

# WORLD TRADE ORGANIZATION

RESTRICTED

**G/SCM/Q2/EEC/29**

1 June 2001

(01-2749)

**Committee on Subsidies  
and Countervailing Measures**

Original: English

## **SUBSIDIES**

### Replies to Questions Posed by AUSTRALIA<sup>1</sup> Regarding the Updating Notification of the EUROPEAN COMMUNITIES<sup>2</sup>

The following communication, dated 29 May 2001, has been received from the Permanent Delegation of the European Commission.

General comment: The EC has provided replies to the following questions to the extent that the information requested was available and was in fact related to the EC's updating notification covering the calendar year 1999 in the light of the agreed format of the Committee on Subsidies and Countervailing Measures (G/SCM/6).

## **MEASURES AFFECTING PRODUCTS PROCESSED FROM PEACHES**

### Question

**Please advise EC production of clingstone peaches for the years 1996 onwards.**

- **Are clingstone peaches consumed in any way other than through processing within the EC? If so, please provide details of consumption and quantities of clingstone peaches used for such alternative non-processing consumption.**
- **Are freestone peaches used in processed peach and/or mixed fruit products within the EC? If so, please advise quantities used.**
- **Please advise quantities of fresh peaches (by clingstone and freestone varieties where appropriate) used for the production of processed peach and mixed fruit products and other processed products, eg, juice, paste, for the years 1996 onwards.**

### Reply

Quantities of fresh peaches used for canned peaches in 1998/99: 414,336 tons; in 1999/2000: 582,401 tons.

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<sup>1</sup> G/SCM/Q2/EEC/24

<sup>2</sup> G/SCM/N/60/EEC

**Question**

**Please advise EC production of products processed from peaches, by CN code as referred to in Annex I of Council Regulation 2201/96 as amended and Article 1 of Commission Regulation 449/2001 (previously Regulation 504/97), for which production aid was paid for the years 1996 onwards.**

**Reply**

EC production of canned peaches for which production aid was paid in 1998/99: 480,436 tons; in 1999/2000: 667,809 tons.

**Question**

- **Please advise total amounts paid as production aid by CN code for the years 1996 onwards.**

**Reply**

This figure can be calculated by multiplying the quantities of peaches (in tons) for which production aid is paid with the amount of aid (€/ton) as listed in the table on page 30 of the EC's updating notification.

**Question**

**Please advise rates of production aid paid in respect of mixed fruit products, and the relationship of these rates to the production aid for processed peach (and/or pear) products, for the years 1996 onwards.**

**Reply**

Aid is paid only for canned peaches and pears (see Annex I of Council Regulation 2201/96). There is no aid for mixed fruit products. However, processors are free to use canned peaches and/or pears (after having received aid for those products) to produce mixed fruit products. The EC also refers to the table on page 30 of the EC's updating notification which contains an overview of the production aid figures for the processed fruit and vegetable sector.

**Question**

- **Please advise how mixed fruit products were accounted for within the guarantee thresholds for processed peach (and/or pear) products for the years 1996 onwards.**

**Reply**

Total canned peaches benefiting from production aid and pears are accounted for, therefore quantities which could be reused for mixed products are included.

**Question**

**Please advise, by individual codes, EC domestic consumption of processed peach and mixed fruit products for the years 1996 onwards.**

Please advise, by individual code, the quantities of processed peach and mixed fruit products which have been exported from the EC for the years 1996 onwards.

Please advise the quantities of processed peach and mixed fruit products, by CN code, produced within the EC for which production aid has not been paid for the years 1996 onwards (Commission Regulation 504/97, Article 5, refers).

Please advise the prices at which EC processed peach and mixed fruit products have been sold on the domestic and export markets for the years 1996 onwards.

*Council Regulation 2699/2000 added “mixtures of fruit, whole or in pieces, in syrup and/or in natural fruit juice, containing at least [60 per cent] peaches and pears”, CN codes ex 2008 92 and ex 2008 99, to the processed products covered by the Community aid scheme under Article 2 of Council Regulation 2201/96.*

What is the significance of the figure 60 per cent being placed in square brackets in Council Regulation 2699/2000?

Reply

The square brackets are a typographical error and should be ignored.

**DISPOSAL ARRANGEMENTS FOR WITHDRAWN FRESH PEACHES**

*Under Article 30 of Council Regulation No. 2200/96 as amended and Articles 12, 14a and 14b of Commission Regulation No. 659/97 as amended, fresh peaches withdrawn from the market may be processed for subsequent distribution to approved charitable organizations. The cost of processing such fresh peaches is to be met through the supply of an additional quantity of fresh peaches withdrawn from the market as a payment in kind to the processor.*

Please advise whether any peaches withdrawn from the market have been processed for subsequent distribution to approved charitable organizations under these regulatory provisions.

Reply

No such distribution to charitable associations took place.

Question

- If so, please provide details of the quantities of fresh product processed on behalf of the charitable organizations, and the quantities of fresh product made available to the relevant processors as payment in kind.

*Under Article 15 and Annex V of Commission Regulation No 659/97 as amended, the Commission pays the cost of transport of withdrawn products intended for charitable distribution, including transport costs to, and onwards from, a processing establishment where appropriate.*

If withdrawn peaches have been processed for subsequent charitable distribution, please advise which entity met the costs of transport of fresh product provided as payment in kind.

*In addition to charitable distributions, under Article 30 of Council Regulation No. 2200/96 as amended, fresh peaches withdrawn from the market may also be disposed of for non-food*

*purposes, use in animal feed, to the processing industry, and for processing into alcohol of a strength of more than 80 per cent volume by direct distillation of the product.*

**Please advise whether any fresh peaches withdrawn from the market have been disposed of in accordance with this provision.**

- **If so, please advise the quantities of peaches disposed of to non-charitable destinations, the recipients of the withdrawn products, and the prices (if any) paid by the recipient industries, for the years 1996 onwards.**

*Further, Article 30.1(d) of Council Regulation No. 2200/96 as amended provides for the “disposal of certain classes of product to the processing industry on condition that there is no resulting distortion of competition for the industries concerned within the Community or for imported products. The implementation of this provision shall be decided in accordance with the procedure laid down in Article 46”.*

**Please advise whether a regulation to implement this provision has been adopted.**

Reply

There is no regulation to implement this provision.

Question

- **If so, please advise whether the provision has been used and, if so, provide full details of the products, quantities and recipients involved.**

Reply

This provision has not been used.

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