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Report

drawn up on behalf of the Committee on External Economic Relations

on the proposal from the Commission of the European Communities to the Council (Doc. 549/77) for a regulation amending Regulation (EEC) No. 471/76 as regards the period of suspension of the application of the condition on prices governing the importation into the Community of fresh lemons originating in certain Mediterranean countries

Rapporteur: Mr J. BAAS

By letter of 15 February 1978 the President of the Council requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal for a regulation amending Regulation (EEC)

No 471/76 as regards the period of suspension of the application of the condition on prices governing the importation into the Community of fresh lemons originating in certain Mediterranean countries.

The President of the European Parliament referred this proposal to the Committee on External Economic Relations, as the committee responsible, and to the Committee on Budgets and the Committee on Agriculture for their opinions.

On 28 February 1978, the Committee on External Economic Relations appointed Mr Baas rapporteur.

It considered the proposal at its meeting of 21 March 1978 and unanimously adopted the motion for a resolution and explanatory statement.

Present: Mr Schmidt, vice-chairman and acting chairman; Mr Martinelli, vice-chairman; Mr van Aerssen, Mr Bayerl, Lord Brimelow, Lord Castle, Mr De Clercq, Mr Fitch, Lord Kennet, Mr Luster, Mr Mont, Mr E. Muller, Mr Pintat and Mr Vandewiele.

The opinions of the Committee on Budgets and the Committee on Agriculture are attached.

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The Committee on External Economic Relations 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 (EEC) No. 471/76 as regards the period of suspension of the application of the condition on prices governing the importation into the Community of fresh lemons originating in certain Mediterannean countries

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
- having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 549/77),
- having regard to the report of the Committee on External Economic Relations and the opinions of the Committee on Budgets and the Committee on Agriculture (Doc. 41/78),

Approves the Commission's proposal.

PE 52.621/fin.

¹ OJ No. C 38, 15.2.1978, p.5

EXPLANATORY STATEMENT

- 1. The Cooperation and association agreements with Cyprus, Spain, Israel, Morocco, Egypt, Tunisia and Turkey provide inter alia for a tariff reduction on imports into the Community of fresh lemons originating in these countries, on condition that a fixed price is observed on the internal Community market.
- 2. Under the terms of Council Regulation (EEC) No. 471/76 of 24 February 1976, the application of this condition was suspended until 31 May 1976. The European Parliament delivered a favourable opinion on this².

The period of validity of Regulation No. 471/76 has been extended several times since then, most recently by Council Regulation (EEC) No. 1388/77 of 21 June 1977^3 , the Regulation now remaining in force until 31 May 1978. The European Parliament approved the latest extension by the procedure without report⁴.

The present Commission proposal provides that Regulation No. 471/76 should again be extended until 31 May 1980.

3. As on previous occasions, the Committee on External Economic Relations unreservedly endorses this proposal.

¹ OJ No. L 58 of 5.3.1976

² OJ No. C 7 of 12.1.1976; Klepsch Report (Doc. 395/75)

³ OJ No. L 158 of 29.6.1977

⁴ OJ No. C 163 of 11.7.1977

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the acting chairman of the committee to Mr Gabriel KASPEREIT, chairman of the Committee on External Economic Relations

Luxembourg, 10 April 1978

Dear Mr Kaspereit,

At its meeting of 20/21 March 1978 the Committee on Budgets considered the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 471/76 as regards the period of suspension of the application of the condition on prices governing the importation into the Community of fresh lemons originating in certain Mediterranean countries.

The regulation provides for the extension of the period of application of financial compensation as provided for in Council Regulation (EEC) No. 471/76, last amended by Regulation (EEC) No. 1389/77.

Parliament approved this regulation, which suspended the application of the condition on prices providing for a tariff reduction on the basis of agreements with Cyprus, Spain, Israel, Morocco, Egypt, Tunisia and Turkey; it also approved the last extension of the regulation (to 31 May 1978)¹.

The regulation at present under consideration provides for a further extension to 31 May 1980.

Since the Commission has concluded, in the light of experience in previous years, that the exporting countries generally try to adhere to the contract price, and since the continued suspension of this condition will not involve any appreciable further reduction in customs revenue, the Committee on Budgets can approve this measure.

(sgd.) Heinrich Aigner
Acting chairman of the Committee on Budgets

Present: Mr Aigner, acting chairman; Mr van Aerssen, Mr Alber, Mr Amadei, Lord Bruce of Donington, Mrs Dahlerup, Mr Hansen, Mr Kofoed, Mr Notenboom, Mr Ripamonti, Mr Ryan, Mr Shaw and Mr Spinelli

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See OJ No. C7 of 12.1.1976, and
OJ No. C 163 of 11.7.1977

OPINION OF THE COMMITTEE ON AGRICULTURE

Letter from the chairman of the committee to Mr Gabriel KASPEREIT, chairman of the Committee on External Economic Relations

Luxembourg, 3 April 1978

Dear Mr Kaspereit,

At its meeting of 30/31 March 1978 the Committee on Agriculture¹ considered the proposal for a regulation amending Regulation No. 471/76 as regards the period of suspension of the application of the condition on prices governing the importation into the Community of fresh lemons originating in certain Mediterranean countries (Doc. 549/77).

The proposal provides, by way of derogation from Council Regulation (EEC) No. 2511/69² laying down special measures for improving the production and marketing of Community citrus fruit, for the maintenance of financial compensation in respect of lemons for the two marketing years 1978-79 and 1979-80. In this context it is proposed that the application of the condition governing the prices for the importation into the Community of fresh lemons from a number of Mediterranean third countries should be suspended. This would entail the suspension until 31 May 1980 of the application of the agreed price with which the exporting Mediterranean third countries must comply if they do not wish to lose their preferential status.

The application of the system of marketing premiums for citrus fruits has led to an increase in the sales of citrus fruits originating exclusively from the producer countries within the Community. The Committee on Agriculture therefore feels that the Community marketing premium for lemons should be maintained, and it will resist any attempt to phase out these premiums.

The Commission states that its proposal provides for the maintenance of financial compensation in respect of lemons, but the level at which these premiums will continue to be applied is not made explicit.

Present: Mr Kofoed, chairman; Mr Liogier, vice-chairman; Mr Andersen, Lord Brimelow, Mr Dewulf, Mr Früh, Mr Hansen, Mr Hoffmann, Mr Klinker, Mr Müller, Mr Noè (deputizing for Mr Pucci), Mr Pisoni, Mr Radoux (deputizing for Mr Lemp) and Mr Tolman.

² OJ No. L 318, 18.12.1969, pp. 1-4

The Committee on Agriculture would therefore point out that it can only approve this proposal for a regulation on condition that the marketing premium for lemons is maintained at the original level.

The aim of this financial compensation, namely the promotion of sales of Community produce in the Community and regular market supplies in the interests of producer and consumer alike, remains valid.

In conclusion, the Committee on Agriculture recalls that it has always made it clear that in order to offset the preferential treatment accorded to imports from Mediterranean non-Member countries, the reference price system must be actively implemented and in no way undermined.

(sgd) N.A. KOFOED