



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 25.09.2003  
COM(2003)562 final

2003/0216 (CNS)

Proposal for a

**COUNCIL REGULATION**

**amending Regulation (EEC) No 1696/71  
on the common organisation of the market in hops**

(presented by the Commission)

## **EXPLANATORY MEMORANDUM**

The present proposal concerns a modification of Council regulation (EEC) n° 1696/71 aiming to extend the application of the production aid arrangement for hops for the harvest year 2004.

Indeed, the Commission has to submit an evaluation report to the Council by 31 December 2003, relating to all the provisions of the common market organisation. This report will consist of reform proposals which should not enter into force until 2005. Therefore, in a transition context, it is indispensable to provide for an extension of the Hops production aid arrangement of one year.

Proposal for a

**COUNCIL REGULATION**

**amending Regulation (EEC) No 1696/71  
on the common organisation of the market in hops**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular the third subparagraph of Article 37(2),

Having regard to the proposal from the Commission<sup>1</sup>,

Having regard to the opinion of the European Parliament<sup>2</sup>,

Having regard to the opinion of the European Economic and Social Committee<sup>3</sup>,

Having regard to the opinion of the Committee of the Regions<sup>4</sup>,

Whereas:

- (1) Article 12(5)(a) of Council Regulation (EEC) No 1696/71<sup>5</sup> fixes the aid per hectare for hops produced in the Community for a period of eight years, from the 1996 to the 2003 harvests.
- (2) The assessment report that the Commission must present to the Council by 31 December 2003 under the second paragraph of Article 18 of Regulation (EEC) No 1696/71, will cover all provisions relating to the common organisation of the market, in particular the production aid scheme. The assessment can be accompanied by proposals. It is advisable in this context to provide for a detailed debate of the entire sector. In order to ensure a thorough debate, the period for which the aid has been fixed should be extended by one year.
- (3) A producer group can withhold up to 20% of the aid to finance special measures for adjusting to the market and the amounts withheld can accumulate for a period of three years. As it is proposed to extend the aid scheme for a year, the maximum accumulation period should also be extended for a year.
- (4) Regulation (EEC) No 1696/71 should be amended as a result,

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<sup>1</sup> OJ C ..., ..., p. ...

<sup>2</sup> OJ C ..., ..., p. ...

<sup>3</sup> OJ C ..., ..., p. ...

<sup>4</sup> OJ C ..., ..., p. ...

<sup>5</sup> OJ L 175, 4.8.1971, p. 1. Regulation as last amended by Regulation (EC) No 1514/2001 (OJ L 201, 26.7.2001, p. 8.).

HAS ADOPTED THIS REGULATION:

*Article 1*

Article 12(5) of Regulation (EEC) No 1696/71 is hereby amended as follows:

1) point (a) is replaced by the following:

"(a) The aid per hectare for hops shall be the same for all groups of varieties. For nine years from the 1996 harvest it shall amount to EUR 480/ha."

2) point (d) is replaced by the following:

"(d) The aid withheld may be accumulated for a maximum period of four years; at the end of that period all aid withheld must have been spent."

*Article 2*

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

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

Done at Brussels,

*For the Council  
The President*

# FINANCIAL STATEMENT

1. BUDGET HEADING: B1-181		APPROPRIATIONS: EUR 13 million		
2. TITLE: Council Regulation amending Regulation (EEC) No 1696/71 on the common organisation of the market in hops				
3. LEGAL BASIS: Article 37(2) of the Treaty				
4. AIMS: To extend the current aid scheme for a year				
5. FINANCIAL IMPLICATIONS	12 MONTH PERIOD (EUR million)	CURRENT FINANCIAL YEAR 2003 (EUR million)	FOLLOWING FINANCIAL YEAR 2004 (EUR million)	
5.0 EXPENDITURE - CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) - NATIONAL AUTHORITIES - OTHER	12.5	-	12.5	
5.1 REVENUE - OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES) - NATIONAL	-	-	-	
	2005	2006	2007	2008
5.0.1 ESTIMATED EXPENDITURE	-	-	-	-
5.1.1 ESTIMATED REVENUE	-	-	-	-
5.2 METHOD OF CALCULATION: 26 000 ha x EUR 480/ha = EUR 12.5 million				
6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?				YES / <del>NO</del>
6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?				YES / <del>NO</del>
6.2 WILL A SUPPLEMENTARY BUDGET BE NECESSARY?				<del>YES</del> / NO
6.3 WILL APPROPRIATIONS NEED TO BE ENTERED IN FUTURE BUDGETS?				YES / <del>NO</del>
OBSERVATIONS:				