Commission Regulation (EC) No 871/2006 of 15 June 2006 determining for the 2005/06 marketing year actual production of unginned cotton and the ensuing guide price reduction

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THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Act of Accession of Greece, and in particular Protocol 4 on cotton[(1)],

Having regard to Council Regulation (EC) No 1051/2001 of 22 May 2001 on production aid for cotton[(2)], and in particular the third indent of Article 19(2) thereof,

Whereas:

(1) The first subparagraph of Article 16(3) of Commission Regulation (EC) No 1591/2001 of 2 August 2001 laying down detailed rules for applying the cotton aid scheme[(3)] provides that actual production in each marketing year and the reduction in the guide price referred to in Article 7 of Regulation (EC) No 1051/2001 are to be established before 15 June of that year.

(2) The second subparagraph of Article 16(3) of Regulation (EC) No 1591/2001 states the terms on which the quantity of unginned cotton produced is to be reckoned as the actual production.

(3) The Greek authorities, using fibre yield as a quality criterion, have recognised 1 122 445 tonnes of unginned cotton as eligible for aid.

(4) The Greek authorities have informed the Commission that on 15 May 2006 they did not recognise as eligible for aid 2 844 tonnes of unginned cotton consisting of 603 tonnes not declared in line with Article 9 of Regulation (EC) No 1591/2001, 41 tonnes with excess humidity which were not of sound and fair merchantable quality in accordance with Article 15(1) of that Regulation and 2 200 tonnes damaged by fire.

(5) Exclusion from actual production of the abovementioned 2 200 tonnes of unginned cotton damaged by fire is not justified. This quantity meets the criteria laid down in the second subparagraph of Article 16(3) of Regulation (EC) No 1591/2001 and must accordingly be added to the quantity of 1 122 445 tonnes.

(6) In consequence, using fibre yield as a quality criterion, actual Greek production of unginned cotton for the 2005/06 marketing year must be considered to total 1 124 714 tonnes.

Changes to legislation: *There are currently no known outstanding effects for the Commission Regulation (EC) No 871/2006. (See end of Document for details)*

(7) The Spanish authorities, using fibre yield as a quality criterion, have recognised 355 348 tonnes of unginned cotton as eligible for aid.

(8) The Spanish authorities have informed the Commission that on 15 May 2006 they did not recognise as eligible for aid 1 708 tonnes of unginned cotton consisting of 1 482 tonnes in respect of which national area reduction measures under Article 17(3) of Regulation (EC) No 1051/2001 were disregarded, 21 tonnes that were not of sound and fair merchantable quality in accordance with Article 15(1) of that Regulation, 75 tonnes that were not declared in accordance with Article 9 of Regulation (EC) No 1591/2001, 120 tonnes that were damaged by fire and 10 tonnes because the rules concerning contracts referred to in Article 11 of Regulation (EC) No 1051/2001 were not complied with.

(9) Exclusion from actual production of the abovementioned 10 tonnes of unginned cotton on account of non-compliance with the rules concerning contracts and of the 120 tonnes that were damaged by fire are not justified. Moreover, those quantities meet the requirements of the second subparagraph of Article 16(3) of Regulation (EC) No 1591/2001 and must therefore be added to the quantity of 355 348 tonnes.

(10) In consequence, by application of fibre yield as a quality criterion, actual Spanish production of unginned cotton in the 2005/06 marketing year must be considered to total 355 482 tonnes.

(11) The Spanish authorities, using fibre yield as a quality criterion, have recognised 440 tonnes of unginned cotton from crop areas in Portugal as eligible for aid. This quantity meets the requirements of the second subparagraph of Article 16(3) of Regulation (EC) No 1591/2001 and must accordingly be regarded as actual Portuguese production of unginned cotton for the 2005/06 marketing year.

(12) Article 7(2) of Regulation (EC) No 1051/2001 provides that if the sum of the actual production determined for Spain and Greece exceeds 1 031 000 tonnes the guide price indicated in Article 3(1) of that Regulation is to be reduced in any Member State where actual production exceeds the guaranteed national quantity.

(13) Moreover, if the sum of actual production in Spain and Greece reduced by 1 031 000 tonnes is higher than 469 000 tonnes, the reduction in the guide price of 50 % increases gradually in accordance with the rules laid down in the second subparagraph of Article 7(4) of Regulation (EC) No 1051/2001.

(14) For the 2005/06 marketing year the guaranteed national quantity is exceeded in both Spain and Greece. Actual production in Spain is below its guaranteed national quantity increased by 113 000 tonnes. As a result, the guide price reduction in Spain should be equal to 50 % of the rate of overshot. In the case of Greece, actual production is as well as below its guaranteed national quantity increased by 356 000 tonnes. As a result, the guide price reduction in Greece should be equal to 50 % of the rate of overshot.

(15) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Natural Fibres,

HAS ADOPTED THIS REGULATION: