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04.10.2006

Eduskunta
Suuri valiokunta

Viite

Asia

Komission ehdotus neuvoston asetukseksi banaanialaa koskevien asetusten muuttamisesta

U/E-tunnus:

EUTORI-numero:

Ohessa lähetetään perustuslain 97§:n mukaisesti eduskunnan suurelle valiokunnalle tiedoksi komission ehdotus neuvoston asetukseksi banaanialaa koskevien asetusten (ETY) N:o 404/93, (EY) N:o 1782/2003 ja (EY) N:o 247/2006 muuttamisesta.

Ehdotuksesta on tällä hetkellä saatavana vain englanninkielinen versio, suomen- ja ruotsinkieliset versiot toimitetaan eduskunnalle jälkikäteen.

Maatalousneuvos

Taina Vesanto

LIITTEET Perusmuistio 4.10.2006, KOM(2006) ???

Asiasanat

Hoitaa

Tiedoksi

Asia/Otsikko

Ehdotus neuvoston asetukseksi banaanialaa koskevien asetusten (ETY) N:o 404/93, (EY) N:o 1782/2003 ja (EY) N:o 247/2006 muuttamisesta

Kokous

Suomen edustajat

Asiakirjat

Liitteet

Viite

ASIA: Ehdotus neuvoston asetukseksi banaanialaa koskevien asetusten (ETY) N:o 404/93, (EY) N:o 1782/2003 ja (EY) N:o 247/2006 muuttamisesta

EURODOC nro

U-TUNNUS

KÄSITTELYVAIHE JA KÄSITTELYN LUONNE

Maatalouden erityiskomitea 2.10.2006 (Komission esittely)

ASIAKIRJAVIITTEET

Asiakirja 13000/06 + ADD 1 + ADD 2

EU:N OIKEUDEN MUKAINEN OIKEUSPERUSTA JA PÄÄTÖKSENTEKOMENETTELY

- perustamissopimus: artikla 37
- Euroopan parlamentti: kuulemismenettely
- neuvosto: määräenemmistö

KÄSITTELIJÄ(T)

MMM/MAO Birgitta Vainio-Mattila (työryhmän pj.) p.160 52911, 040 861 7793

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SUOMEN KANTA/OHJE

Suomi kannattaa komission esitystä sisällyttää EU:n banaanisektorin tuet merentakaisilla tuotantoalueilla POSEI-ohjelmaan ja manneralueilla tilatukijärjestelmään.

PÄÄASIALLINEN SISÄLTÖ

Komissio antoi 20.9.2006 esityksen banaanintuottajien tukijärjestelmää koskevasta laajasta uudistuksesta.

Reformiesityksellä pyritään:

- vakaannuttamaan banaanin yhteisen markkinajärjestelmän menoja
- tuomaan unionin banaanitukijärjestelmä WTO-yhteensopivaksi
- ylläpitämään unionin syrjäisimpien alueiden taloudellista aktiivisuutta ja sosiaalista tasapainoa
- ohjaamaan resursseja kohti kestävämpää kehitystä ja, missä se ei ole mahdollista, monipuolistamaan maataloustuotantoa
- yksinkertaistamaan säädöksiä

Komissio esittää reformia, missä EU:n syrjäisimpien alueiden (Kanarian saaret, Azorit, Madeira, Martinique ja Guadeloupe) banaanituki sisällytettäisiin ns. POSEI- järjestelmään ja mantereella (Kypros, Kreikka ja manner-Portugali) banaanituki sisällytettäisiin tilatukijärjestelmään. Mantereella tuotettujen banaanien osuus koko yhteisön alueen tuotannosta on noin 2 prosenttia. POSEI:n budjetti kasvaisi 278,8 miljoonaa euroa perustuen vuosina 2000 – 2002 myönnettyjen banaanitukien keskiarvoon. Tuki jaettaisiin tuotantoalueille tuottajajäsenvaltioiden pyynnöstä vuoden 2000 jaon mukaisesti: Espanja 50,4 prosenttia, Ranska 46,1 prosenttia, Portugali 3,1 prosenttia ja Kreikka 0,4 prosenttia. Lisäksi Euroopan manneralueen tuottajien tukimäärä olisi noin 3 miljoonaa euroa. POSEI-vaihtoehtoa on perusteltu mm. sen joustavuudella ja budjettivakaudella.

Komissio esittää, että Posei-ohjelman toimintaa seurattaisiin järjestelmällisesti laatimalla viiden vuoden välein kattava katsaus siitä. Ensimmäisen katsauksen komissio laatisi vuoden 2009 loppuun mennessä. Ensimmäinen katsaus voidaan laatia aiemminkin, jos ilmenee huomattavia taloudellisten olosuhteiden muutoksia, jotka vaikuttavat syrjäisimpien alueiden tuottajien toimeentuloon.

