



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 2.5.2001
COM(2001) 236 final

2001/100 (ACC)

Proposal for a

COUNCIL DECISION

on the extension of the International Sugar Agreement, 1992

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. The International Sugar Agreement entered into force on 1 January 1993 until 31 December 1995 and has three times been extended for a two-year period, so that it is now due to expire on 31 December 2001.
2. At the meeting of the International Sugar Council on 31 May 2001 it is likely to be proposed to extend the Agreement for a further two-year period until 31 December 2003, under the provisions of Article 45.2 of the Agreement.
3. The European Community's contribution to the administrative budget of the International Sugar Organisation, shown under item B7-821 of the European Union budget, will not be affected by the proposed decision.
4. The purpose of this proposal is to authorise the Commission to vote in favour of the extension of the Agreement on behalf of the Community.

Proposal for a

COUNCIL DECISION

on the extension of the International Sugar Agreement, 1992

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 133 in conjunction with Article 300(2) thereof,

Having regard to the proposal from the Commission¹,

Whereas:

The International Sugar Agreement, 1992, was concluded by the Community by Council Decision 92/580/EEC², and was extended most recently in 1999 for an additional period of two years. This Agreement remains in force until 31 December 2001, unless it is extended beyond that date by decision of the International Sugar Council for a period of no more than two years. The extension of that agreement is in the interests of the Community. The Commission, which represents the Community in the International Sugar Council, should therefore be authorised to vote in favour of such an extension,

HAS DECIDED AS FOLLOWS:

Sole Article

1. The European Community is hereby in favour of the extension of the International Sugar Agreement 1992.
2. The Commission is hereby authorised to express this position within the International Sugar Council

Done at Brussels,

For the Council
The President

¹ OJ

² OJ L 379, 23.12.1992, p. 15.

LEGISLATIVE FINANCIAL STATEMENT

Policy area: External aspects of certain Community policies

Activities: International Agricultural Agreements

TITLE OF ACTION: EUROPEAN COMMUNITY CONTRIBUTION TO THE INTERNATIONAL SUGAR ORGANISATION

1. BUDGET LINE + HEADING: ARTICLE B7-821: INTERNATIONAL AGRICULTURAL AGREEMENTS

2. OVERALL FIGURES

2.1. Total allocation for action (Part B): EUR 0.771 million for commitment

2.2. Period of application: 1.1.2002 to 31.12.2003

2.3. Overall multiannual estimate on expenditure (EUR million):

	2002	2003				Total
Commitments	0.382	0.389				0.771
Payments	0.382	0.389				0.771

2.4. Compatibility with the financial programming and the financial perspective

Proposal compatible with the existing financial programming

2.5. Financial impact on revenue

No financial implications (involves technical aspects regarding implementation of a measure).

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA participation	Participation applicant countries	Heading Financial Perspective
Comp	Diff	NO	NO	NO	4 External action

4. LEGAL BASIS

- Article 133 of the Treaty in conjunction with Article 300(2),
- Council Decision 92/580/EEC of 13 November 1992³.

5. DESCRIPTION AND GROUNDS

5.1. Need for Community intervention

Because of its economic importance, especially in the agricultural sector, the EC must be represented in international agricultural agreements, which represent an important means for following global developments and defending Community interests for the products concerned.

The payment of EC membership contributions enables the objectives of the International Sugar Agreement to be attained. The International Sugar Organisation, which is responsible for administering the Agreement, promotes the objectives of the Agreement, such as international cooperation, exchange of statistical information, forecasting market trends, etc. It is therefore in the interests of the EC to be a part of the Agreement.

The membership contributions are determined on an annual basis and are due for as long as the EC is a member of the Agreement.

It is clear that if the EC had to carry out on its own the same actions as are carried out by the ISO, the total cost of these would be much greater than the cost of the membership contributions.

5.2. Actions envisaged and arrangements for budget intervention

The EC pays membership dues on an annual basis for the International Sugar Agreement.

The dues are paid for as long as the EC remains a signatory to the Agreement.

The European Commission and the Member States participate fully in the activities of the ISO and take full advantage of the benefits of membership.

6. FINANCIAL IMPACT

6.1. Total financial impact on Part B

Commitments in EUR million (to the 3rd decimal place)

Breakdown	Year 2002	Year 2003				Total
EC Contribution	0.382	0.389				0.771
TOTAL	0.382	0.389				0.771

³ OJ L 379, 23.12.1992, p. 15.

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

7.1. Impact on human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources		Total	Description of tasks deriving from the action
		Number of permanent posts	Number of temporary posts		
Permanent officials or Temporary staff	A	0.2	-	0.2	<i>Preparation for attendance at and follow up from meetings of the ISO</i>
	B	0.1	-	0.1	
	C	-	-	-	
Other human resources		-	-	-	
Total		0.3	-	0.3	

7.2. Overall financial impact of human resources

Type of human resources	Amount EUR	Method of calculation
Officials	32 400	
Temporary staff		
Other human resources (give budget line)		
Total	32 400	

The amounts are total expenditure for twelve months.

8. FOLLOW-UP AND EVALUATION

8.1. Follow-up arrangements

The Commission services will participate fully in the Administrative Committee and Council of the ISO; these are the bodies responsible for determining budgetary contributions.

A report of these meetings and of the decisions taken at them is published and is freely available to members.

9. ANTI-FRAUD MEASURES

Payments will only be made directly to the bank account of the ISO on receipt of a written request, after verification that the request coincides with the figure agreed by the Council of the International Sugar Agreement.