

Procedure file

| Basic information | |
|---|---------------------------------------|
| CNS - Consultation procedure Regulation | 2001/0273(CNS) Procedure completed |
| Quota system in relation to the production of potato starch: 2002/2003, 2003/2004 and 2004/2005 marketing years Amending Regulation (EC) No 1868/94 1994/0038(CNS) | |
| Subject 3.10.02 Processed products, agri-foodstuffs 3.10.15 Agricultural production, farm surpluses, shortages and quotas, non-marketing premiums | |

| Key players | | | |
|-------------------------------|--|--|------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | AGRI Agriculture and Rural Development | | 04/12/2001 |
| | | PPE-DE REDONDO JIMÉNEZ Encarnación | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
| | BUDG Budgets | | 22/01/2002 |
| | | ELDR MULDER Jan | |
| Council of the European Union | Council configuration | Meeting | Date |
| | Agriculture and Fisheries | 2428 | 27/05/2002 |
| | Agriculture and Fisheries | 2404 | 21/01/2002 |
| European Commission | Commission DG Agriculture and Rural Development | Commissioner | |

| Key events | | | |
|------------|---|------------------------------|---------|
| 16/11/2001 | Legislative proposal published | COM(2001)0677 | Summary |
| 10/12/2001 | Committee referral announced in Parliament | | |
| 21/01/2002 | Debate in Council | 2404 | |
| 17/04/2002 | Vote in committee | | Summary |
| 17/04/2002 | Committee report tabled for plenary, 1st reading/single reading | A5-0116/2002 | |
| 15/05/2002 | Decision by Parliament | T5-0230/2002 | Summary |
| 27/05/2002 | Act adopted by Council after consultation of Parliament | | |

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| 27/05/2002 | End of procedure in Parliament | | |
| 07/06/2002 | Final act published in Official Journal | | |

Technical information

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| Procedure reference | 2001/0273(CNS) |
| Procedure type | CNS - Consultation procedure |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| | Amending Regulation (EC) No 1868/94 1994/0038(CNS) |
| Legal basis | EC Treaty (after Amsterdam) EC 037; EC Treaty (after Amsterdam) EC 036 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | AGRI/5/15495 |

Documentation gateway

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|---|---|------------|-----|---------|
| Legislative proposal | COM(2001)0677 OJ C 051 26.02.2002, p. 0368 E | 16/11/2001 | EC | Summary |
| Economic and Social Committee: opinion, report | CES0032/2002 OJ C 080 03.04.2002, p. 0046 | 16/01/2002 | ESC | |
| Committee report tabled for plenary, 1st reading/single reading | A5-0116/2002 | 17/04/2002 | EP | |
| Text adopted by Parliament, 1st reading/single reading | T5-0230/2002 OJ C 180 31.07.2003, p. 0159-0231 E | 15/05/2002 | EP | Summary |

Additional information

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| European Commission | EUR-Lex |
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Final act

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| Regulation 2002/962 OJ L 149 07.06.2002, p. 0001 Summary |
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Quota system in relation to the production of potato starch: 2002/2003, 2003/2004 and 2004/2005 marketing years

PURPOSE: To present a proposal on amending regulatory provisions establishing a quota system for the production of potato starch.

CONTENT: Attached to this proposal for an amendment to Council Regulation 1868/94/EC establishing a quota system in relation to the production of potato starch is a Report which analyses the EU market for potato starch. The current potato starch market is regulated through a quota system. The quota system on potato starch was imposed following the implementation of restrictions imposed on the production of the cereal starch sector as well as an increase in potato starch production. These two combined factors translate into the 1994 Regulation governing the production of potato starch. The Regulation ensures that: - the quota is fixed by Member States and then allocated between potato starch manufacturers in the form of sub-quotas. - potato producers receive a payment per tonne of starch in the potatoes delivered to the potato starch manufacturers, similar to the per-hectare payment for cereals. - manufacturers receive a premium based on their sub-quotas to offset certain structural disadvantages. - potato producers and potato starch manufacturers must conclude cultivation contracts each year to prevent any overrun of the sub-quota. - Any over-run of the quota must be exported from the Community with no export refund before 1 January following the end of the marketing year in question. Within the context of Agenda 2000, the provisions of the above Regulations were amended. Compensation for the fall in prices in the potato starch sector was fixed at a higher rate than that in the cereals sector. Budget neutrality was ensured by reducing the quotas for the marketing years 2000/01 and 2001/02. In assessing the EU production of potato starch it appears that production has fluctuated only slightly, between 1.8 and 1.9 million tonnes per year - except for 1998/99 when it fell to 1.66 million tonnes. This was a result of poor weather conditions and indicates that production, by and large, reflects the quota system imposed - with the exception of two years. They were 1998/99 when, as a result of poor weather, production was - 11% (see above) and 2000/01 when

