

English edition

Legislation

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I

(Acts whose publication is obligatory)

COUNCIL REGULATION (EC, ECSC, EURATOM) No 1794/2001**of 10 September 2001****laying down the weightings applicable from 1 January 2001 to the remuneration of officials of the European Communities serving in third countries**

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community,

Having regard to the Staff Regulations of officials of the European Communities and the conditions of employment of other servants of the Communities laid down by Regulation (EEC, Euratom, ECSC) No 259/68 ⁽¹⁾, as last amended by Regulation (EC, ECSC, Euratom) No 2805/2000 ⁽²⁾, and in particular the first paragraph of Article 13 of Annex X thereto,

Having regard to the proposal from the Commission,

Whereas:

- (1) Account should be taken of changes in the cost of living in countries outside the Community and weightings applicable to remuneration payable in the currency of the country of employment to officials serving in third countries should be determined with effect from 1 January 2001.
- (2) Under Annex X of the Staff Regulations, the Council sets the weightings every six months; it will accordingly have to set new weightings for the coming half-years.
- (3) The weightings to apply with effect from 1 January 2001 in respect of which payment has been made on the basis of a previous regulation could lead to retrospective adjustments to remuneration (positive or negative).
- (4) Provision should be made for back-payments in the event of an increase in remuneration as a result of these weightings.
- (5) Provision should furthermore be made for the recovery of sums overpaid in the event of a reduction in remuneration as a result of these weightings for the period between 1 January 2001 and the date of the Council

decision setting the weightings to apply with effect from 1 January 2001.

- (6) However, in order to mirror the weightings applicable within the European Community to remuneration and pensions of officials and other servants of the European Communities, provision should be made for any such recovery to apply solely to a period of no more than six months preceding the decision and for its effects to be spread over a period of no more than twelve months following the date of that decision,

HAS ADOPTED THIS REGULATION:

Article 1

With effect from 1 January 2001, the weightings applicable to remuneration payable in the currency of the country of employment shall be as shown in the Annex.

The exchange rates for the calculation of such remuneration shall be those used for implementation of the general budget of the European Union for the month preceding the date referred to in the first paragraph.

Article 2

In accordance with the first paragraph of Article 13 of Annex X of the Staff Regulations, the Council shall set weightings every six months. It shall accordingly set new weightings with effect from 1 July 2001.

The institutions shall make back-payments in the event of an increase in remuneration as a result of these weightings.

For the period between 1 January 2001 and the date of the Council decision setting the weightings applicable with effect from 1 January 2001, the institutions shall make retrospective downward adjustments to remuneration in the event of a reduction as a result of these weightings.

⁽¹⁾ OJ L 56, 4.3.1968, p. 1.

⁽²⁾ OJ L 326, 22.12.2000, p. 7.

Retrospective adjustments involving the recovery of sums overpaid shall, however, concern only a period of no more than six months preceding the decision and this recovery shall be spread over no more than twelve months from the date of that decision.

Article 3

This Regulation shall enter into force on the day of 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, 10 September 2001.

For the Council

The President

L. MICHEL

ANNEX

Place of employment	Weightings January 2001	Place of employment	Weightings January 2001
Albania	110,3	Georgia	113,4
Algeria (*)	0,0	Ghana	32,7
Angola	102,8	Guatemala	89,1
Argentina	129,8	Guinea	89,2
Australia	98,6	Guinea-Bissau	124,0
Bangladesh	80,5	Guyana	73,8
Barbados	141,8	Haiti	96,0
Belize	101,1	Hong Kong	129,3
Benin	83,0	Hungary	60,9
Bolivia	82,4	India	62,6
Bosnia and Herzegovina	86,6	Indonesia	64,3
Botswana	68,5	Israel	129,4
Brazil	96,3	Jamaica	129,2
Bulgaria	71,4	Japan (Naka)	189,5
Burkina Faso	75,8	Japan (Tokyo)	205,3
Burundi (*)	0,0	Jordan	105,6
Cameroon	91,9	Kazakhstan	116,8
Canada	90,4	Kenya	105,1
Cape Verde	80,1	Latvia	87,5
Central African Republic	106,5	Lebanon	114,7
Chad	105,0	Lesotho	56,1
Chile	99,1	Liberia (*)	0,0
China	114,8	Lithuania	82,8
Colombia	84,2	Madagascar	77,7
Comoros	102,6	Malawi	28,9
Congo (*)	0,0	Mali	83,8
Costa Rica	104,4	Malta	96,4
Côte d'Ivoire	102,5	Mauritania	70,9
Croatia	91,7	Mauritius	82,9
Cyprus	95,6	Mexico	98,8
Czech Republic	84,0	Morocco	96,2
Democratic Republic of the Congo (*)	0,0	Mozambique	101,0
Djibouti	146,4	Namibia	68,5
Dominican Republic	90,6	Netherlands Antilles	118,1
Egypt	89,4	New Caledonia	120,4
Equatorial Guinea	84,2	Nicaragua	105,6
Eritrea	63,3	Niger	82,1
Estonia	76,9	Nigeria (Abuja) (*)	0,0
Ethiopia	78,3	Nigeria (Lagos)	88,2
Fiji	71,4	Norway	138,4
Former Yugoslav Republic of Macedonia	76,9	Pakistan	64,9
Gabon	114,3	Papua New Guinea	82,7

Place of employment	Weightings January 2001	Place of employment	Weightings January 2001
Peru	111,0	Thailand	71,6
Philippines	65,7	The Gambia	70,3
Poland	75,2	Togo	92,1
Romania	52,1	Tonga	76,0
Russia	144,3	Trinidad and Tobago	85,8
Rwanda (*)	0,0	Tunisia	85,2
São Tomé and Príncipe	76,7	Turkey	89,9
Senegal	78,4	Uganda	96,3
Sierra Leone (*)	0,0	Ukraine	128,6
Slovakia	65,9	United States (New York)	140,8
Slovenia	74,2	United States (Washington DC)	132,5
Solomon Islands	104,4	Uruguay	110,4
Somalia (*)	0,0	Vanuatu	122,1
South Africa	63,3	Venezuela	129,5
South Korea	126,5	Vietnam	74,2
Sri Lanka	82,4	West Bank — Gaza Strip	118,8
Sudan	47,9	Yugoslavia	44,4
Suriname	77,8	Zambia	64,2
Swaziland	46,1	Zimbabwe	60,4
Switzerland	124,0		
Syria	117,4		
Tanzania	86,8		

(*) Not available

COMMISSION REGULATION (EC) No 1795/2001
of 13 September 2001
establishing the standard import values for determining the entry price of certain fruit and vegetables

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Commission Regulation (EC) No 3223/94 of 21 December 1994 on detailed rules for the application of the import arrangements for fruit and vegetables ⁽¹⁾, as last amended by Regulation (EC) No 1498/98 ⁽²⁾, and in particular Article 4(1) thereof,

Whereas:

- (1) Regulation (EC) No 3223/94 lays down, pursuant to the outcome of the Uruguay Round multilateral trade negotiations, the criteria whereby the Commission fixes the standard values for imports from third countries, in respect of the products and periods stipulated in the Annex thereto.

