

**COUNCIL REGULATION (EC) No 546/2002  
of 25 March 2002**

**fixing the premiums and guarantee thresholds for leaf tobacco by variety group and Member State  
for the 2002, 2003 and 2004 harvests and amending Regulation (EEC) No 2075/92**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 36 and 37 thereof,

Having regard to the proposal from the Commission <sup>(1)</sup>,

Having regard to the opinion of the European Parliament <sup>(2)</sup>,

Having regard to the opinion of the Economic and Social Committee <sup>(3)</sup>,

Whereas:

- (1) Article 4 of Regulation (EEC) No 2075/92 of 30 June 1992 on the common organisation of the market in raw tobacco <sup>(4)</sup> provides for the fixing of the amount of the premium and the supplementary amounts for each tobacco harvest, taking particular account of past and foreseeable possibilities for the disposal of the various types of tobacco, under normal conditions of competition. The premiums should therefore be fixed and linked to the guarantee thresholds fixed for 2002, 2003 and 2004.
- (2) In accordance with the second paragraph of Article 8 and Article 9(2) of Regulation (EEC) No 2075/92, the guarantee thresholds for each variety group and Member States should be fixed for the 2002, 2003 and 2004 harvests, taking particular account of market conditions and socio-economic and agronomic conditions in the production areas concerned. The threshold levels should be set in good time so that the producers can plan their production for the harvests in question.
- (3) Article 6(5) of Council Regulation (EEC) No 2075/92 allows the Member States to apply a cultivation contract auction scheme. Under the provisions currently in force, if this scheme is applied it must cover all the groups of tobacco varieties produced in a Member State. The system has not yet been applied because the Member States believe that auctioning is warranted only for certain variety groups and only for contracts of producer groups which manifest an interest. With a view to encouraging auctions as a way of increasing the commercial price of raw tobacco, more flexible provisions should be introduced so that the Member States

can restrict this mechanism to certain variety groups only and to producer groups which wish to participate.

- (4) The national quota reserves created under Article 9(5) of Regulation (EEC) No 2075/92 have failed to achieve the conversion or farm-restructuring objectives for which they were created. Application at national level, in particular the criteria laid down by the Member States for redistributing the reserves and the small amounts involved in their establishment, has proved inadequate for achieving the desired effect. Furthermore, the administrative arrangements for managing the national reserves have created an excess workload and have excessively complicated the management of the quotas, resulting in serious delays in their distribution. However the possibility should remain open for Member States which wish to do so to have recourse to this system where they consider it to be useful.
- (5) The Treaty requires that a high level of human health protection be ensured in the definition and implementation of all Community policies and activities. In the framework of the strategy for sustainable development in the European Union, the economic, social and environmental consequences of every policy must be taken into account. In the raw tobacco producing regions, it is consequently advisable to implement actions aimed at developing new sources of income and economic activity for the growers. In order to achieve this goal, it is proposed that the activities of the Community Tobacco Fund should be amended and agronomic research should be replaced by a measure to support specific initiatives allowing tobacco growers to switch from tobacco into other crops and economic activities creating employment.
- (6) It is also advisable to increase the deduction used to finance the Fund to 3 % in 2003 in order to strengthen the budgetary means available for financing information measures on the harmful effects of tobacco consumption and initiatives to convert production. This latter measure, which is a new priority, could be implemented nationally as part of specific conversion measures and would accompany and develop synergies with the quota buy-back programme. For the 2004 harvest, if necessary, the deduction could be increased up to 5 % according to the use of the Fund's appropriations, on the basis of a report drawn up by the Commission.
- (7) Regulation (EEC) No 2075/92 should therefore be amended,

<sup>(1)</sup> OJ C 51 E, 26.2.2002, p. 382.

<sup>(2)</sup> Opinion delivered on 14 March 2002 (not yet published in the Official Journal).

<sup>(3)</sup> Opinion delivered on 20 February 2002 (not yet published in the Official Journal).

<sup>(4)</sup> OJ L 215, 30.7.1992, p. 70. Regulation as last amended by Regulation (EC) No 1336/2000 (OJ L 154, 27.6.2000, p. 2).

HAS ADOPTED THIS REGULATION:

*Article 1*

For the 2002, 2003 and 2004 harvests, the premium amounts for each of the groups of raw tobacco and the supplementary amounts referred to in Article 3 of Regulation (EEC) No 2075/92 shall be as shown in Annex I to this Regulation.

*Article 2*

For the 2002, 2003 and 2004 harvests, the guarantee thresholds referred to in Articles 8 and 9 of Regulation (EEC) No 2075/92 by variety group and by Member State shall be as shown in Annex II to this Regulation.

*Article 3*

Regulation (EEC) No 2075/92 is amended as follows:

1. Article 6(5) shall be replaced by the following:

'5. The Member State may, if its structures makes it appropriate, apply to the producer groups which wish to participate in it a cultivation contract auction scheme as referred to in paragraph 1 for a particular variety group where it is concluded before the date on which delivery of the tobacco commences.'

2. Article 9(5) shall be replaced by the following:

'5. Producer Member States shall be entitled to create a national quota reserve, the rules of operation of which shall be adopted in accordance with the procedure laid down in Article 23.'

3. Article 13 shall be replaced by the following:

*'Article 13*

1. A Community Tobacco Fund (hereinafter "Fund") shall be set up, financed by a deduction of:

- 2 % of the premium for the 2002 harvest,
- 3 % of the premium for the 2003 harvest,

The Commission shall submit before 31 December 2003 a report on the use of the appropriations from the Fund, which could be accompanied, if necessary, by a proposal for the percentage of the deduction for the Fund to be increased by up to 5 % for the 2004 harvest.

2. The Fund shall finance action in the following areas:

- (a) improving public awareness of the harmful effects of all forms of tobacco consumption, in particular through information and education, support for the collection of data to establish tobacco consumption patterns and to conduct epidemiological studies on nicotineism in the Community, and a study on preventing nicotineism;
- (b) as part of the programme referred to in Article 14(1), specific measures to help tobacco growers to switch to other crops or other economic activities that create employment and studies of the possibilities for tobacco growers to do so.'

*Article 4*

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

It shall apply from the 2002 harvest.

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

Done at Brussels, 25 March 2002.

*For the Council*

*The President*

A. M. BIRULÉS Y BERTRÁN

## ANNEX I

## PREMIUMS FOR LEAF TOBACCO FROM THE 2002, 2003 AND 2004 HARVESTS

	I Flue-cured	II Light air-cured	III Dark air-cured	IV Fire-cured	V Sun-cured	VI Basma	VII Katerini	VIII Kaba Koulak
EUR/kg	2,98062	2,38423	2,38423	2,62199	2,14581	4,12957	3,50395	2,50377

## SUPPLEMENTARY AMOUNTS

Varieties	EUR/kg
Badischer Geudertheimer, Pereg, Korso	0,5509
Badischer Burley E and its hybrids	0,8822
Virgin D and its hybrids, Virginia and its hybrids	0,5039
Paraguay and its hybrids, Dragon vert and its hybrids, Philippin, Petit Grammont (Flobecq), Semois, Appelterre	0,4112

## ANNEX II

## GUARANTEE THRESHOLDS FOR THE 2002 HARVEST (tonnes)

(tonnes)

Member State	I Flue-cured	II Light air-cured	III Dark air-cured	IV Fire-cured	V Sun-cured	Other			Total
						VI Basmas	VII Katerini	VIII K. Koulak	
Italy	49 002	49 436	16 256	6 255	9 157		498		130 604
Greece	35 781	12 276			7 192	27 114	24 014	16 696	123 073
Spain	29 472	5 748	6 622	30					41 872
Portugal	4 981	1 066							6 047
France	10 650	9 602	5 359						25 611
Germany	4 800	2 683	3 868						11 351
Belgium		154	1 455						1 609
Austria	30	442	99						571
	134 716	81 407	33 659	6 285	16 349	27 114	24 512	16 696	340 738

## GUARANTEE THRESHOLDS FOR THE 2003 AND 2004 HARVESTS (tonnes)

(tonnes)

Member State	I Flue-cured	II Light air-cured	III Dark air-cured	IV Fire-cured	V Sun-cured	Other			Total
						VI Basmas	VII Katerini	VIII K. Koulak	
Italy	48 263	47 689	15 682	6 255	8 833		498		127 220
Greece	35 242	11 842			6 938	27 114	24 014	16 696	121 846
Spain	29 028	5 545	6 388	30					40 991
Portugal	4 906	1 028							5 934
France	10 490	9 262	5 170						24 922
Germany	4 728	2 588	3 731						11 047
Belgium		149	1 404						1 553
Austria	29	426	96						551
	132 686	78 529	32 471	6 285	15 771	27 114	24 512	16 696	334 064