



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 20.07.1999  
COM(1999) 376 final

99/0161 (CNS)

Proposal for a

**COUNCIL REGULATION (EC)**

**amending Regulation (EC) No 2201/96 on the common organisation  
of the markets in processed fruit and vegetable products**

(presented by the Commission)

## EXPLANATORY MEMORANDUM

This proposal for a Regulation puts into effect the conclusions of the Agriculture Council of 14 June 1999.

Article 6 of Regulation (EC) No 2201/96 provides for the fresh tomato quota for each group of products (tomato concentrate, peeled tomatoes and other products) to be allocated among the Member States annually on the basis of average quantities produced in compliance with minimum prices during the three marketing years preceding the marketing year for which the allocation is made.

No apportionment may result in a variation, by Member State and by product group, of more than 10 % from one marketing year to the next.

While this system is of general application, the Council has laid down two exceptions:

- fixed quotas in 1997/1998 and 1998/1999 for each Member State and product laid down in Regulation (EC) No 2201/96,
- in 1999/2000, apportionment on the basis of the average quantities produced in compliance with minimum prices during 1997/1998 and 1998/1999.

The 1997/1998 marketing year was characterised by extremely unfavourable weather conditions in Portugal, which led to a sharp fall in production. In the apportionment for 1999/2000 this resulted in a decrease of 83 468 tonnes in the concentrates quota allocated to Portugal compared to the quota initially laid down by Regulation (EC) No 2201/96 of 884 592 tonnes.

The same problem will reappear when the quota is calculated for the 2000/2001 marketing year on the basis of the quantities produced in compliance with minimum prices during 1997/1998, 1998/1999 and 1999/2000.

To solve this problem, it is planned to increase the Portuguese concentrates quota for 1999/2000 by 83 468 tonnes. For 2000/2001, it is to be equal to the difference between the quota calculated for Portugal in accordance with the system laid down in Regulation (EC) No 2201/96 and that calculated by replacing the quantity used in Portugal in 1997/1998 by 884 592 tonnes.

For 1999/2000 and 2000/2001, the overall quota of fresh tomatoes and the quantity for tomato concentrate will be increased by the additional quantity allocated to Portugal.

Proposal for a

## **COUNCIL REGULATION (EC)**

### **amending Regulation (EC) No 2201/96 on the common organisation of the markets in processed fruit and vegetable products**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Union, and in particular Article 37 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

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

- (1) Whereas Article 6 of Council Regulation (EC) No 2201/96 of 28 October 1996<sup>1</sup>, as last amended by Regulation (EC) No 2199/97<sup>2</sup>, lays down that the quota fixed for granting production aid for products processed from tomatoes is to be shared out each year among the Member States; whereas for the 1999/2000 marketing year this apportionment is to be calculated on the basis of the average quantities produced in compliance with minimum prices during 1997/1998 and 1998/1999; whereas from 2000/2001 onwards it is to be based on the average quantities produced during the three marketing years preceding the marketing year for which the allocation is made;
- (2) Whereas in Portugal the 1997/1998 marketing year was characterised by extremely unfavourable weather conditions which led to an unusually sharp fall in production; whereas an allocation of quotas on the basis of this unusually low production in Portugal would not take account of the production potential in this Member State under normal weather conditions;
- (3) Whereas, exceptionally, for the two marketing years concerned by the unusual fall in production of tomatoes for processing - 1999/2000 and 2000/2001 - only, Portugal should be given an additional quota for the production of tomato concentrates to make up for the loss of quota resulting from the abnormal conditions in 1997/1998 without injuring producers in the other Member States; whereas this additional quantity should be fixed at 83 468 tonnes for 1999/2000 and calculated, for 2000/2001, by replacing the quantity actually processed during the 1997/1998 marketing year by the quantity of 884 592 tonnes originally allocated to Portugal;

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<sup>1</sup> OJ L 297, 21.11.1996, p. 29.

<sup>2</sup> OJ L 303, 6.11.1997, p 1.

- (4) Whereas this Regulation concerns the 1999/2000 marketing year; whereas this marketing year started on 15 June 1999; whereas this Regulation should apply from that date,

HAS ADOPTED THIS REGULATION:

*Article 1*

The following paragraph 3a is added to Article 6 of Regulation (EC) No 2201/96:

“3a.

Notwithstanding paragraph 3, an additional quantity of fresh tomatoes intended for the production of concentrate shall be allocated to Portugal for 1999/2000 and 2000/2001. This quantity shall be:

- 83 468 tonnes for 1999/2000, and
- for 2000/2001, the difference between the quantity calculated in accordance with paragraph 3 and that calculated by replacing the quantity of fresh tomatoes used in Portugal for the production of concentrate in the 1997/1998 marketing year by 884 592 tonnes.

The volume of fresh tomatoes referred to in paragraph 1 and the quantity of fresh tomatoes intended for the production of concentrate referred to in the first indent of the second subparagraph of paragraph 2 shall be increased, for these two marketing years concerned, by the additional quantity allocated to Portugal.”

*Article 2*

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

It shall apply from 15 June 1999.

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

Done at Brussels,

*For the Council*  
*The President*

# FINANCIAL STATEMENT

<b>FINANCIAL STATEMENT</b>				
1.	BUDGET HEADING: 1511	APPROPRIATIONS: EUR 306 million (PDB 2000)		
2.	TITLE: Council Regulation amending Regulation (EC) No 2201/96 on the common organisation of the markets in processed fruit and vegetable products.			
3.	LEGAL BASIS: Article 37 of the Treaty			
4.	AIMS: To increase Portugal's quota of tomatoes intended for the production of concentrate for the 1999/2000 and 2000/2001 marketing years.			
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 AUTHORITIES - OTHER	N/A	-	3.2
5.1	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL		-	
5.0.1	ESTIMATED EXPENDITURE	2001 0.4 *	2002 -	2003 -
5.1.1	ESTIMATED REVENUE		2004 -	
5.2	METHOD OF CALCULATION:  Marketing year: 1999/2000: 83 468 t x 0.1799 x EUR 216.19 per tonne = EUR 3.2 million Marketing year: 2000/2001*: 10 000 t x 0.1799 x EUR 216.19 per tonne = EUR 0.4 million			
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?			YES / <del>NO</del>
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?			<del>YES</del> / NO
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?			<del>YES</del> / NO
6.3	WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?			YES / <del>NO</del>
OBSERVATIONS:  Conversion into the finished product based on the average processing coefficient over the preceding five marketing years (0.1799). The aid used is that fixed for the current marketing year reduced by 5.37 % on the assumption that France and Portugal will use their quotas in full. * It is not possible at this stage to know the exact quantities for the 2000/2001 marketing year. Expenditure is therefore calculated for each 10 000 t segment. The additional expenditure of EUR 3.2 million does not increase the appropriation requirements laid down by the Commission in the PDB 2000. In fact, in view of the decrease in processing aid fixed by the Commission for the 1999/2000 marketing year, the latest estimates show expenditure of EUR 273 million in 2000, including the increase in the quota for Portugal (compared to EUR 306 million requested in the PDB).				