

Procedure file

Basic information	
CNS - Consultation procedure Regulation	1995/0248(CNS) Procedure completed
Processed fruit and vegetable products: common organisation of the market COM	
Amended by 1997/0223(CNS)	
Amended by 1999/0161(CNS)	
Amended by 2000/0191(CNS)	
Amended by 2001/0052(CNS)	
Subject 3.10.02 Processed products, agri-foodstuffs	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	AGRI Agriculture and Rural Development		27/09/1995
		PPE ARIAS CAÑETE Miguel	
European Parliament	Committee for opinion	Rapporteur for opinion	Appointed
	BUDG Budgets		24/11/1995
		PSE COLOM I NAVAL Joan	
	JURI Legal Affairs, Citizens' Rights	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	Agriculture and Fisheries	1959	28/10/1996
	Agriculture and Fisheries	1944	23/07/1996
	Agriculture and Fisheries	1940	27/06/1996
	Agriculture and Fisheries	1932	04/06/1996
	Agriculture and Fisheries	1925	21/05/1996
	Agriculture and Fisheries	1918	30/04/1996
	Agriculture and Fisheries	1908	19/03/1996
	Agriculture and Fisheries	1896	18/12/1995
	Agriculture and Fisheries	1889	29/11/1995

Key events			
04/10/1995	Legislative proposal published	COM(1995)0434	Summary
17/11/1995	Committee referral announced in Parliament		
29/11/1995	Debate in Council	1889	Summary

18/12/1995	Debate in Council	1896	Summary
20/02/1996	Vote in committee		Summary
20/02/1996	Committee report tabled for plenary, 1st reading/single reading	A4-0041/1996	
13/03/1996	Debate in Parliament		
14/03/1996	Decision by Parliament	T4-0125/1996	Summary
19/03/1996	Debate in Council	1908	Summary
30/04/1996	Debate in Council	1918	
21/05/1996	Debate in Council	1925	
04/06/1996	Debate in Council	1932	
27/06/1996	Debate in Council	1940	
28/10/1996	Act adopted by Council after consultation of Parliament		
28/10/1996	End of procedure in Parliament		
21/11/1996	Final act published in Official Journal		

Technical information

Procedure reference	1995/0248(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by 1997/0223(CNS) Amended by 1999/0161(CNS) Amended by 2000/0191(CNS) Amended by 2001/0052(CNS)
Legal basis	EC before Amsterdam E 042; Rules of Procedure EP 163; EC before Amsterdam E 043
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/4/07277

Documentation gateway

Legislative proposal	COM(1995)0434	04/10/1995	EC	Summary
Economic and Social Committee: opinion, report	CES1453/1995 OJ C 082 19.03.1996, p. 0030	20/12/1995	ESC	Summary
Committee report tabled for plenary, 1st reading/single reading	A4-0041/1996 OJ C 078 18.03.1996, p. 0003	20/02/1996	EP	
Text adopted by Parliament, 1st reading/single reading	T4-0125/1996 OJ C 096 01.04.1996, p. 0222-0269	14/03/1996	EP	Summary
Implementing legislative act	32003R1535 OJ L 218 30.08.2003, p. 0014-0030	29/08/2003	EU	Summary

Additional information	
European Commission	EUR-Lex
Final act	
Regulation 1996/2201 OJ L 297 21.11.1996, p. 0029 Summary	

Processed fruit and vegetable products: common organisation of the market COM

OBJECTIVE: the proposal for a regulation aims to reform the common organisation of the markets in processed fruit and vegetables.

SUBSTANCE: - maintain the system of aid for processors, on the condition that they have paid a minimum price to producers. The level of aid will be fixed at a level that compensates for the difference between the prices paid to producers and those paid in third countries; - retain the same criteria as before with regard to the minimum price for producers; - maintain the same aid system for cultivation (aid per hectare) and storage of dried grapes, and the threshold system for the production of processed peaches and pears. However, the proposal introduces amendments to the substance of the current system: - limit the granting of aid for processing to processors having signed contracts with producer organisations and ensure that they sign the contracts before the start of the marketing year; - introduce a flexible quota system for processed tomatoes, allocating quantities in accordance with the results achieved; - as in the "fresh" sector, introduce a legal basis for the implementation of special measures (as in the case of products of importance at local level faced with international competition, for which the general arrangements are unsuitable); - amend the buying-in conditions for storage agencies for dried grapes and dried figs. ?