Komissio esittää myös että tuottajaorganisaatiojärjestelmän lakkautettaisiin yhteisön tasolla, koska sen katsotaan täyttäneen sille asetetun tavoitteen siitä, että tuotteet markkinoitaisiin pääosin tuottajaorganisaatioiden kautta. Suurin osa EU:n banaanituottajista on tuottajaorganisaatioiden jäseninä. Tuen maksua jatkettaisiin kuitenkin hiljattain hyväksytyille tuottajaorganisaatioille säädösten mukaisesti. Komission esityksessä ehdotetaan myös banaanin hallintokomitean lakkauttamista. Reformi toteutetaan budjettineutraalisti referenssivuosiin 2000-2002 verraten.

Komission esityksellä muutettaisiin kolmea neuvoston asetusta:

- neuvoston asetus 404/93 banaanialan yhteisestä markkinajärjestelystä
- neuvoston asetus 247/2006 unionin syrjäisimpien alueiden hyväksi toteutettavista maatalousalan erityistoimenpiteistä (ns. POSEI- asetus)
- neuvoston asetus 1782/2003 ns. tilatukiasetus

Banaanireformi tulisi hyväksyä viimeistään joulukuun neuvostossa, jotta se voisi astua voimaan 1.1.2007.

Banaanireformin valmisteluun on varattu kaksi neuvoston työryhmän kokousta: 6.10. ja 17.10.2006.

KANSALLINEN KÄSITTELY

EU-18 jaosto 28.9.2006

KANSALLINEN LAINSÄÄDÄNTÖ

Ei kansallista lainsäädäntöä.

TALOUDELLISET VAIKUTUKSET

Reformi toteutetaan budjettineutraalisti verraten referenssivuosiin 2000-2002. Reformissa siirrettäisiin 278,8 miljoonaa euroa POSEI-ohjelmaan ja noin 3 miljoonaa euroa tilatukijärjestelmään manneralueen tuottajille.

MUUT MAHDOLLISET ASIAAN VAIKUTTAVAT SEIKAT

Komissio esitti syksyllä 2005 tiedonannossaan neljää, eri vaihtoehtoa banaanireformiksi.

(1) **”Status Quo”**: Pakollinen ”no policy change” skenaario. Vaihtoehto huomioi ainoastaan yleiset muutokset banaanisektorilla.

(2) **”Decoupling”**: Banaanireformi osana CAP-reformia. Banaanintuki sidotaan tuotannosta irrotettuun tilatukijärjestelmään (the decoupled single farm payment regime).

(3) **”Memorandum”**: Tuottajamaille maksetaan maakohtaista tukea, joka perustuu historiallisiin viitevuosiin ja jäsenmaa sitoutuu säilyttämään alueellaan ainakin osan banaanituotannosta.

(4) **”POSEI”**: Banaanituottajille maksettava tuki siirretään POSEI-ohjelmaan (koskee merentakaisia alueita). Euroopan alueen banaanituottajien tuki siirretään tilatukijärjestelmään.

Neuvoston työryhmän (29.11.2005) keskustelussa banaanin tuottajavaltiot (GR, ES, FR, PT) olivat sitä mieltä, että banaanintuotanto on erittäin tärkeää banaanin tuotantoalueille, eikä pelkästään yhteiskunnallis-taloudellisten seikkojen vuoksi. On otettava huomioon myös ympäristölliset näkemykset (maisema) ja maaseudun kehittämisenäkökulma (turismi), etenkin kun banaania tuotetaan usein epäedullisilla tuotantoalueilla ja vaihtoehtoisen viljelykasvin löytäminen on vaikeaa.

Banaanin ei-tuottajavaltiot (DE, DK, ensisijaisesti SE) painottivat voimakkaasti sitä näkemystä, että banaanimarkkinoiden tulisi olla enemmän markkinakeskeiset. SE:n mielestä banaanisektori rasittaa likaa yhteisön budjettia. SE mukaan tuen irrottaminen tuotannosta ja sen lisäksi tuen modulaatio olisivat oikeanlaisia ratkaisuja, joista hyötyisivät kuluttajat ja veronmaksajat.

Sekä FR että ES totesivat, että banaanituottajille maksettava tuki muodostuu monen asian yhteenlaskettuna summana ja banaanituotanto EU:ssa on kuitenkin vakiintunut samalle tasolle viime vuosien aikana, kysymyksessä ei ole kuitenkaan ylituotanto. Lisäksi ES totesi, että tuotannosta irrotettu tuki ei kannusta tuottajaa laadukkaampaan lopputuotteeseen.

