Basic information

1998/0013(CNS) CNS - Consultation procedure Regulation	Procedure completed
Bananas: common organisation of the market COM (amend. Regulation (EEC) No 404/93). Recommendation for a decision included **Subject** 3.10.06.01 Fruit, citrus fruits	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	THOMAS David Edward (PSE)	22/01/1998

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	CARDONA Maria Celeste (UPE)	03/02/1998
DEVE Development and Cooperation	CARLOTTI Marie-Arlette (PSE)	25/02/1998

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	2110	1998-06-22
Agriculture and Fisheries	2115	1998-07-20
Agriculture and Fisheries	2065	1998-01-20
Agriculture and Fisheries	2069	1998-02-16
Agriculture and Fisheries	2082	1998-04-20

Key events

Date	Event	Reference	Summary
14/01/1998	Legislative proposal published	COM(1998)0004	Summary
20/01/1998	Debate in Council		
29/01/1998	Committee referral announced in Parliament		
16/02/1998	Debate in Council		
20/04/1998	Debate in Council		

03/06/1998	Vote in committee		Summary
03/06/1998	Committee report tabled for plenary, 1st reading/single reading	A4-0220/1998	
16/06/1998	Debate in Parliament		
20/07/1998	Act adopted by Council after consultation of Parliament		
20/07/1998	End of procedure in Parliament		
28/07/1998	Final act published in Official Journal		

Technical information

Procedure reference	1998/0013(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Rules of Procedure EP 050 EC Treaty (before Amsterdam) E 043
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/4/09730

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A4-0220/1998 OJ C 210 06.07.1998, p. 0008	03/06/1998	
Text adopted by Parliament, 1st reading/single reading		T4-0353/1998 OJ C 210 06.07.1998, p. 0102-0122	17/06/1998	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(1998)0004 OJ C 075 11.03.1998, p. 0006	14/01/1998	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0801/1998 OJ C 235 27.07.1998, p. 0063	27/05/1998	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act	
Regulation 1998/1637 OJ L 210 28.07.1998, p. 0028	Summary

Bananas: common organisation of the market COM (amend. Regulation (EEC) No 404/93). Recommendation for a decision included

1998/0013(CNS) - 17/06/1998 - Text adopted by Parliament, 1st reading/single reading

In adopting by a very large majority the report by Mr David Edward THOMAS (PSE, UK) on the reform of the common organization of the market in bananas, the European Parliament sought to find a compromise compatible with WTO rules which maintained ACP preferences under the Lomé Convention and protected Union producers and while guaranteeing reasonable prices for consumers. The European Parliament therefore proposes to: - maintain the tariff quota (consolidated within GATT) at its current level of 2.2 million tonnes. Banana imports from third countries under this tariff quota would be set at ECU 75/tonne and a zero rate of duty would apply to non-traditional banana imports from ACP countries; - in order to maintain a balance between supply and demand, to open an annual quota of 100 000 tonnes instead of 353 000 tonnes. A duty of ECU 300 per tonne would be payable on imports of bananas from third countries while non-traditional imports of ACP bananas would be exempt (the Commission proposed a duty of ECU 100 per tonne). It also calls for the additional tariff quota to be adjusted in accordance with the changes in Community demand or in response to exceptional circumstances (e.g. cyclones). For this purpose, it calls for an annual review of Community production consumption imports and exports; - maintain duty-free access for bananas from the twelve traditional ACP suppliers (Côte d'Ivoire, Cameroon, Surinam, Somalia, Jamaica, St Lucia, St Vincente and the Grenadines, Dominica, Belize, Cape Verde, Grenada and Madagascar (up to a ceiling of 857 700 tonnes); - apply a customs duty of an amount equal to that set out in Article 15 less ECU 300 (and not ECU 200 as proposed by the Commission) for non-traditional ACP bananas imported outside the tariff quotas referred to above. To authorize the Commission, if it is not possible to reach agreement with all the contracting parties with a substantial interest in the supply of bananas, to allocate the tariff quotas (2.2 million tonnes and 353 000 tonnes) and the traditional ACP quantity (857 700 tonnes) between those countries with a substantial interest in the supply (countries providing at least 10% of the Union' total imports); - end the current system of issuing different categories of import licences and allocation to primary and secondary importers and ripeners. Concerning the management of tariff quotas, the European Parliament calls for a method which takes account of traditional trade flows ('traditional /newcomers' system) using a reference period which should be the latest period for which statistics exist. Where traditional imports from ACP countries have been less than the established ceiling, Parliament calls for import licences to be increased by an expansion coefficient representing the difference between actual imports and the permitted limit, so that the full ACP allowance can be delivered. It calls for management methods which take account of demand on the Community market and maintain a balance of community market forces. Particular account should be taken of the Union's obligations under the IV Lomé Convention. In the allocation of import licences it calls for priority to be given to bananas from production areas which comply with European social and environmental legislation, since failure to do so greatly distorts competition between ACP or European producers and Latin American producers. Concerning ACP preferences, Parliament urges that changes to quota allocation should not be at the expense of the ACP countries and calls for the creation of a special fund to encourage diversification in the ACP countries. It calls for the Commission to submit an annual statement to Parliament, the Council and the ACP/EU Council, indicating whether the entitlements of traditional and non-traditional ACP suppliers are regarded as satisfactory. If this were not the case, the Commission would be required to propose suitable measures. A similar statement concerning European production should be given. It calls for Somalia to be allocated an annual quota equal to its best figures for exports to the European Union before 1991 (60 000 tonnes) as part of the overall ACP quota, in order to encourage full resumption of its output and exports following the civil war and the flooding of 1997 and early 1998. The quota will be allocated under the provisions concerning exceptional circumstances. Concerning fair trade with developing countries, it calls for measures to be taken to combat poverty and improve social and environmental conditions. Support would be given through a special 'fair trade' banana fund as part of existing quotas. Similarly, special support measures would be taken in favour of the producers and importers of organically grown bananas as part of the early technical and financial assistance arrangements in ACP countries. It calls on the Commission to ensure that Community arrangements for bananas as part of the common organization of the market and the related trading preferences are instruments which genuinely promote development in the ACP countries and the ultra-peripheral areas concerned. Parliament calls on the Commission to present a report on the operation of the common organization of the market in bananas to the European Parliament by 31 December 2005. Concerning compensation to Community producers for any shortfall in earnings, the European Parliament recommends that the maximum quantity of bananas produced in the Community and eligible for compensation be fixed at 982 000 tonnes (instead of 854 000 tonnes at present) together with a flat rate earnings increase of 20% to take account of the increase in production costs. The 982 000 tonnes relating to Community production should be allocated as follows: - 483 000 tonnes for the Canary islands - 172 500 tonnes for Guadeloupe - 252 000 tonnes for Martinique - 57 500 tonnes for Madeira, the Azores and the Algarve - 17 000 for Crete, Lakonia and other areas of Greece. Subject to the maximum quantity for the Community, the quantity for each region should be adjusted regularly.

Bananas: common organisation of the market COM (amend. Regulation (EEC) No 404/93). Recommendation for a decision included

1998/0013(CNS) - 14/01/1998 - Legislative proposal

OBJECTIVE: to amend Regulation 404/93/EEC on the COM in bananas with a view to bringing Community rules into line with the Union's commitments in the framework of the WTO. SUBSTANCE: in September 1997 the dispute settlement body of the WTO found that some of the EU's provisions on the market organization for bananas infringed WTO rules; these infringements concerned import licences, the present allocation of the tariff quota to signatory countries of the Framework Agreement on bananas (Colombia, Costa Rica, Venezuela and Nicaragua) and the granting of export licences in signatory countries and certain quantities set for traditional imports from ACP States. The Commission therefore proposes to amend the basic regulation to bring it into line with the WTO conclusions in the following areas: - maintaining the tariff quota at its current level of 2.2 million tonnes with a customs duty of ECU 75 per tonne (ECU 765 per tonne for imports exceeding this quota); - setting a supplementary autonomous tariff quota of 353 000 tonnes together with a duty of ECU 300 per tonne to take account of enlargement of the Union and ensure an adequate supply to the market while preserving the competitive balance with imports from the ACP countries; - continuing to assign specific parts of the tariff quotas to exporting countries (these will however only be granted to suppliers with access to the remainder of the quota); - maintaining the maximum quantity for traditional imports from the ACP countries at its current level of 857 700 tonnes at nil duty; - raising the tariff preference for non-traditional ACP importers to ECU 200 per tonne, but abolishing the reserve part of the quota; - abolishing the current system of import licence categories, to be replaced by a system compatible with WTO rules (among the range of possible options, the Commission prefers a method based on consideration of traditional trade flows and newcomers, but does not exclude the other options). The Commission also establishes a new legal basis for dealing with exceptional circumstances pertaining to supply of the market, covering all supply origins without exception. In support of the measures covered by this proposal, the Commission has also proposed specific aid measures to traditional ACP banana importers (SYN98014) to enable them to adapt to the new market conditions.

Bananas: common organisation of the market COM (amend. Regulation (EEC) No 404/93). Recommendation for a decision included

1998/0013(CNS) - 20/07/1998 - Final act

OBJECTIVE: to amend Regulation (EEC) No 404/93 on the COM in bananas with a view to brining Community rules into line with the Union's commitments in the framework of the World Trade Organization (WTO). COMMUNITY MEASURE: Council Regulation (EC) No 1637/98 amending Regulation (EEC) No 404/93 on the common organization of the market in bananas. CONTENT: in September 1997, the dispute settlement body of the WTO found that some of the EU's provisions on the market organization for bananas infringed WTO rules. This regulation therefore seeks to amend the basic regulation to bring it into line with the WTO conclusions in the following areas: - maintaining the tariff quota at its current level of 2.2 million tonnes with a customs duty of ECU 75 per tonne; - setting a supplementary autonomous tariff quota of 353,000 tonnes together with a duty of ECU 75 per tonne for imports from non-ACP suppliers and zero duty for ACP suppliers in order to take account of the accession to the Community of Finland, Sweden and Austria; - maintaining the maximum quantity for traditional imports from the ACP countries at its current level of 857,700 tonnes at zero duty; - raising the tariff preference for non-traditional ACP suppliers to ECU 200 per tonne; - setting a single criterion for determining the producer states with a substantial interest in the supply of bananas so that tariff quotas and, where applicable, the traditional ACP quantity can be distributed. Provision is also made for the Commission to allocate the tariff quotas on the basis of the same criterion if it is not possible to reach agreement with the countries in question. Provision has also been made to amend the autonomous tariff quota of 353,000 tonnes in order to take account of the increase in Community demand identified in a supply balance sheet. A new provision has also been included so that specific measures can be adopted in order to deal with exceptional circumstances which affect demand on the Community market. Finally, the regulation makes provision for a report on the operation of the overall scheme to be presented to the European Parliament and the Council by 31 December 2004. It should be noted that another text has been adopted to support the measures introduced in the present regulation on aid to traditional ACP banana suppliers (cf. SYN980014). ENTRY INTO FORCE: 31 July 1998. The regulation will apply from 1 January 1999.