WRITTEN QUESTION E-0589/01 by Alexandros Baltas (PSE) to the Council

Subject: Duties imposed by Brazil on canned peaches

The Brazilian authorities have imposed duty of 55% on canned peaches. This duty is a discriminatory levy on canned peaches exported from Greece to Brazil and was imposed by the Brazilian authorities some five years ago. It was to be reduced, however, each year until:

by December 2000 it would stand at 23%, and from 1 January 2001, it would be limited to 17%.

I am informed, however, that in October 2000, the Brazilian authorities increased the duty to 55% once again. At the same time, they launched an anti-dumping inquiry, though without imposing an interim duty. According to the Brazilian authorities, the duty was of a temporary nature and would be abolished on 31 December 2000 when the original arrangements would be reintroduced and the applicable duty reduced (on 1 January 2001) to 17%. On 2 January 2001, however, the Brazilian authorities extended the validity of the 55% duty until 30 June 2001 with a view to discussing the rate within MERCOSUR.

As a result Brazil's action, producers and exporters of canned peaches lost the holiday period business and suffered a serious setback. In general, the pressure exerted on EU canned peaches from third countries is growing, threatening an important sector of European industry with disaster, which may snowball into negative repercussions for society as a whole (higher unemployment), the farming community and, by extension, the common agricultural policy, the environment, etc.

In the light of the above, will the Council say what measures it has taken to protect the canned peach sector and with what results? What measures does the Council propose to take next? To what extent are the practices adopted by Brazil taken into account and to what extent do they influence the policy pursued by the Council in talks and negotiations with MERCOSUR, of which Brazil is a member?

432740.EN PE 301.197