COMMISSION OF THE HUROPEAN COMMUNITIES

COM (74) 711 final Brussels, 14 May 1974

Proposal for a

REGULATION (EEC) OF THE COUNCIL

fixing the basic price and buying—in price for apples for the month

of June 1974

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

<u>Draft</u>: Project fixing the basic price and buying in price for apples for the month of June 1974.

At the meeting of the Council of Ministers of Agriculture on 29 and 30 April 1974 the French delegation requested that the period of application of the basic price and the buying—in price for apples, be extended by one month.

This draft Regulation, which takes account of that request, is based on Article 35 of Regulation (EEC) No 1035/72 which provides that the Council, acting on a proposal from the Commission, may take, for any of the products listed in the Annexes to that Regulation, measures in derogation therefrom.

The stocks of apples held on 1 April 1974 were greater than the stocks which existed in the Community on the same date in previous marketing years, as is shown in the following table:

Stocks o	- -	unity on 1 April 1974 of April 1972 and 1 April	
-	1 April 1972	1 April 1973	1 April 1974
Belgium	66,000	50.000	55.000
Denmark	3.000	1.500	2,000
Germany	22.000	18.500	23,000
France	208.000	165,000	227.000
Ireland	-	~	-
Italy	358.000	300,000	510.000
Luxembourg	-	-	-
Netherlands	110.000	95.000	108.000
United Kingdom	28.000	10.000	31.000
EEC	795.000	642,000	956.000

If marketing continues normally, these stocks should reach 600.000 tonnes on 1 May 1974, an increase of 76% and 26% respectively over 1 May 1973 and 1 May 1972.

Such a rate of increase is likely to lead to the withdrawal of considerable quantities of apples from the market before the end of May 1974, since producers will not wish to run the risk of marketing these products in June, a month for which no intervention price is fixed. This situation may be avoided by fixing a basic price and a buying—in price for June.

The purpose of this draft Regulation is to extend to the month of June the validity of the price fixed for April and May, which is a normal end-of-year price.

FINANCIAL ASPECTS

As has already been pointed out, the extension of the intervention period will help to avoid massive withdrawals of apples from the market in May. This will mean less expenditure for the EAGGF, since part of the stocks, which would otherwise be withdrawn from the market, will now be marketed.

It should be noted that withdrawal from the market would entail expenditure of approximately 77 units of accounts per tonne of apples.

Proposal for a

REGULATION (EFIC) OF THE COUNCIL

fixing the basic price and buying—in price for apples for the month of June 1974

THE COUNCIL OF THE EUROPEAN COMUNITIES.

Having regard to the Treaty establishing the European Economic Community.

Having regard to Council Regulation (EEC) n° 1035/72⁽¹⁾ of 18 May 1972 on the common organization of the market in fruit and vegetables, as last amended by Council Regulation (EEC) n° 2745⁽²⁾, and in particular Articles 16 and 35 thereof;

Having regard to the proposal from the Commission;

Whereas under Article 16 of Regulation (EEC) no 1035/72 basic prices and buying-in prices were fixed for apples for the marketing year running from 1 August 1973 to 31 May 1974;

Whereas at present stocks of apples are well up on the previous marketing year; whereas, consequently, considerable quantities of apples are likely to be withdrawn from the market before the end of May; whereas, in order to remedy this situation, a basic price and a buying—in price should be fixed for the month of June;

HAS ADOPTED THIS REGULATION:

⁽¹⁾ OJ n° L. 118, 20.5.1972, p. 1 (2) OJ n° L.291, 28.12.1972, p. 147

Article 1

1. For the month of June 1974 the basic price and buying—in price for apples other than cider apples, expressed in units of account per 100 kg net, shall be as follows:

- basic price

17,2

- buying-in price

8,6

2. The prices specified in paragraph 1 relate to apples of the Golden Delicious variety, quality Class I, size 70 mm or more, put up in packings.

Article 2

The prices quoted in Article 1 (1) do not include the cost of the packings in which the product is put up.

Article 3

This Regulation shall enter into force on the 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

The President