Asiasanat	jaosto EU 18 maatalous- ja elintarvike, banaani
Hoitaa	MMM
Tiedoksi	ALR, EUE, KTM, SM, STM, TH, UM, VM, VNEUS, YM



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 20.9.2006
COM(2006) 489 final

2006/0173 (CNS)

Proposal for a

COUNCIL REGULATION

amending Regulations (EEC) No 404/93, (EC) No 1782/2003 and (EC) No 247/2006 as regards the banana sector

(presented by the Commission)

{SEC(2006) 1106}
{SEC(2006) 1107}

EXPLANATORY MEMORANDUM

1. INTRODUCTION

Community bananas account for only 16% of total EU supply. They are produced in four outermost regions situated in tropical or sub-tropical areas, except for few quantities (less than 2% of total) produced in Cyprus, Greece and continental Portugal.

In February 2005, following the extension of the Common Market Organisation in bananas (CMO) to ten new Member States and prior to a substantial change of the import regime to honour the agreements concluded in 2001 with Ecuador and the United States, the Commission published a report on the operation of the CMO¹. This launched a wide-ranging debate on the future of the CMO, in a context shaped by the prospect of a conclusion of the Doha Round negotiations, of a new generation of partnership agreements with the ACP countries, the end of the exemption for bananas from the Everything But Arms agreement, and the renewal of the Union's policy towards its outermost regions and the POSEI programmes specifically dedicated to supporting their agriculture².

Drawing the first conclusions from this debate - which in the meantime profited from an independent evaluation on the operation of the CMO³ - the Commission in October 2005 decided to propose a reform of the internal aspects of the banana CMO in 2006 and, in particular, of those aspects governing the granting of aid to European producers⁴. This reform proposal also answers the European Court of Auditors' recommendations in its Special report n° 7/2002 on the sound financial management of the Common Organisation of Markets on the banana sector⁵. In its reply, the Commission had stated that it was deeply convinced of the need to conduct an in-depth review of the aid scheme for Community producers and that the Court's report together with other elements such as the change to the tariff only import regime provided an opportunity to evaluate or even re-examine the market organisation's objectives.

In accordance with the commitment made to better regulation⁶, the preparation of the reform was preceded by an analysis of the economic, social and environmental aspects of the problems involved in its operation, including a public consultation on a set of options for reform.

2. REASONS AND OBJECTIVES OF THE REFORM

The current aid scheme for banana producers is based on principles which for other common market organisations have been substantially reformed. Producers are artificially isolated from the market trends since the aid automatically compensates for price changes. Although the aid is limited to a maximum quantity of 867,500 tonnes for all the producer regions, there is no

¹ Report to the European Parliament and to the Council concerning the operation of the banana CMO - COM (2005) 50, 17.2.2005.

² Regulation (EC) No 247/2006 of 30 January 2006 (OJ L 42, 14.2.2006, p. 1).

³ Evaluation of the common organisation of the market in bananas, carried out by COGEA in 2005, http://europa.eu.int/comm/agriculture/eval/reports/bananas/index_fr.htm

⁴ 2006 work program of the Commission - COM(2005) 531, 25.10.2005.

⁵ OJ C 294, 28.12.2002, p. 1.

⁶ Communication on impact analysis - COM(2002) 276, 5.6.2002 - and Impact Analysis Guidelines - SEC(2005) 791, 15.6.2005.

budget ceiling. The calculation of the aid, based on Community average prices, does not adequately take into account the particularities of each of the producing regions.

It is necessary to amend this regime on the basis of the main political priorities set up by the Sustainable Development and the Lisbon Strategies, as transposed in the objectives of the reformed Common Agricultural Policy. The reform's objectives are to:

- ensure a fair standard of living of the agricultural community in regions where bananas are produced, while stabilizing public expenditure;
- align the regime on the main principles of the reformed common market organisations – sustainability, competitiveness, market-orientation of producers – and ensure the respect of the international obligations of the Community, in particular WTO rules;
- take adequately into account the particularities of the producing regions. Bananas are one of the main agricultural crops of certain outermost regions of the Union, notably the French overseas departments of Guadeloupe and Martinique, the Azores, Madeira and the Canary Islands, where agricultural activities are handicapped by the remoteness, insularity, small size, and difficult topography of these regions. Local banana production is an important element of the environmental, social and economic balance of these regions.

In accordance with the commitment made to better regulation, the Commission assessed the impact of three possible options for reform: "Decoupling", integrating the banana aid scheme into the decoupled single farm payment regime; "Memorandum", closely matching the proposal presented by the principal producing countries; "POSEI", incorporating the aid for banana producers into the existing POSEI programmes for the agricultural sectors of the outermost regions and envisaging the integration of the aid into the single farm payment regime for the continental producing regions. The impact assessment concluded that the POSEI option appears the most suited to achieve the objectives pursued.

In this context the Commission proposes to abolish the aid scheme in the CMO and replace it with 1) an increase in the budget allocation for the POSEI scheme that will become the only market support instrument for bananas in the outermost regions and 2) the inclusion of non outermost areas under banana cultivation into the single payment scheme, along with a budget transfer.

