COMMISSION REGULATION (EC) No 1983/2002

of 7 November 2002

amending Regulation (EC) No 2848/98 laying down detailed rules for the application of the quota buy-back programme in the raw tobacco sector

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 2075/92 of 30 June 1992 on the common organisation of the market in raw tobacco [1], as last amended by Regulation (EC) No 546/2002 [2], and in particular Articles 14 and 14a thereof,

Whereas:

(1) Article 36 of Commission Regulation (EC) No 2848/98 of 22 December 1998 laying down detailed rules for the application of Council Regulation (EEC) No 2075/92 as regards the premium scheme, production quotas and the specific aid to be granted to producer groups in the raw tobacco sector [3], as last amended by Regulation (EC) No 1501/2002 [4], set the amounts to which producers were entitled whose quotas were bought under the quota buy-back programme during the 1999, 2000, 2001 and subsequent harvests.

(2) Since the measure entered into force for the 1999 harvest, only insignificant quantities have been bought back for each group of varieties. Under the current rules for this arrangement it has not been possible to meet the planned objectives of rationalising production, since producers are continuing to have great difficulty in selling their production of certain groups of tobacco varieties, for which they can secure only extremely low prices.

(3) To make the arrangement more attractive, therefore, the buy-back prices should be increased considerably for groups III and V and to a lesser degree for the other groups, starting with the 2002 harvest, and the period during which the buy-back price is paid should be extended.

(4) In addition, the producer Member States should be required to widely publicise the buy-back terms and a time limit should be laid down for the payment of the buy-back price to producers.

(5) Most tobacco growers hold very small production quotas, the economic viability of which is extremely doubtful, especially in the case of types of tobacco sold at very low prices. The programme should be made more attractive for small producers by modulating the buy-back prices according to the size of the production quota, in order to help them switch production.

(6) In order to allow producers interested in selling their quotas for the 2002 harvest sufficient time in which to decide to leave the sector, the final date for announcing their decision should be deferred for the 2002 harvest year.

(7) Regulation (EC) No 2848/98 should therefore be amended.

(8) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Tobacco,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 2848/98 is amended as follows:

1. Article 36 is replaced by the following:

'*Article 36*

1. Producers whose quotas were bought back during the 1999 and 2000 harvests shall be entitled to receive the amounts shown in Annex VII(A) each year when the premiums are paid for the three harvests following that in which their quotas were bought back.

Producers whose quotas were bought back in 2001 shall be entitled, when the premiums are paid for the three harvests following that in which their quotas were bought back, to receive each year an amount equal to a percentage of the premium as referred to in Article 3(1) of Regulation (EEC) No 2075/92, applicable to raw tobacco produced during the harvest year concerned. The relevant percentages are given in the table in Annex VII(B).

Without prejudice to any future amendments, producers whose quotas are bought back during the 2002 and 2003 harvests shall be entitled to receive an amount equal to a percentage of the premium as shown in the tables in Annex VII(C) for each of the five harvest years following the year in which their quota is bought back. These amounts shall be paid before 31 May each year.

2. As an exception to paragraph 1, producers whose quotas are bought back during the 2001 and 2002 harvests and who have held these quotas only since the 2001 and 2002 harvests, respectively, shall be entitled to receive the same amounts as those for the 1999 harvest for the three subsequent harvests.

[1] OJ L 215, 30.7.1992, p. 70.
[2] OJ L 84, 28.3.2002, p. 4.
[3] OJ L 358, 31.12.1998, p. 17.
[4] OJ L 227, 23.8.2002, p. 16.

3. The Member States shall publicise the terms of the quota buy-back.'

2. The following paragraph is added to Article 55:

'3. For the 2002 harvest, as an exception to Article 35, the final date of 1 November 2002 in paragraphs 1 and 2 shall be extended to 1 December 2002, and the period of two months in paragraph 3 shall be reduced to one month.'

3. The Annex to this Regulation shall be added as Annex VII.

Article 2

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

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

Done at Brussels, 7 November 2002.

For the Commission

Franz FISCHLER

Member of the Commission