

WRITTEN QUESTION P-1387/99
by Carlos Costa Neves (PPE)
to the Commission

Subject: Production of refined sugar in the Azores Autonomous Region

Article 1 of Regulation (EEC) 1600/92 of 15 June 1992 (known as the POSEIMA regulation)¹ lays down the objective of establishing 'specific measures to remedy, in respect of certain agricultural products, the difficulties caused by the remote and insular nature of the Azores and Madeira'.

The Azores Autonomous Region has the clearly-established right to import sugar-cane, 'in such a way that the total annual volume of sugar refined in the Azores does not exceed 10 000 tonnes'. This limit 'shall be assessed taking account of the development of local sugar beet production' - in other words, the amount of sugar produced from beet (see POSEIMA, Article 3(4)). This means that the limit of 10 000 tonnes on refined (cane) sugar will be reduced in line with the amount of (beet) sugar produced, on the basis of the following equation: Cane sugar = Beet sugar – 10 000 tonnes.

Under POSEIMA, Articles 3(3) and 8, the Azores Autonomous Region has the right to export its surpluses, within the above limit, to its traditional markets.

Under Commission Regulation (EEC) 1321/98 of 25 June 1998², the Azores Autonomous Region was allowed only the amount of cane required to produce 6500 tonnes of refined sugar, instead of the 9000 tonnes which it had requested.

The firm known as SINAGA, which has been in existence for over a century, is one of the most important companies in the Azores, in terms of the number of jobs it provides (it employs 150 people), the 500 farmers who depend on it and the other activities related to it. The industry is also of major importance for the crop rotation system.

Can the Commission explain why, when a request was made by the Azores Autonomous Region in April 1998 for a 9000-tonne limit for cane sugar under POSEIMA, only 6500 tonnes were agreed under Commission Regulation (EEC) 1321/98 of 25 June 1998?

Can it also state whether refineries in mainland Portugal are supplied with sugar cane on the basis of reduced levies, and, if so, what amounts are involved and on what grounds the practice is justified?

¹ OJ L 173, 27.6.1992, p. 1

² OJ L 183, 26.6.1998, p. 27