

Brussels, 11 November 1965

IP (65) 191

PRESS RELEASECommission fixes reference prices for oranges

Yesterday the Commission issued a regulation fixing reference prices for sweet oranges for 1965/66.

A countervailing charge on imports from outside the Community will be imposed where the offer price falls below:

15.5 u.a./100 kg (December-April) for popular varieties (Group II)
11.3 u.a./100 kg (December-April) for less popular varieties (Group III).

The Commission's decision is in strict conformity with the provisions adopted by the Council in December 1964 on reference prices for fruit and vegetables, the purpose of which was to ensure reasonable protection for Community growers, with due regard to the interests of consumers.

This matter had been discussed on several occasions with delegates from the Member States in the relevant Management Committee; the points at issue were the determination of producer prices and the comparison of varieties grown in the Community with varieties offered on the world market.

The reference prices now fixed may well result in higher import prices where the countervailing charge is applied - particularly in the period between the end of December and February.

Import prices might thus be three to nine per cent higher - depending on the month - than the prices normally obtaining during the same period in previous years for the orange market as a whole.

In turn, higher wholesale prices may affect the retail market. But the marketing and distribution margin can sometimes be as much as 100% of the import price. We can therefore expect that the charge on imports will not be entirely passed on to the consumer.

Five delegations in the Management Committee were unable to agree to the draft submitted by the Commission. Consequently, a qualified majority - at least 12 votes out of 17 - voted against, and the Commission had to notify the Council of this decision in accordance with established procedure. In cases of this kind the Council may take a different decision - by qualified majority - within one month.

Since the reference prices are to take effect on 1 December, the Council will presumably debate the matter in the course of November.

Some technical information is annexed.

ANNEX

<u>Group</u>	<u>1964 reference price</u>	<u>1965 reference price</u>	<u>(u.a./100 kg)</u> <u>1965 minimum import price</u>
I Moro and Tarocco	-	19.2 (Dec.-March)	19.2
II Sanguinello	12.50/13.50	17.1	15.5
III Biondo comune	7.0/ 9.0	8.6	11.3

The entry price of Group I varieties is calculated on the basis of the price of ~~non-Community~~ varieties.

the two above mentioned varieties imported from ~~XXXXXXXXXXXXXX~~ ^{non-member state} ~~less popular varieties~~ (Group III): Surinam, Biondo comune (Blanca comuna), Comune, Grano de Oro (Imperial, Sucrena), Baladi, Pera, Hamlin, Macetera, Pineapple, Blood Oval (Doblefina, Double Fine), Portuguese Blood, Sanguina Redonda (Entrefina), ordinary Sanguina excluding Navel Sanguina (Double Fine Améliorée, Washington Sanguina, Sanguina Grande) and Maltese Blood.

Popular varieties (Group II) & other varieties

For calculating the entry price, a coefficient is applied to prices of imports from non-member countries - 1.1 for popular varieties (1 January-30 April) and 0.76 for less popular varieties. The effective minimum import price is derived in this way from the reference price.

PP/500/65

Correction by telex No. 22,380, November 17, 1965