

Proposal for a Council Regulation fixing the premiums and guarantee thresholds for leaf tobacco by variety group and Member State for the 2002, 2003 and 2004 harvests and amending Regulation (EEC) No 2075/92

(2002/C 51 E/31)

COM(2001) 684 final — 2001/0276(CNS)

(Submitted by the Commission on 22 November 2001)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 36 and 37 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Whereas:

(1) Article 4 of Regulation (EEC) No 2075/92 of 30 June 1992 on the common organisation of the market in raw tobacco ⁽¹⁾ provides for the fixing of the amount of the premium and the supplementary amounts for each tobacco harvest, taking particular account of past and foreseeable possibilities for the disposal of the various types of tobacco, under normal conditions of competition. The premiums should therefore be fixed and linked to the guarantee thresholds fixed for 2002, 2003 and 2004.

(2) In accordance with the second paragraph of Article 8 and Article 9(2) of Regulation (EEC) No 2075/92, the guarantee thresholds for each variety group and Member States should be fixed for the 2002, 2003 and 2004 harvests, taking particular account of market conditions and socio-economic and agronomic conditions in the production areas concerned. The threshold levels should be set in good time so that the producers can plan their production for the harvests in question.

(3) Article 6(5) of Council Regulation (EEC) No 2075/92 allows the Member States to apply a cultivation contract auction scheme. Under the provisions currently in force, if this scheme is applied it must cover all the groups of tobacco varieties produced in a Member State. The system has not yet been applied because the Member States believe that auctioning is warranted only for certain variety groups. With a view to encouraging auctions as a way of increasing the commercial price of raw tobacco, more flexible provisions should be introduced so that the Member States can restrict this mechanism to certain variety groups only.

(4) The national quota reserves created under Article 9(5) of Regulation (EEC) No 2075/92 have failed to achieve the conversion or farm-restructuring objectives for which they were created. Application at national level, in particular the criteria laid down by the Member States for redistributing the reserves and the small amounts involved in their establishment, has proved inadequate for achieving the desired effect. Furthermore, the administrative arrangements for managing the national reserves have created an excess workload and have excessively complicated the management of the quotas, resulting in serious delays in their distribution. The system should therefore be simplified by removing this mechanism.

(5) The Commission Communication 'A Sustainable Europe for a Better World: A European Union Strategy for Sustainable Development' ⁽²⁾ proposes the following measures: 'reorient support from the Common Agricultural Policy to reward healthy, high-quality products and practices rather than quantity; adapt the tobacco regime at the end of its review in 2002 so as to allow for the phasing out of tobacco subsidies while putting in place measures to develop alternative sources of income and economic activity for tobacco workers and growers and decide on an early date accordingly'.

(6) In accordance with this new priority, it is therefore proposed that the activities of the Community Tobacco Fund should be amended and agronomic research should be replaced by a measure to support specific initiatives that encourage tobacco growers to switch from tobacco into other crops or economic activities that create employment. Provision should also be made to increase the deduction used to finance the Fund to 3 % in 2003 and to 5 % with effect from 2004 so that the budget to fund both information measures on the harmful effects of tobacco consumption and initiatives to convert production is increased. This second measure, which is a new priority, can be implemented nationally as part of specific conversion measures and will accompany and develop synergies with the quota buy-back programme.

(7) Regulation (EEC) No 2075/92 should therefore be amended,

⁽¹⁾ OJ L 215, 30.7.1992, p. 70. Regulation as last amended by Regulation (EC) No 1336/2000 (OJ L 154, 27.6.2000, p. 2).

⁽²⁾ COM(2001) 264 final.

HAS ADOPTED THIS REGULATION:

Article 1

For the 2002, 2003 and 2004 harvests, the premium amounts for each of the groups of raw tobacco and the supplementary amounts referred to in Article 3 of Regulation (EEC) No 2075/92 shall be as shown in Annex I to this Regulation.

Article 2

For the 2002, 2003 and 2004 harvests, the guarantee thresholds referred to in Articles 8 and 9 of Regulation (EEC) No 2075/92 by variety group and by Member State shall be as shown in Annex II to this Regulation.

Article 3

Regulation (EEC) No 2075/92 is amended as follows:

1. Article 6(5) is replaced by the following:

'5. The Member State may, if its structures makes it appropriate, apply a cultivation contract auction scheme covering all the contracts as referred to in paragraph 1 for a particular variety group that were concluded before the date on which delivery of the tobacco commences.'

2. Article 9(5) is deleted.

3. Article 13 is replaced by the following:

Article 13

1. A Community Tobacco Fund shall be set up, financed by a deduction of:

— 2 % of the premium for the 2002 harvest,

— 3 % of the premium for the 2003 harvest,

— 5 % of the premium with effect from the 2004 harvest.

2. The Fund shall finance action in the following areas:

(a) improving public awareness of the harmful effects of all forms of tobacco consumption, in particular through information and education, support for the collection of data to establish tobacco consumption patterns and to conduct epidemiological studies on nicotine in the Community, and a study on preventing nicotine;

(b) as part of the programme referred to in Article 14(1), specific measures to help tobacco growers to switch to other crops or other economic activities that create employment and studies of the possibilities for tobacco growers to do so.'

Article 4

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

It shall apply from the 2002 harvest.

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

ANNEX I

Premiums for leaf tobacco from the 2002, 2003 and 2004 harvests

	I Flue-cured	II Light air-cured	III Dark air-cured	IV Fire-cured	V Sun-cured	VI Basma	VII Katerini	VIII Kaba Koulak
EUR/kg	2,98062	2,38423	2,38423	2,62199	2,14581	4,12957	3,50395	2,50377

Supplementary amounts

Varieties	EUR/kg
Badischer Geudertheimer, Pereg, Korso	0,5509
Badischer Burley E and its hybrids	0,8822
Virgin D and its hybrids, Virginia and its hybrids	0,5039
Paraguay and its hybrids, Dragon vert and its hybrids, Philippin, Petit Grammont (Flobecq), Semois, Appel terre	0,4112

ANNEX II

Guarantee thresholds for the 2002 harvest (tonnes)

Member State	I Flue-cured	II Light air-cured	III Dark air-cured	IV Fire-cured	V Sun-cured	Other			Total
						VI Basmas	VII Katerini	VIII K. Koulak	
Italy	49 008	49 436	16 267	6 253	9 377		498		130 839
Greece	35 781	12 276			7 192	27 114	24 014	16 696	123 073
Spain	29 472	5 748	6 621	30					41 871
Portugal	4 705	1 114							5 819
France	10 650	9 602	5 359						25 611
Germany	4 800	2 683	3 868						11 351
Belgium	0	153	1 511						1 664
Austria	30	442	99						571
	134 446	81 454	33 725	6 283	16 569	27 114	24 512	16 696	340 799

Guarantee thresholds for the 2003 and 2004 harvests (tonnes)

Member State	I Flue-cured	II Light air-cured	III Dark air-cured	IV Fire-cured	V Sun-cured	Other			Total
						VI Basmas	VII Katerini	VIII K. Koulak	
Italy	48 269	47 689	15 692	6 253	9 045		498		127 446
Greece	35 242	11 842			6 938	27 114	24 014	16 696	121 846
Spain	29 028	5 545	6 386	30					40 989
Portugal	4 634	1 074							5 708
France	10 490	9 262	5 170						24 922
Germany	4 728	2 588	3 731						11 047
Belgium	0	148	1 457						1 605
Austria	29	426	96						551
	132 420	78 574	32 532	6 283	15 983	27 114	24 512	16 696	334 114