- (2) In compliance with the above criteria, the standard import values must be fixed at the levels set out in the Annex to this Regulation,

HAS ADOPTED THIS REGULATION:

Article 1

The standard import values referred to in Article 4 of Regulation (EC) No 3223/94 shall be fixed as indicated in the Annex hereto.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission
Franz FISCHLER
Member of the Commission

⁽¹⁾ OJ L 337, 24.12.1994, p. 66.

⁽²⁾ OJ L 198, 15.7.1998, p. 4.

ANNEX

to the Commission Regulation of 13 September 2001 establishing the standard import values for determining the entry price of certain fruit and vegetables

(EUR/100 kg)

CN code	Third country code ⁽¹⁾	Standard import value
0702 00 00	052	73,7
	999	73,7
0707 00 05	052	99,7
	999	99,7
0709 90 70	052	76,1
	999	76,1
0805 30 10	388	72,0
	524	64,5
	528	62,0
	999	66,2
0806 10 10	052	69,5
	999	69,5
0808 10 20, 0808 10 50, 0808 10 90	052	127,6
	388	74,0
	400	89,0
	508	72,0
	512	72,0
	528	42,0
	804	76,7
	999	79,0
	052	104,4
0808 20 50	999	104,4
0809 30 10, 0809 30 90	052	113,2
	999	113,2
0809 40 05	052	80,8
	060	55,9
	064	48,4
	066	60,4
	068	52,4
	094	49,0
	999	57,8

⁽¹⁾ Country nomenclature as fixed by Commission Regulation (EC) No 2032/2000 (OJ L 243, 28.9.2000, p. 14). Code '999' stands for 'of other origin'.

COMMISSION REGULATION (EC) No 1796/2001**of 13 September 2001****fixing the maximum export refund for white sugar for the seventh partial invitation to tender issued within the framework of the standing invitation to tender provided for in Regulation (EC) No 1430/2001**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1260/2001 of 19 June 2001 on the common organisation of the markets in the sugar sector ⁽¹⁾, and in particular Article 27(5) thereof,

Whereas:

- (1) Commission Regulation (EC) No 1430/2001 of 13 July 2001 on a standing invitation to tender to determine levies and/or refunds on exports of white sugar ⁽²⁾ requires partial invitations to tender to be issued for the export of this sugar.
- (2) Pursuant to Article 9(1) of Regulation (EC) No 1430/2001 a maximum export refund shall be fixed, as the case may be, account being taken in particular of the state and foreseeable development of the Community and world markets in sugar, for the partial invitation to tender in question.

(3) Following an examination of the tenders submitted in response to the seventh partial invitation to tender, the provisions set out in Article 1 should be adopted.

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

HAS ADOPTED THIS REGULATION:

Article 1

For the seventh partial invitation to tender for white sugar issued pursuant to Regulation (EC) No 1430/2001 the maximum amount of the export refund is fixed at 43,260 EUR/100 kg.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 178, 30.6.2001, p. 1.

⁽²⁾ OJ L 192, 14.7.2001, p. 3.

COMMISSION REGULATION (EC) No 1797/2001**of 13 September 2001****fixing the representative prices and the additional import duties for molasses in the sugar sector**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1260/2001 of 19 June 2001 on the common organisation of the market in sugar ⁽¹⁾,

Having regard to Commission Regulation (EC) No 1422/95 of 23 June 1995 laying down detailed rules of application for imports of molasses in the sugar sector and amending Regulation (EEC) No 785/68 ⁽²⁾, and in particular Articles 1(2) and 3(1) thereof,

Whereas:

- (1) Regulation (EC) No 1422/95 stipulates that the cif import price for molasses, hereinafter referred to as the 'representative price', should be set in accordance with Commission Regulation (EEC) No 785/68 ⁽³⁾. That price should be fixed for the standard quality defined in Article 1 of the above Regulation.
- (2) The representative price for molasses is calculated at the frontier crossing point into the Community, in this case Amsterdam; that price must be based on the most favourable purchasing opportunities on the world market established on the basis of the quotations or prices on that market adjusted for any deviations from the standard quality. The standard quality for molasses is defined in Regulation (EEC) No 785/68.
- (3) When the most favourable purchasing opportunities on the world market are being established, account must be taken of all available information on offers on the world market, on the prices recorded on important third-country markets and on sales concluded in international trade of which the Commission is aware, either directly or through the Member States. Under Article 7 of Regulation (EEC) No 785/68, the Commission may for this purpose take an average of several prices as a basis, provided that this average is representative of actual market trends.
- (4) The information must be disregarded if the goods concerned are not of sound and fair marketable quality or if the price quoted in the offer relates only to a small

quantity that is not representative of the market. Offer prices which can be regarded as not representative of actual market trends must also be disregarded.

- (5) If information on molasses of the standard quality is to be comparable, prices must, depending on the quality of the molasses offered, be increased or reduced in the light of the results achieved by applying Article 6 of Regulation (EEC) No 785/68.
- (6) A representative price may be left unchanged by way of exception for a limited period if the offer price which served as a basis for the previous calculation of the representative price is not available to the Commission and if the offer prices which are available and which appear not to be sufficiently representative of actual market trends would entail sudden and considerable changes in the representative price.
- (7) Where there is a difference between the trigger price for the product in question and the representative price, additional import duties should be fixed under the conditions set out in Article 3 of Regulation (EC) No 1422/95. Should the import duties be suspended pursuant to Article 5 of Regulation (EC) No 1422/95, specific amounts for these duties should be fixed.
- (8) Application of these provisions will have the effect of fixing the representative prices and the additional import duties for the products in question as set out in the Annex to this Regulation.
- (9) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Sugar,

HAS ADOPTED THIS REGULATION:

Article 1

The representative prices and the additional duties applying to imports of the products referred to in Article 1 of Regulation (EC) No 1422/95 are fixed in the Annex hereto.

Article 2

This Regulation shall enter into force on 14 September 2001.

⁽¹⁾ OJ L 178, 30.6.2001, p. 1.

⁽²⁾ OJ L 141, 24.6.1995, p. 12.

⁽³⁾ OJ L 145, 27.6.1968, p. 12.

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

Done at Brussels, 13 September 2001.

For the Commission
Franz FISCHLER
Member of the Commission

ANNEX

to the Commission Regulation of 13 September 2001 fixing the representative prices and additional import duties to imports of molasses in the sugar sector

(in EUR)

CN code	Amount of the representative price in 100 kg net of the product in question	Amount of the additional duty in 100 kg net of the product in question	Amount of the duty to be applied to imports in 100 kg net of the product in question because of suspension as referred to in Article 5 of Regulation (EC) No 1422/95 ⁽²⁾
1703 10 00 ⁽¹⁾	9,25	—	0
1703 90 00 ⁽¹⁾	12,70	—	0

⁽¹⁾ For the standard quality as defined in Article 1 of amended Regulation (EEC) No 785/68.

⁽²⁾ This amount replaces, in accordance with Article 5 of Regulation (EC) No 1422/95, the rate of the Common Customs Tariff duty fixed for these products.

