

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(76) 581 final.

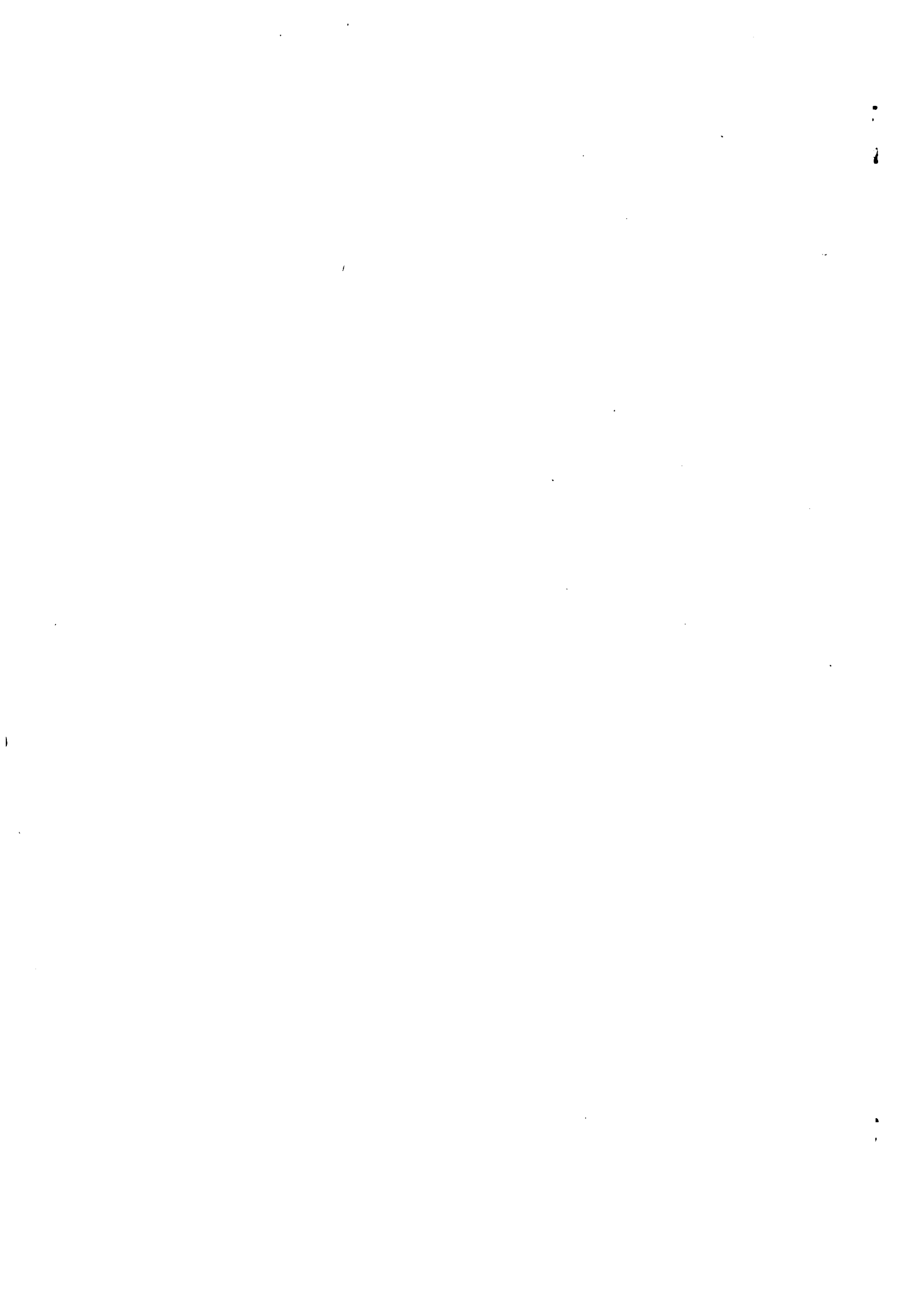
Brussels, 10 November 1976.

PROPOSAL FOR A COUNCIL REGULATION

amending Regulation (EEC) No 2511/69 laying down special measures for
improving the production and marketing of Community citrus fruit.

(submitted to the Council by the Commission)

COM(76) 581 final.



EXPLANATORY MEMORANDUM

1. Regulation (EEC No 2511/69 lays down special measures for improving the production and marketing of Community citrus fruit.

With respect to production, the Regulation mainly provides aid for replanting existing orange and mandarin groves with other varieties in response to consumer demand.

This aid is supplemented for the small holdings (a phenomenon which concerns almost exclusively the Italian restructuration plan) by special additional aid to offset part of the losses resulting from replanting.

2. After one year of application of the reversion plan it has been observed that the 5 hectares limit stipulated in the first indent of Article 4(1) of the abovementioned Regulation tends to deny aid to growers who cultivate a larger area with much marginal land in an extensive manner and derive less income from it than is obtained from 2 hectares of orange and mandarin groves.