3. PROPOSED MEASURES FOR REFORM OF THE BANANA CMO

3.1. Aid to producers in the outermost regions

Title III of Council Regulation (EC) No 247/2006 of 30 January 2006 laying down specific measures for agriculture in the outermost regions of the Union⁷ provides for the establishment of Community support programmes for the outermost regions containing specific measures to assist local lines of agricultural production. This instrument seems best adapted to support banana production in each of the regions concerned allowing the respective Member States to propose measures, in the

⁷ OJ L 42, 14.2.2006, p. 1. Regulation as amended by Regulation (EC) No 318/2006 (OJ L 58, 28.2.2006, p. 1).

framework of their overall support programmes, that take account of the regional particularities.

It is proposed to increase the budgetary allocation under Title III of Regulation (EC) No 247/2006 by a total amount of EUR 278,8 million in order to fully include Community support to banana producers in those programmes as of 1 January 2007, hence reinforcing the coherence of the strategies for support of agricultural production in these regions.

3.2. Aid to producers in other banana regions

As regards production of bananas in the Community other than in the outermost regions (Greece, continental Portugal and Cyprus), it seems no longer necessary to provide for a specific aid scheme for bananas, given the small proportion of the total Community production concerned.

It is proposed to allow for the shift from production support to producer support, by abolishing the existing compensatory aid scheme for bananas and including it into the Single Payment Scheme set up by Council Regulation (EC) No 1782/2003 of 29 September 2003⁸. Member States will establish the reference amounts and eligible hectares under the Single Payment Scheme on the basis of a representative period appropriate to the banana market and of appropriate objective and non-discriminatory criteria. It is proposed to increase the national ceilings for Greece and Portugal⁹ by EUR 1,1 million and EUR 0,1 million respectively. An additional budget of EUR 3,4 million is proposed for the implementation of the Single Payment Scheme in Cyprus as of 2009, adjusted in accordance with the schedule of increments applied for the New Member States. The budgetary details are provided below.

3.3. Producers' organizations

The existing regime had as objectives to form producers' organisations in order that as many producers as possible be members of such organisations and limited the payment of the compensatory aid to producers members of recognized producers' organizations. The regime has succeeded in its first objective since the vast majority of Community producers are now members of producers' organisations. The second objective is obsolete since the compensatory aid scheme is to be abolished.

It is therefore proposed not to maintain any longer rules at Community level on producer organisations, thus leaving Member States free to adopt such rules, if necessary, targeted at the specific situations in their territories. Accordingly, it is proposed to abolish the scheme providing for assistance to encourage the establishment and administrative operation of producers' organisations. However in the interests of legal certainty and the protection of legitimate expectations, the continued payment of such assistance to recently recognised producers' organisations already benefiting from this assistance will be ensured.

⁸ OJ L 270, 21.10.2003, p. 1. Regulation as last amended by Regulation (EC) No 319/2006 (OJ L 58, 28.2.2006, p. 32).

⁹ Annex VIII to Council Regulation (EC) No 1782/2003.

3.4. Obsolete provisions

It is proposed to delete a number of spent or obsolete provisions of Regulation (EEC) No 404/93, mainly as regards third country trade before the entry into force of the tariff-only import regime¹⁰, rural development programmes for banana producing regions, spent reporting provisions.

4. MONITORING AND EVALUATION

A report to the European Parliament and to the Council on the implementation of the POSEI programmes is planned for 2009. It will provide the opportunity for an in-depth analysis of the effectiveness and the adequacy of the POSEI instrument and now, with this proposal, the exercise will include the banana sector in the main producing areas. The ensuing conclusions will address the question of the balance between the various measures against the objectives pursued. If there are substantial changes to the economic conditions affecting livelihoods in the outermost regions, the Commission shall submit the report sooner.

5. BUDGETARY IMPACT OF THE PROPOSAL

The financial envelope included in the proposal is based on the average aid allocated to banana producers for the period 2000-2002. This period corresponds to the reference period used for the calculation of the financial envelopes for the 2003 and 2004 CAP reforms. The resulting envelope amounts to EUR 280 million for the sum of the producing Member States except Cyprus. It is proposed to distribute this amount amongst Member States using the same distribution percentages of 2000, following the request made by the producing Member States in their Memorandum of 20 September 2005 and in their common position of 22 May 2006: Spain 50.4%, France 46.1%, Portugal 3.1%, Greece 0.4%. As a result:

a) The following amounts will be added to the financial plans of the POSEI programmes:

million EUR

		Financial year 2008 and further		
French overseas departments		+ 129,1		
Azores and Madeira		+ 8,6		
Canary Islands		+141,1		
<i>TOTAL increase POSEI</i>		+ 278,8		

b) The national ceilings for Greece and Portugal referred to in Article 41 of Regulation (EC) No 1782/2003 (Annex VIII) will be increased by EUR 1,1 million and EUR 0,1 million respectively for 2007 and the following years.