**COMMISSION REGULATION (EC) No 1798/2001
of 13 September 2001
altering the export refunds on white sugar and raw sugar exported in the natural state**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1260/2001 of 19 June 2001 on the common organisation of the markets in the sugar sector ⁽¹⁾, and in particular the third subparagraph of Article 27(5) thereof,

Whereas:

- (1) The refunds on white sugar and raw sugar exported in the natural state were fixed by Commission Regulation (EC) No 1760/2001 ⁽²⁾.
- (2) It follows from applying the detailed rules contained in Regulation (EC) No 1760/2001 to the information known to the Commission that the export refunds at

present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

Article 1

The export refunds on the products listed in Article 1(1)(a) of Regulation (EC) No 1260/2001, undenatured and exported in the natural state, as fixed in the Annex to Regulation (EC) No 1760/2001 are hereby altered to the amounts shown in the Annex hereto.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 178, 30.6.2001, p. 1.

⁽²⁾ OJ L 239, 7.9.2001, p. 6.

ANNEX

to the Commission Regulation of 13 September 2001 altering the export refunds on white sugar and raw sugar exported in its unaltered state

Product code	Destination	Unit of measurement	Amount of refund
1701 11 90 9100	A00	EUR/100 kg	37,90 ⁽¹⁾
1701 11 90 9910	A00	EUR/100 kg	35,68 ⁽¹⁾
1701 11 90 9950	A00	EUR/100 kg	⁽²⁾
1701 12 90 9100	A00	EUR/100 kg	37,90 ⁽¹⁾
1701 12 90 9910	A00	EUR/100 kg	35,68 ⁽¹⁾
1701 12 90 9950	A00	EUR/100 kg	⁽²⁾
1701 91 00 9000	A00	EUR/1 % of sucrose × net 100 kg of product	0,4120
1701 99 10 9100	A00	EUR/100 kg	41,20
1701 99 10 9910	A00	EUR/100 kg	42,13
1701 99 10 9950	A00	EUR/100 kg	42,13
1701 99 90 9100	A00	EUR/1 % of sucrose × net 100 kg of product	0,4120

⁽¹⁾ Applicable to raw sugar with a yield of 92 %; if the yield is other than 92 %, the refund applicable is calculated in accordance with the provisions of Article 19(4) of Council Regulation (EC) No 1260/2001.

⁽²⁾ Fixing suspended by Commission Regulation (EEC) No 2689/85 (OJ L 255, 26.9.1985, p. 12), as amended by Regulation (EEC) No 3251/85 (OJ L 309, 21.11.1985, p. 14).

NB: The product codes and the 'A' series destination codes are set out in Commission Regulation (EEC) No 3846/87 (OJ L 366, 24.12.1987, p. 1) as amended.

The numeric destination codes are set out in Commission Regulation (EC) No 2032/2000 (OJ L 243, 28.9.2000, p. 14).

COMMISSION REGULATION (EC) No 1799/2001
of 12 September 2001
laying down the marketing standard for citrus fruit

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 2200/96 of 28 October 1996 on the common organisation of the market in fruit and vegetables ⁽¹⁾, as last amended by Commission Regulation (EC) No 911/2001 ⁽²⁾, and in particular Article 2(2) thereof,

Whereas:

(1) Citrus fruit are among the products listed in Annex I to Regulation (EC) No 2200/96 for which standards must be adopted. Commission Regulation (EEC) No 920/89 of 10 April 1989 laying down quality standards for carrots, citrus fruit and dessert apples and pears and amending Commission Regulation No 58 ⁽³⁾, as last amended by Regulation (EC) No 1619/2001 ⁽⁴⁾, has been amended frequently and can no longer ensure legal clarity.

(2) The rules in question should therefore be recast and Regulation (EEC) No 920/89 deleted. To that end and in the interests of preserving transparency on the world market, account should be taken of the standard for citrus fruit recommended by the Working Party on Standardisation of Perishable Produce and Quality Development of the United Nations Economic Commission for Europe (UN/ECE).

(3) Application of this standard should remove products of unsatisfactory quality from the market, bring production into line with consumer requirements and facilitate trade based on fair competition, thereby helping to improve profitability.

(4) The standards are applicable at all marketing stages. Long-distance transport, storage over a certain period and the various processes the products undergo may cause certain deterioration owing to the biological development of the products or their relatively perishable nature. Account should be taken of such deterioration when applying the standard at the marketing stages

following dispatch. As products in the 'Extra' class have to be particularly carefully sorted and packaged, only lack of freshness and turgidity is to be taken into account in their case.

(5) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Fresh Fruit and Vegetables,

HAS ADOPTED THIS REGULATION:

Article 1

The marketing standard for the following products shall be as set out in the Annex:

- sweet oranges, falling within CN code ex 0805 10,
- mandarins (including tangerines and satsumas), clementines, wilkings and similar citrus hybrids, falling within CN code 0805 20,
- lemons, falling within CN code 0805 30 10.

This standard shall apply at all marketing stages, under the conditions laid down in Regulation (EC) No 2200/96.

However, at stages following dispatch, the products may show in relation to the provisions of the standard:

- a slight lack of freshness and turgidity,
- for products graded in classes other than the 'Extra' class, slight deteriorations due to their development and their tendency to perish.

Article 2

Regulation (EEC) No 920/89 is repealed.

Article 3

This Regulation shall enter into force on the 20th day following its publication in the *Official Journal of the European Communities*.

It shall apply from the first day of the third month following its entry into force.

⁽¹⁾ OJ L 297, 21.11.1996, p. 1.

⁽²⁾ OJ L 129, 11.5.2001, p. 3.

⁽³⁾ OJ L 97, 11.4.1989, p. 19.

⁽⁴⁾ OJ L 215, 9.8.2001, p. 3.

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

Done at Brussels, 12 September 2001.

For the Commission
Franz FISCHLER
Member of the Commission

ANNEX

STANDARD FOR CITRUS FRUIT

I. DEFINITION OF PRODUCE

This standard applies to the following fruit, classified as 'citrus fruit', to be supplied fresh to the consumer, citrus fruit for industrial processing being excluded:

- lemons of varieties (cultivars) grown from the species *Citrus limon* (L.) Burm. f.,
- mandarins of varieties (cultivars) grown from the species *Citrus reticulata* Blanco, including satsumas (*Citrus unshiu* Marcow.), clementines (*Citrus clementina* Hort. ex Tan.), common mandarins (*Citrus deliciosa* Ten.) and tangerines (*Citrus tangerina* Hort. ex Tan.) grown from these species and its hybrids, hereinafter called 'mandarins',
- oranges of varieties (cultivars) grown from the species *Citrus sinensis* (L.) Osb.

II. PROVISIONS CONCERNING QUALITY

The purpose of the standard is to define the quality requirements of the citrus fruit after preparation and packaging.

A. Minimum requirements

In all classes, subject to the special provisions for each class and the tolerances allowed, the citrus fruit must be:

- intact,
- free of bruising and/or extensive healed over cuts,
- sound; produce affected by rotting or deterioration such as to make it unfit for consumption is excluded,
- clean practically free of any visible foreign matter,
- practically free from pests,
- practically free from damage caused by pests,
- free of signs of internal shrivelling,
- free of damage caused by low temperature or frost,
- free of all abnormal external moisture,
- free of any foreign smell and/or taste.

The citrus fruit must have been carefully picked and have reached an appropriate degree of development and ripeness account being taken of criteria proper to the variety, the time of picking and the growing area.

The development and state of ripeness of the citrus fruit must be such as to enable them:

- to withstand transport and handling, and
- to arrive in satisfactory condition at the place of destination.

Citrus fruit meeting this ripeness requirement may be 'degreened'. This treatment is permitted only if the other natural organoleptic characteristics are not modified. It shall be carried out in the manner prescribed by the administrative authorities in each Member State and under their supervision.