The condition in the second indent of Article 4, that the income obtained by the grower from the holding shall not exceed the income derived from 2 hectares of orange and mandarin trees is now totally inadequate, totally inadequate, thus the minimum revenue from a holding must be increased to compensate for the increase in the cost of living. Consequently, it has become essential to extend the limit so that growers for whom the need for additional aid has become all the more acute due to their precarious economic situation are not denied aid and do not abandon the work of replanting.

The condition laid down in the third indent of Article 4 (1) that "at least half the area used for growing orange and mandarin trees is replanted at one time" also needs to be amended.

3. In view of the above the Commission proposes to amend the criteria laid down in Article 4 of Council Regulation No 2511/69 of 9 December 1969, by abolishing the restrictions in the first indent of paragraph 1, by replacing in the second indent the income derived from 2 hectares of orange and mandarin trees by the income derived from 4 hectares, and lastly in the third indent by changing 50% of the area to 40% of the area under orange and mandarin trees.

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Adoption of this amendment would not entail any extra charge on the Community budget and would enable the objective to be achieved in accordance with the spirit of the Regulation.

PROPOSAL FOR COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 2511/69 laying down special measures for improving the production and marketing of Community citrus fruit

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic 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 Council Regulation (EEC) No 2511/69 of 9 December 1969 laying down special measures for improving the production and marketing of Community citrus fruit⁽¹⁾, as last amended by Regulation (EEC) No 793/76⁽²⁾, provides for additional aid to small growers to offset part of the loss of income entailed by replanting;

Whereas experience has shown that the conditions for granting this additional aid unduly limit the number of its recipients ;

Whereas in order to take better account of the special situation of holdings in certain regions of the Community and of the trend of non-agricultural incomes compared with agricultural incomes and to enable certain growers with low incomes to receive the aid, the conditions for granting this additional aid should be relaxed,

(1) OJ No 318, 18.12.1969, p. 1

(2) OJ No 93, 8.4.1976, p. 1

HAS ADOPTED THIS REGULATION :

Article 1

The first subparagraph of Article 4 (1) is hereby amended to read as follows :

"The aid referred to in Article 1 (2) shall be paid to growers for whom oranges and mandarins are their main crop, on condition that :

- the income derived from their holding does not exceed the income derived from four hectares of orange and mandarin trees,
- at least 40% of the area used for growing orange and mandarin trees is replanted at one time,
- an area of at least 20 ares is replanted."

Article 2

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,

For the Council

FINANCIAL STATEMENT

DATE :

1. BUDGET LINE CONCERNED : Article 893

2. ACTION : Proposed Council Regulation modifying Regulation 2511/69/EEC concerning production and marketing improvements in the Citrus Fruit Sector.

3. LEGAL BASIS : Article 43 of the Treaty establishing the European Economic Community

4. OBJECTIVES : To ease the conditions laid down in Article 4 of Regulation 2511/69 to enable better use to be made of the complementary aid.

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR (76)	FOLLOWING FINANCIAL YEAR (77)
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REFUNDING/INTERVENTIONS)		-	-
-CHARGED TO NATIONAL ADMINISTR.		-	63 M.U.A.
-CHARGED TO OTHER NATIONAL GROUPS		-	-
5.1 RECEIPTS			
-OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

	YEAR 1978	YEAR 1979	YEAR 1980
5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE	3,15 MUC	6,3 MUC	6,3 MUC
5.1.1 PLURIANNUAL PATTERN OF RECEIPTS			

5.2 METHOD OF CALCULATION

This is given under "Comments"

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? YES/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? YES/NO

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? YES/NO

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? YES/NO

- COMMENTS :
1. The Complementary Aid is fixed by Regulation 2511/69/EEC as 1000 u.a. per ha. for orange groves.
1200 u.a. per ha. for mandarin groves.
 2. It is estimated that the ratio of orange groves to mandarin groves is 4:1
 3. There is prevision in the Regulation to reduce the premium for the reconversion of mixed variety plantations, this reduction is in relation to the percentage of of the area replanted.

4. The estimated costs are calculated as follows:

	<u>Ha.</u>	<u>Premium</u>	<u>Total Cost</u>
- Replanting	6000	5200	31,2 MUA
- Regrafting total area	4000	5200	20,8 MUA
- Regrafting partial area	3650	3000	10,95 MUA
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	13650		63 MUA

5. The work is to be completed before the 31 December 1978 and it has been assumed that it will be divided equally between 1977 and 1978. The premium is paid in 5 equal annual instalments.

	1977	1978	Total Cost	FEOGA Reimbursement
1977	6,3		6,3	
1978	6,3	6,3	12,6	3,15
1979	6,3	6,3	12,6	6,3
1980	6,3	6,3	12,6	6,3
1981	6,3	6,3	12,6	6,3
1982		6,3	6,3	6,3
1983				3,15
				<hr/>
				31,5 MUA

6. The original estimates evaluated the area to benefit as 21,370 ha. and the cost to FEOGA was estimates as 48,3 MUC. It can therefore be stated that the easing of the conditions in Article 4 will not cause increased expenditure over the original estimate.