



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 18.10.1996  
COM(96) 505 final

Proposal for a

COUNCIL REGULATION (EC)

**setting for the 1996/97 marketing year the percentages referred to in Article 3(1)(a)  
of Regulation (EEC) No 426/86 in connection with the premium  
granted for products processed from tomatoes**

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(presented by the Commission)



## EXPLANATORY MEMORANDUM

This measure must be taken at Community level, since this is an area in which only the Community has power to act. Its intensity and proportionality are described in detail below.

Article 3(1)(a) of Regulation (EEC) No 426/86 provides for the grant of a premium equivalent to 2% of the aid payable in respect of those quantities of finished products produced from tomatoes obtained from the quantity of fresh tomatoes supplied under contracts concluded with producers' associations.

The premium is only paid if the processors or their associations:

- have accepted all the fresh tomatoes covered by the contracts,
- can prove that the tomatoes processed under the said contracts represent a significant percentage of the total quantity of processed tomatoes.

The purpose of this proposal is to set the percentage applicable to the 1996/97 marketing year at the same level as for the previous year, taking into account the role currently played by producers' associations in the Community.

It should be recalled that the aim of the measure is to encourage concentration of the supply of fresh tomatoes in order to achieve a better administration of the quantities to be produced and the possible outlets, in particular those quantities going to processing.

Proposal for a  
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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 426/86 of 24 February 1986 on the common organization of the market in products processed from fruit and vegetables<sup>1</sup>, as last amended by Regulation (EEC) No 2314/95<sup>2</sup>, and in particular Article 3(3) thereof,

Having regard to the proposal from the Commission,

Whereas, in order to encourage the conclusion of contracts between groups of tomato producers on the one hand and associations of processors or processors on the other, Regulation (EEC) No 426/86 provides, in this case, for the grant on certain terms of an additional premium;

Whereas the "significant specific percentage" for the total quantity of processed tomatoes covered by contracts concluded with producers' groups must be set for the 1996/97 marketing year;

Whereas, in view of the important role played by tomato producers' groups in the producer Member States, it is desirable to maintain at the same level as for the 1995/96 marketing year the percentage of the quantities of tomatoes covered by contracts concluded with producers' associations in relation to the total quantity of processed tomatoes;

HAS ADOPTED THIS REGULATION:

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<sup>1</sup> OJ No L 49, 27.2.1986, p. 1.

<sup>2</sup> OJ No L 233, 30.09.1995, p. 69.

**Article 1**

For the 1996/97 marketing year the percentage mentioned in Article 3(1)(a) of Regulation (EEC) No 426/86 shall be 80%.

**Article 2**

This Regulation shall enter into force on the seventh 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

For the Council

# FINANCIAL STATEMENT

1. BUDGET HEADING: 1511 APPROPRIATIONS: ECU 379 million

2. TITLE:  
 Proposal for a Council Regulation fixing, for the 1996/97 marketing year, the percentages referred to in Article 3(1a) of Regulation (EEC) No 426/86 as regards the grant of aid for processed products based on tomatoes

3. LEGAL BASIS: Regulation (EEC) No 426/86

4. AIMS: To promote the conclusion of contracts between associations of producers and processors

5. FINANCIAL IMPLICATIONS:	PERIOD OF 12 MONTHS (ECU million)	CURRENT FINANCIAL YEAR (96) (ECU million)	FOLLOWING FINANCIAL YEAR (97) (ECU million)
5.0. EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTION)	6	-	6

	1998	1999	2000	2001
5.0.1. ESTIMATED EXPENDITURE	-	-	-	-

5.2. METHOD OF CALCULATION:  
 Expenditure for tomato processing in the 1996/97 marketing year is estimated at ECU 361 million. The amount of the aid being 2% of that sum, the cost of the measure is:  
 $ECU\ 361\ million \times 2\% \times 80\% \times 1.034\ (DT) = ECU\ 5.97\ million$

6.0. CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET? YES

6.1. CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET? YES

6.2. WILL A SUPPLEMENTARY BUDGET BE NECESSARY? NO

6.3. WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY? YES

OBSERVATIONS The 1997 draft budget includes an appropriation corresponding to that amount.



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# DOCUMENTS

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