B. Maturity requirements

Maturity of citrus fruit is defined by the following parameters specified for each specie below:

1. Minimum juice content
2. Colouring

The degree of colouring shall be such that, following normal development the citrus fruit reach the colour typical of the variety at their destination point.

(i) Lemons

— Minimum juice content:

- Verdelli and Primofiore lemons: 20 %
- Other lemons: 25 %

— Colouring: must be typical of the variety. However fruits with a green (but not dark green) colour are allowed provided they satisfy the minimum requirements as to juice content.

(ii) *Mandarins*

— Minimum juice content:

— Mandarins, excluding Clementines: 33 %

— Clementines: 40 %

— Colouring: must be typical of the variety on at least one third of the surface of the fruit.

(iii) *Oranges*

— Minimum juice content:

— Thomson Navel and Tarocco: 30 %

— Washington Navel: 33 %

— Other varieties: 35 %

— Colouring: must be typical of the variety. However, fruits with light green colour are allowed, provided it does not exceed one fifth of the total surface of the fruit.

C. Classification

Citrus fruit are classified in three classes defined below:

(i) *'Extra' Class*

Citrus fruit in this class must be of superior quality. In shape, external appearance, development and colouring they must be characteristic of the variety and/or commercial type.

They must be free from defects with the exception of very slight superficial defects, provided these do not affect the general appearance of the produce, the quality, the keeping quality and presentation in the package.

(ii) *Class I*

Citrus fruit in this class must be of good quality. They must be characteristic of the variety and/or commercial type.

The following slight defects, however, may be allowed provided these do not affect the general appearance of the produce, the quality, the keeping quality and presentation in the package:

- slight defect in shape,
- slight defect in colouring,
- slight skin defects occurring during the formation of the fruit, such as silver scurfs, russets, etc.,
- slight healed defects due to a mechanical cause such as hail damage, rubbing, damage from handling, etc.

(iii) *Class II*

This class includes citrus fruit which do not qualify for inclusion in the higher classes but satisfy the minimum requirements specified above.

The following defects may be allowed, provided the citrus fruit retain their essential characteristics as regards the quality, the keeping quality and presentation:

- defect in shape,
- defect in colouring,
- rough skin,
- skin defects occurring during the formation of the fruit, such as silver scurfs, russets, etc.,
- healed defects due to a mechanical cause such as hail damage, rubbing, damage from handling, etc.,
- superficial healed skin alterations,
- slight and partial detachment of the pericarp for oranges (which is allowed for mandarins).

III. PROVISIONS CONCERNING SIZING

Size is determined by the maximum diameter of the equatorial section of the fruit.

A. Minimum size

Fruits of less than the following minimum sizes are excluded:

Lemons:	45 mm
Mandarins, excluding clementines:	45 mm
Clementines:	35 mm
Oranges:	53 mm

B. Size scales

The scales of sizes are as follows:

Oranges		Lemons		Mandarins	
Size code	Diameter (mm)	Size code	Diameter (mm)	Size code	Diameter (mm)
0	92-110	0	79-90	1-XXX	78 and above
1	87-100	1	72-83	1-XX	67-78
2	84-96	2	68-78	1-X	63-74
3	81-92	3	63-72	2	58-69
4	77-88	4	58-67	3	54-64
5	73-84	5	53-62	4	50-60
6	70-80	6	48-57	5	46-56
7	67-76	7	45-52	6 ⁽¹⁾	43-52
8	64-73			7	41-48
9	62-70			8	39-46
10	60-68			9	37-44
11	58-66			10	35-42
12	56-63				
13	53-60				

⁽¹⁾ Issue for the quantity applied for.

C. Uniformity

Uniformity in size is achieved by the abovementioned size scales, unless otherwise stated as follows:

- (i) For fruit arranged in regular layers in the package the maximum difference between the smallest and the largest fruit must not exceed the following maxima:

	Size code	Maximum difference between fruit in the same package (mm)
Lemons	0-7	7
Mandarins	1-4	9
	5-6	8
	7-10	7
Oranges	0-2	11
	3-6	9
	7-13	7

- (ii) For fruit not arranged in regular layers in packages and fruit in individual packages for direct sale to the consumer made up by number of fruit, the difference between the smallest and the largest fruit in the same package must not exceed the range of the appropriate size grade in the size scale.
- (iii) For fruit in bulk bins and fruit in individual packages for direct sale to the consumer made up by weight, the maximum size difference between the smallest and the largest fruit in the same lot or package must not exceed the range obtained by grouping three consecutive sizes in the size scale.

IV. PROVISIONS CONCERNING TOLERANCES

Tolerances in respect of quality and size shall be allowed in each package for produce not satisfying the requirements of the class indicated.

A. Quality tolerances

(i) 'Extra' Class

5 % by number or weight of citrus fruit not satisfying the requirements of the class, but meeting those of Class I or, exceptionally, coming within the tolerances of that class.

(ii) Class I

10 % by number or weight of citrus fruit not satisfying the requirements of the class, but meeting those of Class II, or exceptionally, coming within the tolerances of that class.

(iii) Class II

10 % by number or weight of citrus fruit satisfying neither the requirements of the class, nor the minimum requirements, with the exception of produce affected by rotting or any other deterioration rendering it unfit for consumption. Within this tolerance, a maximum of 5 % is allowed of fruit showing slight superficial unhealed damage, dry cuts or soft and shrivelled fruit.

B. Size tolerances

For all classes and types of presentation: 10 % by number or weight of citrus fruit corresponding to the size immediately below and/or above that (or those, in the case of the combination of three sizes) mentioned on the packages is allowed.

In any case, the tolerance of 10 % applies only to fruit not smaller than the following minima:

Lemons:	43 mm
Mandarins, excluding clementines:	43 mm
Clementines:	34 mm
Oranges:	50 mm

V. PROVISIONS CONCERNING PRESENTATION

A. Uniformity

The contents of each package must be uniform and contain only citrus fruit of the same origin, variety or commercial type, quality, and size, and appreciably of the same degree of ripeness and development.

In addition, for the 'Extra' Class, uniformity in colouring is required.

The visible part of the contents of the package must be representative of the entire contents.

B. Packaging

The citrus fruit must be packed in such a way as to protect the produce properly.

The materials used inside the package must be new, clean and of a quality such as to avoid causing any external or internal damage to the produce. The use of materials, particularly of paper or stamps bearing trade specifications is allowed provided the printing or labelling has been done with non-toxic ink or glue.

If the fruit are wrapped, thin, dry, new and odourless⁽¹⁾ paper must be used.

The use of any substance tending to modify the natural characteristics of the citrus fruit, especially its taste or smell⁽¹⁾, is prohibited.

Packages must be free of all foreign matter. However, a presentation where a short (not wooden) twig with some green leaves adheres to the fruit is allowed.

⁽¹⁾ The use of preserving agents or any other chemical substance liable to leave a foreign smell on the skin of the fruit is permitted where it is compatible with the regulations of the importing country.

C. Presentation

The citrus fruit may be presented:

- (a) arranged in regular layers in packages;
- (b) not arranged in regular layers in packages or in bulk bins. This presentation is only allowed for Classes I and II;
- (c) in individual packages for direct sale to the consumer of a weight less than 5 kg either
 - made up by number of fruit, or
 - made up by net weight of the package.

