Commission Regulation (EC) No 905/2005 of 16 June 2005 determining for the 2004/2005 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 1 135 534 tonnes of unginned cotton as eligible for aid.

(4) The Greek authorities have informed the Commission that on 15 May 2005 they did not recognise as eligible for aid 34 142 tonnes of unginned cotton consisting of 6 172 tonnes from 2 364,9 hectares not declared in line with Article 9 of Regulation (EC) No 1591/2001, 22 746 tonnes in respect of which national area reduction measures under Article 17(3) of Regulation (EC) No 1051/2001 were disregarded, 3 580 tonnes which were not of sound and fair merchantable quality in accordance with Article 15(1) of that Regulation, and 1 644 tonnes from 2 040 hectares from areas in respect of which financial compensation was paid to the growers on account of damage due to natural causes.

(5) Exclusion from actual production of the abovementioned 1 644 tonnes of unginned cotton is not justified. This quantity comes from parcels declared under Article 9 of Regulation (EC) No 1591/2001 and was actually delivered to the ginning plants. The very low yield in tonnes of unginned cotton of the parcels affected by the damage is an important indication that the parcels nevertheless generated some produce. Therefore,

that 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 1 135 534 tonnes.

(6) In consequence, actual Greek production of unginned cotton for the 2004/2005 marketing year must be considered to total 1 137 229 tonnes.

(7) The Spanish authorities, using fibre yield as a quality criterion, have recognised 368 084 tonnes of unginned cotton as eligible for aid.

(8) The Spanish authorities have informed the Commission that on 15 May 2005 they did not recognise as eligible for aid 1 638 tonnes of unginned cotton consisting of 1 612 tonnes in respect of which national area reduction measures under Article 17(3) of Regulation (EC) No 1051/2001 were disregarded, six tonnes that were not of sound and fair merchantable quality in accordance with Article 15(1) of that Regulation, seven tonnes that were not declared in accordance with Article 9 of Regulation (EC) No 1591/2001, and 13 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 13 tonnes of unginned cotton on account of non-compliance with the rules concerning contracts is not justified. Moreover, this quantity meets 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 368 084 tonnes.

(10) In consequence, by application of fibre yield as a quality criterion actual Spanish production of unginned cotton in the 2004/2005 marketing year must be considered to total 368 097 tonnes.

(11) The Spanish authorities, using fibre yield as a quality criterion, have recognised 982 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 2004/2005 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 2004/05 marketing year the guaranteed national quantity is exceeded in both Spain and Greece. Actual production in Spain is in the second step of 4.830 tonnes above its guaranteed national quantity increased by 113 000 tonnes. As a result, the guide price reduction in Spain should be 54 %. In the case of Greece, actual production