¹⁰ Regulation (EC) No 1964/2005 (OJ L 316, 2.12.2005, p. 1).

As concerns Cyprus, where banana producers are currently supported under the Single Area Payment Scheme (SAPS), it is proposed to add an additional budget of EUR 3,4 million to the national ceiling referred to in Article 71c of Regulation (EC) No 1782/2003 (Annex VIIIa), adjusted in accordance with the schedule of increments applied for the New Member States, and in particular:

ANNEX VIIIa
National ceilings referred to in Article 71c

EUR '000

Calendar year	Czech Republic	Estonia	Cyprus	Latvia	Lithuania	Hungary	Malta	Poland	Slovenia	Slovakia
2005										
2006										
2007			+1360							
2008			+1700							
2009			+2040							
2010			+2380							
2011			+2720							
2012			+3060							
Subsequent years			+3400							

The full aid amount of EUR 3,4 million has been calculated on the basis of the average banana production in Cyprus in the period 2000-2002 and on the basis of the average banana aid paid to EU producers for the same period.

Proposal for a

COUNCIL REGULATION

amending Regulations (EEC) No 404/93, (EC) No 1782/2003 and (EC) No 247/2006 as regards the banana sector

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission¹¹,

Having regard to the opinion of the European Parliament¹²,

Whereas:

- (1) Currently the regime for the banana sector is set out in Council Regulation (EEC) No 404/93 of 13 February 1993 on the common organisation of the market in bananas¹³. In particular the aid scheme for banana producers is based on principles which for other common market organisations have been substantially reformed. In order to better ensure a fair standard of living of the agricultural community in regions where bananas are produced, to better direct resources towards market-orientation of producers, to stabilise expenditure, to ensure the respect of the international obligations of the Community, to take adequately into account the particularities of the producing regions, to simplify the management of the regime and align it on the principles of the reformed common market organisations, it is necessary to amend this regime.
- (2) Changes should take into account developments and potential developments in the regime governing imports into the Community of bananas produced in third countries, in particular the move from a system governed by tariff quotas to one currently governed by a tariff-only system, subject only to a preferential quota for bananas produced in ACP countries.
- (3) Bananas are one of the main agricultural crops of certain outermost regions of the Union, notably the French overseas departments of Guadeloupe and Martinique, the Azores, Madeira and the Canary Islands. Production of bananas is handicapped in particular by the remoteness, insularity, small size, and difficult topography of these

¹¹ OJ C , , p. .

¹² OJ C , , p. .

¹³ OJ L 47, 25.2.1993, p. 1. Regulation as last amended by the 2003 Act of Accession.

regions. Local banana production is an essential element of the environmental, social and economic balance of the rural areas in those regions.

- (4) The current Community system of compensatory aid for bananas set out in Title III of Regulation (EEC) No 404/93 does not adequately respect the local particularities of production in each of those outermost regions. Provision should therefore be made to cease paying the existing compensatory aid for bananas in respect of those regions, which would allow banana production to be included in the support programmes. It is therefore appropriate to seek a better instrument to support banana production in those regions.
- (5) Title III of Council Regulation (EC) No 247/2006 of 30 January 2006 laying down specific measures for agriculture in the outermost regions of the Union¹⁴ provides for the establishment of Community support programmes for the outermost regions containing specific measures to assist local lines of agricultural production. This Regulation provides for a review not later than 31 December 2009. If there are substantial changes to the economic conditions affecting livelihoods in the outermost regions, the Commission shall submit the report sooner. This instrument seems best adapted to support banana production in each of the regions concerned by providing for flexibility and decentralisation of mechanisms to support banana production. The possibility of including banana support in those support programmes should reinforce the coherence of the strategies for support of agricultural production in these regions.
- (6) The budgetary allocation under Title III of Regulation (EC) No 247/2006 should be increased accordingly.
- (7) As regards production of bananas in the Community other than in the outermost regions, it seems no longer necessary to provide for a specific aid scheme for bananas, given the small proportion of the total Community production concerned.
- (8) Council Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers and amending certain Regulations¹⁵ provides for a system of decoupled income support for farms (hereinafter referred to as “the Single Payment Scheme”). This system was intended to allow for the shift from production support to producer support.
- (9) For sake of consistency it is appropriate abolish the existing compensatory aid scheme for bananas and to include it into the Single Payment Scheme. To this end it is necessary to include the compensatory aid for bananas in the list of direct payments in relation to the single payment scheme referred to in Article 33 of Regulation (EC) No 1782/2003. Provision should also be made for the establishment by Member States of reference amounts and eligible hectares under the Single Payment Scheme on the basis of a representative period appropriate to the banana market and of appropriate objective and non-discriminatory criteria. Areas planted with bananas should not be excluded due to their being treated as permanent crops. National ceilings should be

¹⁴ OJ L 42, 14.2.2006, p. 1. Regulation as amended by Regulation (EC) No 318/2006 (OJ L 58, 28.2.2006, p. 1).