VI. PROVISIONS CONCERNING MARKING

Each package must bear the following particulars, in letters grouped on the same side, legibly and indelibly marked, and visible from the outside.

A. Identification

Packer and/or dispatcher: name and address or officially issued or accepted code mark. However, in the case where a code mark is used, the reference 'Packer and/or dispatcher (or equivalent abbreviations)' has to be indicated in close connection with the code mark.

B. Nature of produce

- Name of the species if the produce is not visible from the outside, except for mandarins for which the name of the specie or variety (where applicable) is compulsory,
- Name of the variety, for oranges,
- Name of the type:
 - for lemons: the indication 'Verdelli' and 'Primofiore' where appropriate,
 - for clementines: the indication 'Clementines, pipless', 'Clementines' (1 to 10 pips), 'Clementines with pips' (more than 10 pips) where appropriate.

C. Origin of produce

- Country of origin and, optionally, district where grown, or national, regional or local place name.

D. Commercial specifications

- Class.
- Size code for fruit presented in accordance with the size scale or the upper and the lower limiting size code in the case of three consecutive sizes of the size scale.
- Size code and number of fruit, in the case of fruit arranged in layers in the package.
- Where appropriate, mention of the preserving agents or other chemical substance used, where such use is compatible with the Community rules.

E. Official control mark (optional)

COMMISSION REGULATION (EC) No 1800/2001
of 13 September 2001
amending Council Regulation (EC) No 1420/1999 and Regulation (EC) No 1547/1999 as regards
shipments of certain types of waste to Guinea
(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 259/93 of 1 February 1993 on the supervision and control of shipments of waste within, into and out of the European Community ⁽¹⁾, as last amended by Commission Decision 1999/816/EC ⁽²⁾, and in particular Article 17(3) thereof,

Having regard to Council Regulation (EC) No 1420/1999 of 29 April 1999 establishing common rules and procedures to apply to shipments to certain non-OECD countries of certain types of waste ⁽³⁾, as last amended by Commission Regulation (EC) No 77/2001 ⁽⁴⁾, and in particular Article 3(5) thereof,

Whereas:

- (1) Guinea notified the Commission on 22 March 2001 that the import of all wastes listed in category GM of Annex II to Regulation (EEC) No 259/93 is accepted without any control procedure.
- (2) In accordance with Article 17(3) of Regulation (EEC) No 259/93, the committee set up by Article 18 of Council Directive 75/442/EEC of 15 July 1975 on waste ⁽⁵⁾, as last amended by Commission Decision 96/350/EC ⁽⁶⁾, was notified of the official request of Guinea on 5 April 2001.
- (3) In order to take into account the new situation of this country, it is necessary to amend at the same time Regulation (EC) No 1420/1999 and Commission Regulation (EC) No 1547/1999 ⁽⁷⁾, as last amended by Regulation (EC) No 1552/2000 ⁽⁸⁾.

- (4) The measures provided for in this Regulation are in accordance with the opinion of the Committee set up by Article 18 of Directive 75/442/EEC,

HAS ADOPTED THIS REGULATION:

Article 1

Between the text related to GRENADA and HONGKONG in Annex D to Regulation (EC) No 1547/1999, the following text is inserted:

‘GUINEA

All types in section GM (Wastes arising from agro-food industries).’

Article 2

After the text ‘All types except’ related to Guinea in Annex B to Regulation (EC) No 1420/1999 the text:

‘GJ 120 6309 00 Worn clothing and other worn textile articles’

is replaced by the text:

‘1. GJ 120 6309 00 Worn clothing and other worn textile articles

2. All types in section GM (Wastes arising from agro-food industries).’

Article 3

This Regulation shall enter into force on the 20th 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, 13 September 2001.

For the Commission

Pascal LAMY

Member of the Commission

⁽¹⁾ OJ L 30, 6.2.1993, p. 1.

⁽²⁾ OJ L 316, 10.12.1999, p. 45.

⁽³⁾ OJ L 166, 1.7.1999, p. 6.

⁽⁴⁾ OJ L 11, 16.1.2001, p. 14.

⁽⁵⁾ OJ L 194, 25.7.1975, p. 39.

⁽⁶⁾ OJ L 135, 6.6.1996, p. 32.

⁽⁷⁾ OJ L 185, 17.7.1999, p. 1.

⁽⁸⁾ OJ L 176, 15.7.2000, p. 27.

COMMISSION REGULATION (EC) No 1801/2001**of 13 September 2001****on the issuing of a standing invitation to tender for the resale on the internal market of 275 000 tonnes of barley held by the Spanish intervention agency**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organisation of the market in cereals⁽¹⁾, as last amended by Regulation (EC) No 1666/2000⁽²⁾, and in particular Article 5 thereof,

Whereas:

- (1) Commission Regulation (EEC) No 2131/93⁽³⁾, as last amended by Regulation (EC) No 1630/2000⁽⁴⁾, lays down the procedure and conditions for the disposal of cereals held by the intervention agencies.
- (2) In the present market situation, a standing invitation to tender for the resale on the internal market of 275 000 tonnes of barley held by the Spanish intervention agency should be issued.
- (3) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

The Spanish intervention agency shall issue pursuant to Regulation (EEC) No 2131/93 a standing invitation to tender for the

resale on the internal market of 275 000 tonnes of barley held by it.

Article 2

1. The final date for the submission of tenders for the first partial invitation to tender shall be 27 September 2001.
2. The final date for the submission of tenders for the last partial invitation to tender shall expire on 20 December 2001.
3. Tenders must be lodged with the Spanish intervention agency at the following address:

Fondo Español de Garantía Agraria (FEGA)
C/Beneficencia 8
E-28004 Madrid
Fax: (34) 915 21 98 32/915 22 43 87.

Article 3

Not later than Tuesday of the week following the final date for the submission of tenders, the Spanish intervention agency shall notify the Commission of the quantities and average prices of the various lots sold.

Article 4

This Regulation shall enter into force on the day of 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, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 181, 1.7.1992, p. 21.

⁽²⁾ OJ L 193, 29.7.2000, p. 1.

⁽³⁾ OJ L 191, 31.7.1993, p. 76.

⁽⁴⁾ OJ L 187, 26.7.2000, p. 24.

COMMISSION REGULATION (EC) No 1802/2001
of 13 September 2001
amending Regulation (EC) No 2805/95 fixing the export refunds in the wine sector

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1493/1999 of 17 May 1999 on the common organisation of the market in wine ⁽¹⁾, and in particular Articles 63 and 64,

Whereas:

- (1) Pursuant to Article 63 of Regulation (EC) No 1493/1999 to the extent necessary to enable the products listed in Article 1(2)(a) and (b) of that Regulation to be exported on the basis of the prices for those products on the world market and within the limits of the Agreements concluded in accordance with Article 300 of the Treaty, the difference between those prices and the prices in the Community may be covered by an export refund.
- (2) Pursuant to Article 64(3) of Regulation (EC) No 1493/1999, refunds are to be fixed taking into account the situation and likely trends with regard to:
 - prices and availability of the products in question on the Community market,
 - world market prices for those products.
- (3) Account must also be taken of the other criteria and objectives referred to in Article 64(3) of Regulation (EC) No 1493/1999. In particular, consideration must be

given to the limits of the Agreements concluded in accordance with Article 300 of the Treaty, and in particular those resulting from the agreements concluded in the framework of the Uruguay Round of multilateral trade negotiations.