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The Council held a policy debate on this matter, on the basis of the intensive work already done by the Special Committee on Agriculture and the Working Party. The major problems considered in the course of the debate were: - the classification of products (quality standards); - the rules proposed for producers' organisations; - the financial aspects and, in particular, the co-financing of contributions to the operational fund; - the new intervention and withdrawal arrangements; - the arrangements laid down for processed products, in particular for tomatoes. In conclusion, and pending delivery of the European Parliament's opinion, the Council instructed the Special Committee on Agriculture to continue the examination of the proposals, taking account of the guidelines laid down by today's discussions, with the aim of reaching political agreement at the December meeting.

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At its meetings in October, November and December, the Council analysed the Commission proposal on the basis of the work carried out by the Special Committee on Agriculture and by the Working Party on Fruit and Vegetables. Today's debate and, in particular, the positive statements from the Commissioner, augur well for a rapid conclusion of this dossier. The Council congratulated the members of the SCA and the Working Party as well as the Commission services on the effort and devotion demonstrated, which have contributed to a clearer understanding of the scope of the Commission's proposal and to the identification of problems that this proposal raises at the delegations. No decisions can be reached in advance of the opinion of Parliament. It is, however, useful at this stage for the Presidency to set out the key issues on which compromises will be needed, as a means of targeting the technical work to be carried out in the Special Committee on Agriculture and its Working Group, and the Council's work under the Italian Presidency.

1. Contracts with producers' groups: the proposal to link processing to contracts between producers' groups and processors remains a subject of debate. The question arises as to whether the key problem here is one of adjustment that would be resolved by a period of transition.
2. Processed tomatoes: the Commission's proposal to provide for part of the processed tomatoes quota to be mobile between Member States, although itself designed to represent a compromise between the basic positions of producer Member States, remains very controversial. The question arises whether a compromise could be found that maintains the main features of the Commission proposal but increases the total quota without increasing total expenditure (as the Commissioner indeed emphasised) and provides a better safeguard for Member States whose initial quotas would be reduced by comparison with their recent performance and, at the same time, introduces some additional flexibility in relation to the utilisation of quota in a particular marketing year.
3. Other processed products: the possibility should be examined of creating a framework within which, without prejudice to fair conditions of competition, producers' groups could facilitate the sale of products not covered by Annex II to the processing industry.

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The ESC considers that the Commission proposal treats the processed fruit and vegetable sector in an uneven manner. In the processed tomato sector, the ESC asks the Commission to ensure that there is no reduction in the overall processing quota for the EU as a whole, and that no Member State is disadvantaged by the quota distribution. The present quota should be increased by at least the consumption level of the three new Member States, and should be assigned to the farm sector so that production can be planned effectively, in line with market needs.?

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The Committee on Agriculture adopted the report by Mr Miguel ARIAS CANETE. 1. Standardization. The Commission wished to replace Community quality standards with EC/UNO standards. The rapporteur was opposed to this because the latter standards were more liberal than those currently in force in the EU. The Commission's proposal would open the Community market to lower-quality products from third countries. As a result, Parliament sought to maintain Community standards in article 2. As far as standards were concerned, the Committee also rejected the option which was open to Member States to exempt a certain number of products from compliance with the standards (traditional local consumption). The Committee called for the second and third lines of paragraph 1, Article 3, to be removed. 2. Producers' Organizations (POs). The rapporteur accepted the criteria for the official recognition of POs, which relate to the need for the common organization of the market, market-oriented production and economic viability. He called for the transitional period of four years which is granted to Member States to be extended to six years in order to allow the development of adjustment plans financed entirely by the EU and designed to facilitate the creation of POs in areas where these do not exist and to integrate those which have serious structural deficiencies. 3. Operational Fund. The rapporteur thought that the Fund should be made more flexible in order to guarantee the income of producers. His proposals were: - a) to modify the financing and to make the use of the Fund's resources more flexible so that, in accordance with the general principles of the CAP which apply in other sectors, withdrawals of less than 15% of the marketing volume of the POs would be 100% financed by the Community budget. The Commission had only proposed a level of 10%. In the case of operational programmes, the Fund would finance 50%. - b) to provide the Fund with a "sufficiently large allocation to guarantee that it will effectively promote the objectives assigned to it" and "which may reach an amount equivalent to 10% of the value of production marketed by each PO". - c) to eliminate cofinancing by Member States. - d) to consider supplementary payments for sales to industry. The Commission would only consider this measure in respect of citrus fruits, whereas Parliament wished to include all products listed under article 1 which are intended for processing. By this means the Committee wanted to promote processing and reduce destructions and withdrawals. - e) to extend financing to include measures relating to market structure and expenses incurred by way of programmes for the recognition of POs. 4. Intervention scheme: withdrawals. The rapporteur proposed that the maximum volume of withdrawals be limited to 15% of the marketing volume of each PO and that the basic withdrawal prices be maintained at the level of the weighted average of the average monthly prices applicable during the 1995-1996 marketing year. As regards products with institutional prices (annex II), the Committee proposed that withdrawal compensation remain unchanged (without seasonal variations) throughout the year and that it be financed by the EAGGF. Such compensation should be established for each variety, except in the case of tomatoes, for which compensation should always be at the highest level on account of the high cost of harvesting, irrespective of the variety. In order to avoid discrimination between products and producing regions, the Committee additionally proposed including a number of new products in annex II, such as cucumbers, lettuces, onions, melons, strawberries, sweet peppers, asparagus, garlic, grapefruit, kiwi-fruit, cherries, plums and watermelons, for which institutional prices should be set. 5. Trade regime. The Committee reaffirmed its commitment to Community preference in respect of trade. 6. Small produce: nuts. The Committee called for a special fund to be set up for measures intended for small produce, particularly for promoting such produce on the Community and non-EU markets. The Committee also called for the "special measures" for nuts, which were currently in existence, to be maintained. 7. Controls. The Committee wanted to see a system of penalties established in order to strengthen measures to combat fraud. ?

