



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 20.03.1995  
COM(95) 10 final

95/0018 (CNS)

Proposal for a  
**COUNCIL REGULATION (EC)**  
on the improvement of the Community production  
of peaches and nectarines

(presented by the Commission)

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EXPLANATORY MEMORANDUM

Withdrawals of peaches and nectarines have increased considerably in some regions of the Union. The grubbing measures proposed in this Regulation will enable supply to be better matched to demand.

The following statement was entered in the minutes of the meeting of the Agriculture Council of 23 June 1994 during the debate on improving the production of apples:

"The Council recognizes the need for measures similar to those for apples to be taken for peaches and nectarines and asks the Commission to propose appropriate measures before 1 October 1994, bearing in mind the tenor of the decisions taken by the General Affairs Council on 16 and 17 May 1994 with regard to grubbing programmes in fruit and vegetable sectors with surplus production."

The purpose of the attached proposal for a Regulation is to implement that statement. The planned measures are similar to those taken for apples. They provide for grubbing aid for peach and nectarine trees for the 1995 marketing year, on application by producers.

The grubbing measures for peach and nectarine trees will apply to orchards made up of trees less than 15 years old with a density of more than 300 trees per hectare.

Proposal for a  
Council Regulation (EC) No /95  
on the improvement of the Community production  
of peaches and nectarines

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Whereas a feature of the Community market for peaches and nectarines is a certain mismatch between supply and demand; whereas this situation is causing major withdrawals;

Whereas market stabilization measures alone are not capable of remedying this imbalance; whereas specific measures should exceptionally be taken to adapt production potential to present and foreseeable outlets for Community production;

Whereas that objective may be achieved by introducing grubbing premiums for the 1995 marketing year for producers who undertake to abandon the production of peaches and nectarines;

Whereas only producers with the most productive orchards should qualify for the premium, on condition that they undertake in writing not to replant peach or nectarine trees; [whereas, given the fact that a production improvement measure for apples is in the course of being implemented in accordance with Council Regulation (EEC) No 1200/90 of 7 May 1990 on the improvement of the Community production of apples<sup>(1)</sup>, as last amended by Regulation (EC) No 1890/94<sup>(2)</sup>, the undertaking should be extended to apple trees other than cider-apple trees;]

Whereas the premium, to be paid only once, must be determined by taking account of both the cost of grubbing and the loss of income to the producer;

(1) OJ No L 119, 11.5.1990, p. 63.

(2) OJ No L 197, 30.7.1994, p. 41.

Whereas the aim of the grubbing premium is to achieve the objectives laid down in Article 39 of the Treaty; whereas provision should be made for the measure to be financed by the Guarantee Section of the European Agricultural Guidance and Guarantee Fund (EAGGF),

HAS ADOPTED THIS REGULATION :

Article 1

During the 1995 marketing year, peach and nectarine producers in the Community shall qualify, on application and under the conditions laid down in this Regulation, for a premium, to be paid only once, for the grubbing of peach and nectarine trees.

Article 2

1. The premium shall be granted subject to a written undertaking by the recipient:
  - (a) to grub up or have grubbed up, at one time, the whole of his orchard;
  - (b) to refrain from planting any peach trees, nectarine trees and apple trees other than cider-apple trees in accordance with the procedure referred to in Article 6.
  
2. For the purposes of this Regulation, "orchard" means all parcels on the holding under peach or nectarine trees less than 15 years old with a density of more than 300 trees per hectare.

Article 3

The premium shall be fixed taking account in particular of grubbing costs and the loss of income to producers carrying out grubbing operations.

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Article 4

The Member States shall check whether recipients of the premium have fulfilled the undertakings laid down in Article 2. They shall take any further measures necessary, in particular to ensure compliance with the provisions of the premium scheme. They shall communicate the measures taken to the Commission.

Article 5

The measures provided for in this Regulation shall be deemed intervention intended to stabilize the agricultural markets within the meaning of Article 3 of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy<sup>(3)</sup>, as last amended by Regulation (EEC) No 2048/88<sup>(4)</sup>. They shall be financed by the EAGGF Guarantee Section.

Article 6

The premium shall be determined and the detailed rules for the application of this Regulation, in particular those relating to the effectiveness of the scheme, shall be adopted in accordance with the procedure laid down in Article 33 of Council Regulation (EEC) No 1035/72 of 18 May 1972 on the common organization of the market in fruit and vegetables<sup>(5)</sup>, as last amended by Regulation (EC) No 2753/94<sup>(6)</sup>.

Article 7

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

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

Done at Brussels,

- (3) OJ N° L 94, 28.4.1970, p. 13.
- (4) OJ No L 185, 15.7.1988, p. 1.
- (5) OJ No L 118, 20.5.1972, p. 1.
- (6) OJ No L 292, 12.11.1994, p. 3.

For the Council

# Financial Statement

Date : 28 November 1994

1. BUDGET HEADING : 1505 and 1501		APPROPRIATIONS: ECU 47 and 402 million		
2. TITLE : Proposal for a Council Regulation on the improvement of the Community production of peaches and nectarines				
3. LEGAL BASIS : Article 43 of the Treaty				
4. AIMS : To improve the Community market in peaches and nectarines by reducing production by means of grubbing up orchards				
5. FINANCIAL IMPLICATIONS	PERIOD OF 12 MONTHS	CURRENT FINANCIAL YEAR (1995)	FOLLOWING FINANCIAL YEAR (1996)	
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (INTERVENTIONS)			ECU 1.4 million	
	1997	1998	1999	2000
5.0.1 ESTIMATED EXPENDITURE	.....	.....	.....	.....
5.1.1 ESTIMATED REVENUE				
5.2 METHOD OF CALCULATION				
<p>On the basis of a premium of ECU 5 000/ha, an effective yield of grubbed orchards of 25 t/ha, and the withdrawal price adopted for peaches in the 1985 budget, the net cost of the measure per band of 1 000 ha can be estimated at:</p> <p>- grubbing costs (heading 1505) : 1 000 ha x ECU 5 000/ha x 1.207 (DR) = ECU 6 million</p> <p>- savings on withdrawals (heading 1501) : 25 000 t x ECU 153.6/t x 1.207 (DR) = ECU 4.6 million</p> <p style="text-align: right;">NET COST            ECU 1.4 million</p>				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET ?				
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY ?				
6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY ?				
				YES
COMMENTS :				
<p>The two cost components will fall within the 1996 financial year, assuming the grubbing operations are carried out after the 1995 harvest. Withdrawals for that marketing year will be made from June to September 1995 and the associated expenditure will be charged almost entirely to the 1996 budget.</p>				

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# DOCUMENTS

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