- (4) When applying the abovementioned rules to the current market situation, the refunds should be fixed in accordance with the Annex to this Regulation; whereas Commission Regulation (EC) No 2805/95 ⁽²⁾, as last amended by Regulation (EC) No 2440/2000 ⁽³⁾, should be amended accordingly and provision made to implement it immediately.
- (5) The Management Committee for Wines has not delivered an opinion within the time limit set by its chairman,

HAS ADOPTED THIS REGULATION:

Article 1

The Annex to Regulation (EC) No 2805/95 is hereby replaced by the Annex to this Regulation.

Article 2

This Regulation shall enter into force on 16 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 179, 14.7.1999, p. 1.

⁽²⁾ OJ L 291, 6.12.1995, p. 10.

⁽³⁾ OJ L 280, 4.11.2000, p. 39.

ANNEX

to the Commission Regulation of 13 September 2001 amending Regulation (EC) No 2805/95 fixing the export refunds in the wine sector

Product code	Destination	Unit of measurement	Amount of refund
2009 60 11 9100	W01	EUR/hl	39,023
2009 60 19 9100	W01	EUR/hl	39,023
2009 60 51 9100	W01	EUR/hl	39,023
2009 60 71 9100	W01	EUR/hl	39,023
2204 30 92 9100	W01	EUR/hl	39,023
2204 30 94 9100	W01	EUR/hl	10,339
2204 30 96 9100	W01	EUR/hl	39,023
2204 30 98 9100	W01	EUR/hl	10,339
2204 21 79 9100	W02	EUR/hl	7,419
2204 21 79 9100	W03	EUR/hl	6,455
2204 21 80 9100	W02	EUR/hl	8,963
2204 21 80 9100	W03	EUR/hl	7,799
2204 21 83 9100	W02	EUR/hl	10,132
2204 21 83 9100	W03	EUR/hl	8,816
2204 21 84 9100	W02	EUR/hl	12,242
2204 21 84 9100	W03	EUR/hl	10,653
2204 21 79 9200	W02	EUR/hl	8,685
2204 21 79 9200	W03	EUR/hl	7,556
2204 21 80 9200	W02	EUR/hl	10,494
2204 21 80 9200	W03	EUR/hl	9,130
2204 21 79 9910	W02 and W03	EUR/hl	4,543
2204 21 94 9910	W02 and W03	EUR/hl	14,250
2204 21 98 9910	W02 and W03	EUR/hl	14,250
2204 29 62 9100	W02	EUR/hl	7,419
2204 29 62 9100	W03	EUR/hl	6,455
2204 29 64 9100	W02	EUR/hl	7,419

Product code	Destination	Unit of measurement	Amount of refund
2204 29 64 9100	W03	EUR/hl	6,455
2204 29 65 9100	W02	EUR/hl	7,419
2204 29 65 9100	W03	EUR/hl	6,455
2204 29 71 9100	W02	EUR/hl	8,963
2204 29 71 9100	W03	EUR/hl	7,799
2204 29 72 9100	W02	EUR/hl	8,963
2204 29 72 9100	W03	EUR/hl	7,799
2204 29 75 9100	W02	EUR/hl	8,963
2204 29 75 9100	W03	EUR/hl	7,799
2204 29 62 9200	W02	EUR/hl	8,685
2204 29 62 9200	W03	EUR/hl	7,556
2204 29 64 9200	W02	EUR/hl	8,685
2204 29 64 9200	W03	EUR/hl	7,556
2204 29 65 9200	W02	EUR/hl	8,685
2204 29 65 9200	W03	EUR/hl	7,556
2204 29 71 9200	W02	EUR/hl	10,494
2204 29 71 9200	W03	EUR/hl	9,130
2204 29 72 9200	W02	EUR/hl	10,494
2204 29 72 9200	W03	EUR/hl	9,130
2204 29 75 9200	W02	EUR/hl	10,494
2204 29 75 9200	W03	EUR/hl	9,130
2204 29 83 9100	W02	EUR/hl	10,132
2204 29 83 9100	W03	EUR/hl	8,816
2204 29 84 9100	W02	EUR/hl	12,242
2204 29 84 9180	W03	EUR/hl	10,653
2204 29 62 9910	W02 and W03	EUR/hl	4,543
2204 29 64 9910	W02 and W03	EUR/hl	4,543
2204 29 65 9910	W02 and W03	EUR/hl	4,543

Product code	Destination	Unit of measurement	Amount of refund
2204 29 94 9910	W02 and W03	EUR/hl	14,250
2204 29 98 9910	W02 and W03	EUR/hl	14,250

NB: The product codes and the 'A' series destination codes are set out in Commission Regulation (EEC) No 3846/87 (OJ L 366, 24.12.1987, p. 1) as amended.

The numeric destination codes are set out in Commission Regulation (EC) No 2032/2000 (OJ L 243, 28.9.2000, p. 14).

The other destinations are defined as follows:

W01 Libya, Nigeria, Cameroon, Gabon, Saudi Arabia, United Arab Emirates, India, Thailand, Vietnam, Indonesia, Malaysia, Brunei, Singapore, Philippines, China, Hong Kong SAR, South Korea, Japan, Taiwan, Equatorial Guinea,

W02 all countries of the African continent with the exception of: Algeria, Morocco, Tunisia, South Africa,

W03 all destinations, with the exception of: Africa, America, Australia, Bosnia-Herzegovina, Croatia, Cyprus, Israel, The Republic of Serbia and Montenegro, Slovenia, Switzerland, The former Yugoslav Republic of Macedonia, Turkey, Hungary, Bulgaria, Romania.

COMMISSION REGULATION (EC) No 1803/2001**of 13 September 2001****concerning tenders notified in response to the invitation to tender for the export of common wheat issued in Regulation (EC) No 943/2001**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organisation of the market in cereals ⁽¹⁾, as last amended by Regulation (EC) No 1666/2000 ⁽²⁾,

Having regard to Commission Regulation (EC) No 1501/95 of 29 June 1995 laying down certain detailed rules for the application of Council Regulation (EEC) No 1766/92 on the granting of export refunds on cereals and the measures to be taken in the event of disturbance on the market for cereals ⁽³⁾, as last amended by Regulation (EC) No 602/2001 ⁽⁴⁾, and in particular Article 4 thereof,

Whereas:

- (1) An invitation to tender for the refund for the export of common wheat to all third countries, with the exclusion of Poland, was opened pursuant to Commission Regulation (EC) No 943/2001 ⁽⁵⁾.
- (2) Article 7 of Regulation (EC) No 1501/95 allows the Commission to decide, in accordance with the procedure laid down in Article 23 of Regulation (EEC) No 1766/92

and on the basis of the tenders notified, to make no award.

- (3) On the basis of the criteria laid down in Article 1 of Regulation (EC) No 1501/95 a maximum refund should not be fixed.
- (4) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

No action shall be taken on the tenders notified from 7 to 13 September 2001 in response to the invitation to tender for the refund for the export of common wheat issued in Regulation (EC) No 943/2001.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 181, 1.7.1992, p. 21.

⁽²⁾ OJ L 193, 29.7.2000, p. 1.