¹⁵ OJ L 270, 21.10.2003, p. 1. Regulation as last amended by Regulation (EC) No 319/2006 (OJ L 58, 28.2.2006, p. 32).

amended appropriately. Provision should also be made for the Commission to adopt detailed rules and any necessary transitional measures.

- (10) Title II of Regulation (EEC) No 404/93 provides for producers' organisations and concentration mechanisms. As regards producers' organisations, the existing regime had as objectives to form such organisations in order that as many producers as possible be members of such organisations and limited the payment of the compensatory aid to producers members of recognized producers' organisations.
- (11) The regime has succeeded in its first objective since the vast majority of Community producers are now members of producers' organisations. The second objective is obsolete since the compensatory aid scheme is to be abolished. It is therefore no longer necessary to maintain rules at Community level on producer organisations, thus leaving Member States free to adopt such rules, if necessary, targeted at the specific situations in their territories.
- (12) The scheme providing for assistance to encourage the establishment and administrative operation of producers' organisations should therefore be abolished. However in the interests of legal certainty and the protection of legitimate expectations, provision should be made for the continued payment of such assistance to recently recognised producers' organisations already benefiting from this assistance.
- (13) The provisions allowing for the recognition and operation of groups encompassing one or more of the economic activities relating to the production, marketing or processing of bananas have not found any practical application. They should therefore be deleted.
- (14) In the light of the changes made to the banana regime, it is no longer necessary to have a separate Management Committee for Bananas. The Management Committee for Fresh Fruit and Vegetables established by Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organisation of the market in fruit and vegetables¹⁶ should be appropriately used instead.
- (15) A number of provisions contained in Regulation (EEC) No 404/93 are obsolete and should therefore be repealed for sake of clarity.
- (16) Regulations (EEC) No 404/93, (EC) No 1782/2003 and (EC) No 247/2006 should therefore be amended accordingly.
- (17) Provision should be made for the Commission to adopt any detailed rules necessary for the implementation of the amendments provided for in this Regulation and transitional measures necessary to facilitate the switch-over from the existing arrangements to those laid down by this Regulation.
- (18) In order to avoid prolonging unnecessarily the current aid scheme for bananas and in the interests of simple and effective management, the amendments provided for in this Regulation should apply as soon as practicable, namely from the 2007 marketing year for bananas,

¹⁶ OJ L 297, 21.11.1996, p. 1. Regulation as last amended by Commission Regulation (EC) No 6/2005 (OJ L 2, 5.1.2005, p. 3).

HAS ADOPTED THIS REGULATION:

Article 1
Amendments to Regulation (EEC) No 404/93

Regulation (EEC) No 404/93 is amended as follows:

- (1) Titles II and III, Articles 16 to 20, paragraph 2 of Article 21, Article 25 and Articles 30 to 32 are deleted;
- (2) in Article 27, paragraph 1 is replaced by the following:
 - "1. The Commission shall be assisted by the Management Committee for Fresh Fruit and Vegetables referred to in Article 46(1) of Regulation (EEC) No 2200/96.
 - 1a. References to the Management Committee for Bananas shall be construed as references to the Committee referred to in paragraph 1.";
- (3) Article 29 is replaced by the following:

"Article 29

Member States shall provide the Commission with the information it requires to implement this Regulation.";

- (4) the following Article 29a is inserted:

"Article 29a

Detailed rules for the application of this Regulation shall be adopted in accordance with the procedure referred to in Article 27(2).".

Article 2
Amendments to Regulation (EC) No 1782/2003

Regulation (EC) No 1782/2003 is amended as follows:

- (1) in Article 33(1), point (a) is replaced by the following:
 - "(a) they have been granted a payment in the reference period referred to in Article 38 under at least one of the support schemes referred to in Annex VI or, in the case of olive oil, in the marketing years referred to in the second subparagraph of Article 37(1), or, in the case of sugar beet, cane and chicory, if they have benefited from market support in the representative period referred to in point K of Annex VII, or, in the case of bananas, if they have benefited from compensation for loss of income in the representative period referred to in point L of Annex VII.";

