departments were only able to ascertain at the end of the marketing year what surpluses were to be expected on the sugar market in consequence of the maximum quotas fixed by the two Member States concerned. This seriously restricted the Commission's room for manoeuvre. At the beginning of 1972, for example, when the situation on the world sugar market was extremely favourable, the Commission was not able to offer the Community's entire surplus at the then prevailing high world market price and thus make considerable savings on refunds.

3. The sugar beet season is usually over by the end of January. It can therefore be assumed that fixing maximum quotas for sugar producers in the two Member States concerned at that time would not adversely affect the plans of these undertakings. On the other hand, fixing an earlier date would enable the Commission to ascertain total Community sugar production at that time and thus take appropriate measures to regulate the market.

The above example shows that an early overall picture of the market would not only facilitate the organization of the market, but also, in certain circumstances, enable the EAGGF to make certain savings by reducing refund payments.

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(1) OJ No. 308, 18 December 1967, p.1

4. For these reasons the Commission's proposal for a regulation to amend the basic regulation represents an improvement of the market organization. Your committee therefore recommends the European Parliament to approve this proposal.