⁽³⁾ OJ L 147, 30.6.1995, p. 7.

⁽⁴⁾ OJ L 89, 29.3.2001, p. 16.

⁽⁵⁾ OJ L 133, 16.5.2001, p. 3.

COMMISSION REGULATION (EC) No 1804/2001
of 13 September 2001
concerning tenders notified in response to the invitation to tender for the export of barley issued
in Regulation (EC) No 1558/2001

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organisation of the market in cereals ⁽¹⁾, as last amended by Regulation (EC) No 1666/2000 ⁽²⁾,

Having regard to Commission Regulation (EC) No 1501/95 of 29 June 1995 laying down certain detailed rules for the application of Council Regulation (EEC) No 1766/92 on the granting of export refunds on cereals and the measures to be taken in the event of disturbance on the market for cereals ⁽³⁾, as last amended by Regulation (EC) No 602/2001 ⁽⁴⁾, and in particular Article 4 thereof,

Whereas:

- (1) An invitation to tender for the refund for the export of barley to all third countries except the United States of America and Canada was opened pursuant to Commission Regulation (EC) No 1558/2001 ⁽⁵⁾.
- (2) Article 7 of Regulation (EC) No 1501/95, allows the Commission to decide, in accordance with the procedure laid down in Article 23 of Regulation (EEC) No 1766/92

and on the basis of the tenders notified, to make no award.

- (3) On the basis of the criteria laid down in Article 1 of Regulation (EC) No 1501/95 a maximum refund should not be fixed.
- (4) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

No action shall be taken on the tenders notified from 7 to 13 September 2001 in response to the invitation to tender for the refund for the export of barley issued in Regulation (EC) No 1558/2001.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 181, 1.7.1992, p. 21.

⁽²⁾ OJ L 193, 29.7.2000, p. 1.

⁽³⁾ OJ L 147, 30.6.1995, p. 7.

⁽⁴⁾ OJ L 89, 29.3.2001, p. 16.

⁽⁵⁾ OJ L 205, 31.7.2001, p. 33.

COMMISSION REGULATION (EC) No 1805/2001
of 13 September 2001
fixing the maximum export refund on rye in connection with the invitation to tender issued in
Regulation (EC) No 1005/2001

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organisation of the market in cereals⁽¹⁾, as last amended by Regulation (EC) No 1666/2000⁽²⁾,

Having regard to Commission Regulation (EC) No 1501/95 of 29 June 1995 laying down certain detailed rules for the application of Council Regulation (EEC) No 1766/92 on the granting of export refunds on cereals and the measures to be taken in the event of disturbance on the market for cereals⁽³⁾, as last amended by Regulation (EC) No 602/2001⁽⁴⁾, and in particular Article 7 thereof,

Whereas:

- (1) An invitation to tender for the refund for the export of rye to all third countries was opened pursuant to Commission Regulation (EC) No 1005/2001⁽⁵⁾.
- (2) Article 7 of Regulation (EC) No 1501/95 provides that the Commission may, on the basis of the tenders notified, in accordance with the procedure laid down in Article 23 of Regulation (EEC) No 1766/92, decide to fix

a maximum export refund taking account of the criteria referred to in Article 1 of Regulation (EC) No 1501/95. In that case a contract is awarded to any tenderer whose bid is equal to or lower than the maximum refund.

- (3) The application of the abovementioned criteria to the current market situation for the cereal in question results in the maximum export refund being fixed at the amount specified in Article 1.
- (4) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

For tenders notified from 7 to 13 September 2001, pursuant to the invitation to tender issued in Regulation (EC) No 1005/2001, the maximum refund on exportation of rye shall be EUR 22,49/t.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 181, 1.7.1992, p. 21.

⁽²⁾ OJ L 193, 29.7.2000, p. 1.

⁽³⁾ OJ L 147, 30.6.1995, p. 7.

⁽⁴⁾ OJ L 89, 29.3.2001, p. 16.

⁽⁵⁾ OJ L 140, 24.5.2001, p. 10.

COMMISSION REGULATION (EC) No 1806/2001**of 13 September 2001****fixing the export refunds on cereals and on wheat or rye flour, groats and meal**

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EEC) No 1766/92 of 30 June 1992 on the common organisation of the market in cereals⁽¹⁾, as last amended by Regulation (EC) No 1666/2000⁽²⁾, and in particular Article 13(2) thereof,

Whereas:

- (1) Article 13 of Regulation (EEC) No 1766/92 provides that the difference between quotations or prices on the world market for the products listed in Article 1 of that Regulation and prices for those products in the Community may be covered by an export refund.
- (2) The refunds must be fixed taking into account the factors referred to in Article 1 of Commission Regulation (EC) No 1501/95 of 29 June 1995 laying down certain detailed rules under Council Regulation (EEC) No 1766/92 on the granting of export refunds on cereals and the measures to be taken in the event of disturbance on the market for cereals⁽³⁾, as last amended by Regulation (EC) No 602/2001⁽⁴⁾.
- (3) As far as wheat and rye flour, groats and meal are concerned, when the refund on these products is being calculated, account must be taken of the quantities of cereals required for their manufacture. These quantities were fixed in Regulation (EC) No 1501/95.

- (4) The world market situation or the specific requirements of certain markets may make it necessary to vary the refund for certain products according to destination.
- (5) The refund must be fixed once a month. It may be altered in the intervening period.
- (6) It follows from applying the detailed rules set out above to the present situation on the market in cereals, and in particular to quotations or prices for these products within the Community and on the world market, that the refunds should be as set out in the Annex hereto.
- (7) The measures provided for in this Regulation are in accordance with the opinion of the Management Committee for Cereals,

HAS ADOPTED THIS REGULATION:

Article 1

The export refunds on the products listed in Article 1(a), (b) and (c) of Regulation (EEC) No 1766/92, excluding malt, exported in the natural state, shall be as set out in the Annex hereto.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 181, 1.7.1992, p. 21.

⁽²⁾ OJ L 193, 29.7.2000, p. 1.

⁽³⁾ OJ L 147, 30.6.1995, p. 7.

⁽⁴⁾ OJ L 89, 29.3.2001, p. 16.

ANNEX

to the Commission Regulation of 13 September 2001 fixing the export refunds on cereals and on wheat or rye flour, groats and meal

Product code	Destination	Unit of measurement	Amount of refunds	Product code	Destination	Unit of measurement	Amount of refunds
1001 10 00 9200	—	EUR/t	—	1101 00 11 9000	—	EUR/t	—
1001 10 00 9400	—	EUR/t	—	1101 00 15 9100	C01	EUR/t	0
1001 90 91 9000	—	EUR/t	—	1101 00 15 9130	C01	EUR/t	0
1001 90 99 9000	C01	EUR/t	—	1101 00 15 9150	C01	EUR/t	0
1002 00 00 9000	A00	EUR/t	—	1101 00 15 9170	C01	EUR/t	0
1003 00 10 9000	—	EUR/t	—	1101 00 15 9180	C01	EUR/t	0
1003 00 90 9000	A00	EUR/t	—	1101 00 15 9190	—	EUR/t	—
1004 00 00 9200	—	EUR/t	—	1101 00 90 9000	—	EUR/t	—
1004 00 00 9400	A00	EUR/t	0	1102 10 00 9500	C01	EUR/t	30,00
1005 10 90 9000	—	EUR/t	—	1102 10 00 9700	C01	EUR/t	23,50
1005 90 00 9000	A00	EUR/t	0	1102 10 00 9900	—	EUR/t	—
1007 00 90 9000	—	EUR/t	—	1103 11 10 9200	A00	EUR/t	0 ⁽¹⁾
1008 20 00 9000	—	EUR/t	—	1103 11 10 9400	A00	EUR/t	0 ⁽¹⁾
				1103 11 10 9900	—	EUR/t	—
				1103 11 90 9200	A00	EUR/t	0 ⁽¹⁾
				1103 11 90 9800	—	EUR/t	—

⁽¹⁾ No refund is granted when this product contains compressed meal.

