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INFORMATION MEMOReference prices for fruit and vegetables

The Commission has submitted to the Council a proposed regulation to amend the provisions relating to reference prices contained in the fruit and vegetables regulation. This is in accordance with the Council's decision of December 15, 1964 to amend the present rules, which are laid down in Article 11(2) of Regulation No. 23, by February 28, 1965.

The new regulation embodies much of the reference price system which has been in force since 1962 and otherwise follows the similar system already applied in the egg and poultry sector. It reflects the Council's predilection for countervailing charges as a means of enforcing reference prices. The possibility of suspending imports is consequently no longer envisaged.

Should the free-at-frontier price of a product imported from a non-member country be lower than the reference price, imports of such a product will be subject to a countervailing charge. A Commission decision is necessary in each case, after reference to the Member States through the fruit and vegetables Management Committee. If, however, imports at free-at-frontier prices lower than reference prices come from certain countries only, the supplementary charge is to be fixed only for imports from those countries. The countervailing charge, which is the same for all Member States, is additional to the customs duties in force.

The most important change proposed is the abolition of one of the conditions for implementing the measures envisaged. This condition concerns serious disturbances, or the threat of such disturbances, caused by imports from non-member countries, and it makes it difficult to manage the market in this sector as efficiently as in the other regulated sectors.

The other changes concern certain additional factors in the calculation of the reference price and free-at-frontier price (the former import price).

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