production was up by 2% as result of good weather conditions. It should be noted that in the marketing year 2000/01 the new reduced quota under Agenda 2000 applied. This in turn led to a situation whereby many manufacturers felt the need to apply the 5% flexibility clause and in certain cases will have to export the excess quantities without any export refunds before 1 January 2002. For the year 2001/02 production and quotas are expected to stabilise. Interestingly, overall cereal starch and potato starch production in the Community has grown at a rate of 5% on average per year. Largely to the benefit of wheat starch production. Since potato starch has been limited by the quota system the share of potato starch in over all starch production as a whole is tending to fall below 25%. Based on an analyses of the above the Commission is proposing to extend the quotas currently fixed for 2001/02 for a period of three years. Its proposal to extend existing quotas is subject to any measures which might subsequently be needed on the bases of the conclusions of two reports on the EU potato starch market, expected within the coming months. The first Report is being prepared by the Court of Auditors. The second, a study commissioned by the Commission aims to evaluate the cereal starch and potato starch sector.?

Quota system in relation to the production of potato starch: 2002/2003, 2003/2004 and 2004/2005 marketing years

The committee adopted the report by Encarnación REDONDO JIMÉNEZ (EPP-ED, E) approving the proposal without amendment under the consultation procedure.?

Quota system in relation to the production of potato starch: 2002/2003, 2003/2004 and 2004/2005 marketing years

Using its procedure without debate, the European Parliament adopted a resolution drafted by Encarnacion Redondo Jimenez (EPP-ED, Spain) approving the proposal, with one minor amendment. This states that the Commission will submit appropriate legislative proposals for the quota system in good time before the end of the three year period.?

Quota system in relation to the production of potato starch: 2002/2003, 2003/2004 and 2004/2005 marketing years

PURPOSE : to extend the quotas on potato starch. COMMUNITY MEASURE : Council Regulation 962/2002/EC amending Regulation 1868/1994/EC establishing a quota system in relation to the production of potato starch. CONTENT : The Council adopted a Regulation on potato starch, set out in 8791/02, by a qualified majority, with the Finnish delegation abstaining. The Regulation makes or involves the following chief provisions: - renewal of the eight potato starch producer Member States' existing quotas for the 2002/2003, 2003/2004 and 2004/2005 marketing years, i.e. a total of 1 762 148 tonnes allocated as follows: Denmark 168 215 tonnes Germany 656 298 tonnes Spain 1 943 tonnes France 265 354 tonnes Netherlands 507 403 tonnes Austria 47 691 tonnes Finland 53 178 tonnes Sweden 62 066 tonnes Total 1 762 148 tonnes - potato growers are to be paid a compensatory payment of 110,54 EUR/tonne per tonne of starch contained in potatoes delivered to potato starch manufacturers, while potato starch manufacturers are to be paid a starch premium of 22,25 EUR/tonne, provided that they pay producers a minimum price for potatoes intended for starch production; - a budget of EUR 234 million has been earmarked to cover expenditure over the next three marketing years, from 2002/2003 to 2004/2005. A statement by the Finnish delegation will be annexed to the minutes; it will express the hope that its request for an increase in its national potato starch quota to meet the growing needs of the papermaking industry will be taken into account in the Council's next decision on quotas. The Austrian delegation supported that request for an increase in the national quota to be taken into account when that decision was taken. The Commission is to submit a report to the Council on the allocation of quota within the Community, together with appropriate proposals, by 30 September 2004, and at three-yearly intervals thereafter; the report will take account of any changes in payments to potato producers and developments on the potato starch and cereal starch markets. On the basis of the report, the Council will allocate the three-year quota between the Member States by 31 December 2004 at the latest. The minimum price and the payment to potato producers will have to be adjusted if there is agreement on the final reduction in the intervention price for cereals in the mid-term review of Agenda 2000. The 2002/2003 marketing year will begin on 1 July 2002. ENTRY INTO FORCE : 14/06/02. DATE OF APPLICATION : 01/07/02.?