COMMISSION REGULATION (EC) No 1398/2002

of 31 July 2002

fixing, for the 2001/02 marketing year, the actual production of unginned cotton in Greece and the resulting reduction of the guide price and derogating, for the 2001/02 marketing year, from certain management rules and aid award procedures in Greece

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, as last amended by Council Regulation (EC) No 1050/2001 [1],

Having regard to Council Regulation (EC) No 1051/2001 of 22 May 2001 on production aid for cotton [2], and in particular Article 19(1) and (2) and Article 21 thereof,

Whereas:

(1) Under the third indent of Article 19(2) of Regulation (EC) No 1051/2001 actual production of unginned cotton is fixed taking account in particular of the quantities on which aid has been applied for. Of the total Greek production of unginned cotton delivered to ginning undertakings during the 2001/02 marketing year, namely 1 354 719 tonnes, the Greek authorities recognised 1 148 357 tonnes as eligible for aid, adjusted to 1 183 155 tonnes to take account of the quality criterion provided for in Article 15(2) of Regulation (EC) No 1051/2001 represented by cotton fibre yield.

(2) All production of unginned cotton of sound and fair merchantable quality delivered to ginning undertakings could be treated as actual production. However, it should be noted that, generally speaking, where common agricultural policy mechanisms are applied, the production taken into account is that which fulfils the conditions laid down by the rules regarding eligibility for aid. Therefore, and because there is no specific provision concerning cotton, it is justified to regard as actual production the total production of unginned cotton of sound and fair merchantable quality which, without prejudice to Article 13(2) of Commission Regulation (EC) No 1591/2001 laying down detailed rules for applying the cotton aid scheme [3], comes from areas declared in accordance with Article 9 of the said Regulation and not excluded from the aid scheme pursuant to Article 17(3) of Regulation (EC) No 1051/2001, and which is delivered by producers to ginning undertakings.

(3) The quantity of 206 362 tonnes of cotton which, on 15 May 2002, had not been recognised as eligible by the Greek authorities comprised, according to the information provided by those authorities, 138 175 tonnes which failed to comply with the national rules on the reduction of areas adopted under Article 17(3) of Regulation (EC) No 1051/2001 and/or involved failings or irregularities in the area declarations, 6 376 tonnes which were not of sound and fair merchantable quality as provided for in Article 15(1) of Regulation (EC) No 1051/2001, 52 361 tonnes excluded due to abnormally high yields revealing a failure to observe sound agricultural practice, and finally 9 450 tonnes which did not observe the delivery conditions.

(4) According to the information communicated by the Greek authorities, for the 2001/02 marketing year the total area sown to cotton is 423 038 hectares while Greek ministerial decree No 40420 of 28 February 2001 restricts, for that year, the areas eligible for production aid to 393 770 hectares. The difference, 29 268 hectares, reflects a minimum area not eligible for the aid pursuant to Article 17(3) of Regulation (EC) No 1051/2001. On the basis of an average yield of 3,032 tonnes per hectare for cotton considered eligible by the Greek authorities, the Commission estimates production from these 29 268 hectares at 88 741 tonnes.

(5) The remainder of the 138 175 tonnes, i.e. at the most 49 434 tonnes, consists of cotton delivered for ginning covered by a declaration under the Integrated Administration and Control System (IACS) which does not mention, at least in total, the area actually sown to cotton by the producer in question. In other words, it comes either from an area not declared and as such not eligible for aid or from an area declared as being sown to another crop but actually sown to cotton. For cotton from an area not properly declared, under Article 13(2) of Regulation (EC) No 1591/2001, without prejudice to the national penalties to be applied to the producers concerned, aid is granted to the ginning undertaking provided that all the other requirements have been met. In view of the impossibility of establishing within the 49 434 tonnes a direct link between irregularities committed within the meaning of the said Article and the batches of cotton concerned, the conditions are not met for application of the said Article. Consequently the 49 434 tonnes should be excluded in their entirety from actual production.

[1] OJ L 148, 1.6.2001, p. 1.
[2] OJ L 148, 1.6.2001, p. 3.
[3] OJ L 210, 3.8.2001, p. 12.