- (2) in Article 37(1), the following subparagraph is added:
- "For bananas the reference amount shall be calculated and adjusted in accordance with point L of Annex VII.";
- (3) in Article 40, paragraph 2 is replaced by the following:
- "2. If the whole reference period was affected by the case of force majeure or exceptional circumstances, the Member State shall calculate the reference amount on the basis of the 1997 to 1999 period or, in case of sugar beet, cane and chicory on the basis of the closest marketing year prior to the representative period chosen in accordance with point K of Annex VII, or, in case of bananas on the basis of the closest marketing year prior to the representative period chosen in accordance with point L of Annex VII. In this case, paragraph 1 shall apply mutatis mutandis.";
- (4) in Article 43(2), point (a) is replaced by the following:
- "(a) in case of potato starch, dried fodder, seed, olive groves, and tobacco aids listed in Annex VII, the number of hectares whose production has been granted the aid in the reference period, as calculated in points B, D, F, H, I of Annex VII, in case of sugar beet, cane and chicory, the number of hectares as calculated in accordance with point 4 of point K of that Annex and in the case of bananas, the number of hectares as calculated in accordance with point L of that Annex;"
- (5) in Article 44(2), the second subparagraph is replaced by the following:
- "'Eligible hectare' shall also mean areas planted with hops or bananas or being under a temporary resting obligation, or areas as calculated in the second subparagraph of point H of Annex VII under olive trees planted before 1 May 1998, except for Cyprus and Malta, for which the date shall be 31 December 2001, or new olive trees replacing existing olive trees or olive trees within approved planting schemes and registered into a geographic information system.";
- (6) in Article 51, point (a) is replaced by the following:
- "(a) permanent crops, apart from olive trees planted before 1 May 1998, except for Cyprus and Malta, for which the date shall be 31 December 2001, or new olive trees replacing existing olive trees or olive trees within approved planting schemes and registered into a geographic information system or hops or bananas;"
- (7) in Article 145, the following point is inserted after point (d)b):
- "(d)c) detailed rules relating to the inclusion of banana support into the single payment scheme.";

- (8) Article 155 is replaced by the following:

"Article 155
Other transitional rules

Further measures required to facilitate the transition from the arrangements provided for in the Regulations referred to in Articles 152 and 153, in Regulation (EC) No 1260/2001 and in Council Regulation (EEC) No 404/93* to those established by this Regulation, notably those related to the application of Articles 4 and 5 and the Annex to Regulation (EC) No 1259/1999 and Article 6 of Regulation (EC) No 1251/1999 and from the provisions related to the improvement plans provided for in Regulation (EEC) No 1035/72 to those referred to in Articles 83 to 87 of this Regulation, may be adopted in accordance with the procedure referred to in Article 144(2) of this Regulation. Regulations and Articles referred to in Articles 152 and 153 shall continue to apply for the purpose of the establishment of the reference amounts referred to in Annex VII.

* OJ L 47, 25.2.1993, p. 1";

- (9) the Annexes are amended in accordance with the Annex to this Regulation.

Article 3
Amendment to Regulation (EC) No 247/2006

Regulation (EC) No 247/2006 is amended as follows:

- (1) in Article 23, paragraph 2 is replaced by the following:

"2. The Community shall finance the measures provided for in Titles II and III of this Regulation up to an annual maximum as follows:

million EUR

	Financial year 2007	Financial year 2008	Financial year 2009	Financial year 2010 and further
French overseas departments	126.6	262.6	269.4	273
Azores and Madeira	77.9	86.6	86.7	86.8
Canary Islands	127.3	268.4	268.4	268.4

- (2) in Article 28, paragraph 3 is replaced by the following:

"3. Not later than 31 December 2009, and thereafter every five years, the Commission shall submit a general report to the European Parliament and the Council showing the impact of the action taken under this Regulation, including in the banana sector, accompanied if applicable by appropriate proposals.";

(3) in Article 30, the following paragraph is added:

"In accordance with the same procedure, the Commission may also adopt measures to facilitate the transition from the arrangements provided for in Council Regulation (EEC) No 404/93* to those established by this Regulation.

* OJ L 47, 25.2.1993, p. 1".

Article 4

Transitional measures

1. Notwithstanding Article 1, point (1) of this Regulation, Member States shall continue to apply Articles 5, 6 and 25(2) of Regulation (EEC) No 404/93 to producers' organisations which they have recognised no later than 31 December 2006 and to whom aid has already been paid under Article 6(2) of that Regulation prior to that date.
2. Detailed rules necessary for the implementation of paragraph 1 shall be adopted in accordance with the procedures referred to in Article 27(2) of Regulation (EEC) No 404/93.

Article 5

Entry into force and application

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2007.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
The President

ANNEX

The Annexes to Regulation (EC) No 1782/2003 are amended as follows:

(1) in Annex I the row concerning bananas is deleted;

(2) the following row is added to Annex VI:

"Bananas	Article 12 of Regulation (EEC) No 404/93	Compensation for loss of income";
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(3) the following point is added to Annex VII:

"L. Bananas

Member States shall determine the amount to be included in the reference amount of each farmer on the basis of objective and non-discriminatory criteria such as:

- the quantity of bananas marketed by that farmer for which compensation for loss of income was paid under Article 12 of Regulation (EEC) No 404/93 during a representative period between the 2000 and 2005 marketing years,
- the areas on which the bananas referred to in the first indent were grown, and
- the amount of compensation for loss of income paid to the farmer during the period referred to in the first indent.