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In adopting the report by Mr MIGUEL ARIAS CANETE (EPP, E), the European Parliament essentially maintained the system introduced under Regulation (EEC) No 86/426; but with regard to the negotiations between producers and the processing industry, it called for maintenance of the existing system which allows the processor to negotiate with individual producers or groups of producers provided that minimum prices are respected. Regarding production aid on products processed from tomatoes, the EP approved the maintenance of the quota system but called for more flexibility allowing for no account to be taken, in the calculation of reference quantities, of marketing years in which falls in production have occurred as a result of weather conditions. Furthermore, it called for the quantity of products processed from tomatoes and eligible for production aid to be limited to a volume of processed products corresponding to a weight of 7 400 000 tonnes of fresh tomatoes (in place of the 6 596 787 tonnes proposed by the Commission). It also called for an extension of the list of products eligible for processing aid, including apricots and asparagus. ?

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The Presidency has therefore, together with the Commission, embarked on bilateral consultations with delegations on the main questions raised by the proposals. Those relate chiefly to: - the rules proposed for producer organizations; - the operational fund; - intervention and withdrawal arrangements; - withdrawal compensation; - interbranch organizations; - processed products. Following the bilateral talks, the Presidency will, with the help of the Commission, draw up a draft compromise on the basis of which the Council will endeavour to complete its discussions at its next meeting. ?

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OBJECTIVE: to reform the common organization of the market in fruit and vegetables. **COMMUNITY MEASURE:** Council Regulation (EC) No 2201/96 on the common organization of the market in fruit and vegetables. **SUBSTANCE:** the reforms include inter alia: - a better coordination of Community supply by strengthening the role of the producer organizations as commercial operators, accompanied by greater stringency in Community criteria for their recognition and by the establishment of an operational fund with Community co-financing and intended, first, to finance actions to improve product quality, and their commercial value and, second, to increase Community withdrawal compensation, to pay compensation for market withdrawals not covered by Community withdrawal compensation, and to increase the prices obtained for products sold for processing; - for Member States that so wish, the option of drawing up a light framework for the interbranch organizations in the industry; - a new method of administering short-term surpluses by lowering withdrawal compensation to an unrewarding level, and the option for producer groups to augment withdrawal compensation; - specific solutions, apart from the general instruments in the common organization of the market, to problems facing certain products or local or regional importance in economic terms; - stricter checks, in particular as regards proper management of the operational fund by the producer organizations, on observance of trade and health quality standards and on the

proper functioning of the entry price arrangements, through close cooperation and coordination between the various competent regional and Community organizations, which should also result in a uniform and non-discriminatory implementation of the checks. DATE OF ENTRY INTO FORCE: 21 November 1996. The Regulation is applicable from 1 January 1997. ?

Processed fruit and vegetable products: common organisation of the market COM

LEGISLATIVE ACT : Commission Regulation 1535/2003/EC laying down detailed rules for applying Council Regulation 2201/96/EC as regards the aid scheme for products processed from fruit and vegetables. CONTENT : Regulation 2201/96/EC introduces aid to producer organisations delivering tomatoes, peaches and pears for the production of the products listed in Annex I to that Regulation and aid for the production of prunes and figs. These products must be obtained from fruit and vegetables harvested in the Community. In order to simplify and clarify the system, some of the rules of application of the aid scheme should be amended in the light of experience gained. ENTRY INTO FORCE : 02/09/2003.?