Member States shall calculate the applicable hectares referred to in Article 43(2) of this Regulation on the basis of objective and non-discriminatory criteria such as the areas referred to in the second indent of the first paragraph.";

(4) Annexes VIII and VIIIa are replaced by the following:

"ANNEX VIII
National ceilings referred to in Article 41

EUR '000

Member State	2005	2006	2007	2008	2009	2010 and subsequent
Belgium	411053	580376	593395	606935	614179	611805
Denmark	943369	1015479	1021296	1027278	1030478	1030478
Germany	5148003	5647175	5695607	5744240	5770254	5774254
Greece	838289	2143603	2171217	2175731	2178146	1988815
Spain	3266092	4635365	4649913	4664087	4671669	4673546
France	7199000	8236045	8282938	8330205	8355488	8363488
Ireland	1260142	1335311	1337919	1340752	1342268	1340521
Italy	2539000	3791893	3813520	3835663	3847508	3869053
Luxembourg	33414	36602	37051	37051	37051	37051
Netherlands	386586	428329	833858	846389	853090	853090
Austria	613000	633577	737093	742610	745561	744955
Portugal	452000	504287	571377	572368	572898	572594
Finland	467000	561956	563613	565690	566801	565520
Sweden	637388	670917	755045	760281	763082	763082
United Kingdom	3697528	3944745	3960986	3977175	3985834	3975849

ANNEX VIIIa
National ceilings referred to in Article 71c

EUR '000

Calendar year	Czech Republic	Estonia	Cyprus	Latvia	Lithuania	Hungary	Malta	Poland	Slovenia	Slovakia
2005	228800	23400	8900	33900	92000	350800	670	724600	35800	97700
2006	294551	27300	12500	43819	113847	446305	830	980835	44184	127213
2007	377919	40400	17660	60764	154912	540286	1640	1263706	58958	161362
2008	469986	50500	22100	75610	193076	672765	2050	1572577	73533	200912
2009	559145	60500	26540	90016	230560	802610	2460	1870392	87840	238989
2010	644745	70600	30980	103916	267260	929210	2870	2155492	101840	275489
2011	730445	80700	35420	117816	303960	1055910	3280	2440492	115840	312089
2012	816045	90800	39860	131716	340660	1182510	3690	2725592	129840	348589
Subsequent years	901745	100900	44300	145616	377360	1309210	4100	3010692	143940	385189

".

FINANCIAL STATEMENT		Fichefin/06/21515 6.153.2006.1			
		DATE: 29/06/2006			
1.	BUDGET HEADING: (nomenclature 2007) 05 03 01 05 03 02 30 05 03 02 50		APPROPRIATIONS: PDB 2007 30.709 Mio€ 265 Mio€ 159 Mio€		
2.	TITLE: Council Regulation amending Regulations (EEC) No 404/93, (EC) No 1782/2003 and (EC) No 247/2006 as regards the banana sector				
3.	LEGAL BASIS: Art 37 of the Treaty				
4.	AIMS: Following the CAP reform of 2003, this proposal aims at: - ensuring a better standard of living of the agricultural community in regions where bananas are produced; - directing better direct resources towards market-orientation of producers; - ensuring the respect of the international obligations of the Community; - taking adequately into account the particularities of the producing regions; - stabilising the Community expenditure for the support of this sector; - simplifying the management of the regime and aligning it on the principles of the reformed common market organisations				
5.	FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	FINANCIAL YEAR 2007 (EUR million)	FINANCIAL YEAR 2008 (EUR million)	
5.0	EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	pm	-	+35.2	
5.1	REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	-	-	-	
		2009	2010	2011	2012
5.0.1	ESTIMATED EXPENDITURE	+35.5	+35.8	+36.2	+36.5
5.1.1	ESTIMATED REVENUE	-	-	-	-
5.2	METHOD OF CALCULATION: See annex				
6.0	CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				YES-NO
6.1	CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?				YES-NO
6.2	WILL A SUPPLEMENTARY BUDGET BE NECESSARY?				YES-NO
6.3	WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?				YES-NO
OBSERVATIONS: See Annex.					

Annex

in Mio€	Status quo	Current proposal				
		2008	2009	2010	2011	2012
Compensatory aid (incl. supplementary aid)	243**					
SAPS	3,2	1,4*				
SPS		1,2	2,9*	3,2*	3,6*	3,9*
POSEI		278,8	278,8	278,8	278,8	278,8
TOTAL	246,2	281,4	281,7	282	282,4	282,7

*full aid level of 3,4 Mio€ from 2013 for Cyprus in accordance with the schedule of increments applied for NMS;

**The expenditure under the status quo is based of: 1. the estimated quantities of 750.000 t; 2. the estimated compensatory aid (including supplementary aid) of 324€/t taking into account the introduction of the new import system moving from a system governed by tariff quotas to one currently governed by a tariff-only system.