NB: The product codes and the 'A' series destination codes are set out in Commission Regulation (EEC) No 3846/87 (OJ L 366, 24.12.1987, p. 1) as amended.

The other destinations are as follows:

C01 All destinations except for Poland.

COMMISSION REGULATION (EC) No 1807/2001
of 13 September 2001
amending representative prices and additional duties for the import of certain products in the
sugar sector

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Council Regulation (EC) No 1260/2001 of 19 June 2001 on the common organisation of the markets in the sugar sector ⁽¹⁾,

Having regard to Commission Regulation (EC) No 1423/95 of 23 June 1995 laying down detailed implementing rules for the import of products in the sugar sector other than molasses ⁽²⁾, as last amended by Regulation (EC) No 624/98 ⁽³⁾, and in particular the second subparagraph of Article 1(2), and Article 3(1) thereof,

Whereas:

- (1) The amounts of the representative prices and additional duties applicable to the import of white sugar, raw sugar and certain syrups are fixed by Commission Regulation

(EC) No 1309/2001 ⁽⁴⁾, as last amended by Regulation (EC) No 1752/2001 ⁽⁵⁾.

- (2) It follows from applying the general and detailed fixing rules contained in Regulation (EC) No 1423/95 to the information known to the Commission that the representative prices and additional duties at present in force should be altered to the amounts set out in the Annex hereto,

HAS ADOPTED THIS REGULATION:

Article 1

The representative prices and additional duties on imports of the products referred to in Article 1 of Regulation (EC) No 1423/95 shall be as set out in the Annex hereto.

Article 2

This Regulation shall enter into force on 14 September 2001.

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

Done at Brussels, 13 September 2001.

For the Commission

Franz FISCHLER

Member of the Commission

⁽¹⁾ OJ L 178, 30.6.2001, p. 1.

⁽²⁾ OJ L 141, 24.6.1995, p. 16.

⁽³⁾ OJ L 85, 20.3.1998, p. 5.

⁽⁴⁾ OJ L 177, 30.6.2001, p. 21.

⁽⁵⁾ OJ L 235, 4.9.2001, p. 9.

ANNEX

to the Commission Regulation of 13 September 2001 amending representative prices and the amounts of additional duties applicable to imports of white sugar, raw sugar and products covered by CN code 1702 90 99

(EUR)

CN code	Amount of representative prices per 100 kg net of product concerned	Amount of additional duty per 100 kg net of product concerned
1701 11 10 ⁽¹⁾	21,49	5,56
1701 11 90 ⁽¹⁾	21,49	10,90
1701 12 10 ⁽¹⁾	21,49	5,37
1701 12 90 ⁽¹⁾	21,49	10,38
1701 91 00 ⁽²⁾	26,69	11,89
1701 99 10 ⁽²⁾	26,69	7,37
1701 99 90 ⁽²⁾	26,69	7,37
1702 90 99 ⁽³⁾	0,27	0,38

⁽¹⁾ For the standard quality as defined in Article 1 of amended Council Regulation (EEC) No 431/68 (OJ L 89, 10.4.1968, p. 3).

⁽²⁾ For the standard quality as defined in Article 1 of Council Regulation (EEC) No 793/72 (OJ L 94, 21.4.1972, p. 1).

⁽³⁾ By 1 % sucrose content.

II

(Acts whose publication is not obligatory)

COMMISSION

COMMISSION DECISION

of 21 December 2000

on the reduced social contributions aid scheme notified by Sweden

(notified under document number C(2000) 4354)

(Only the Swedish text is authentic)

(Text with EEA relevance)

(2001/690/EC)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community, and in particular the first subparagraph of Article 88(2) thereof,

Having regard to the Agreement on the European Economic Area, and in particular Article 62(1)(a) thereof,

Having called on interested parties to submit their comments pursuant to the provisions cited above ⁽¹⁾,

Whereas:

(3) By letter dated 4 April 2000 ⁽²⁾ the Commission informed the Swedish authorities of its decision to initiate the procedure laid down in Article 88(2) of the EC Treaty in respect of the reduced social contributions aid scheme.

(4) The decision to initiate the procedure was published in the *Official Journal of the European Communities* ⁽³⁾. The Commission invited interested parties to present comments on the aid scheme concerned.

(5) The Commission received comments from one interested party.

(6) The official response of the Swedish authorities was received by letter dated 11 May 2000.

(7) On 12 and 27 October and 21 November 2000, meetings were held between the Commission's departments and the Swedish authorities to discuss the scheme.

I. PROCEDURE

(1) By letter dated 22 October 1999, registered as received by the Commission on 25 October 1999, Sweden notified a modified reduced social contributions aid scheme under Article 88(3) of the EC Treaty. The scheme is a modification and extension of the reduced social contributions (*Nedsatta socialavgifter*) scheme which expired on 31 December 1999. In 1997 the Commission had adopted appropriate measures regarding this scheme under No E 8/96 (Commission letter SG(97) D/6781 of 7 August 1997).

(2) By letter D/64905 of 25 November 1999, the Commission requested additional information on the above aid measure. The Swedish authorities submitted the information requested by letter dated 21 December 1999, which was registered as received by the Commission on 22 December 1999.

⁽¹⁾ OJ C 184, 1.7.2000, p. 10.

II. DETAILED DESCRIPTION OF THE AID

(8) Object and form of the aid granted

The scheme is intended to contribute to the development of low population density areas in northern Sweden. To this end, social security contributions payable for persons employed in undertakings located in the eligible region and engaged in eligible sectors/activities are reduced by eight percentage points.

⁽²⁾ Reference: SG(2000) D/102835.

⁽³⁾ OJ C 184, 1.7.2000, p. 10.

(9) **Eligible regions**

The area eligible under the scheme is assisted area A ⁽¹⁾ in the north of Sweden with the exception of a number of parishes belonging to the municipalities of Östersund and Krokom. The eligible area has a population of around 430 000, or around 4,8 % of the total Swedish population. A detailed list of the eligible areas is contained in the letter by which the Commission notified Sweden of its decision to initiate the Article 88(2) procedure in respect of the reduced social contributions aid scheme ⁽²⁾.

(10) **Eligible sectors/activities**

The aid scheme applies to undertakings belonging to the following sectors or engaged in the following activities:

- contracting, hire and repairs,
- hotels, boarding houses and camping sites,
- restaurants and cafes run in combination with hotels, boarding houses and camping sites,
- cleansing, cleaning and laundry activities,
- recreation and cultural services with the exception of libraries,
- activities of non-profit, cultural or religious organisations and interest groups,
- establishments engaged in administrative activities that concern the management of a company, business and wages administration, bookkeeping, automatic data processing, registration, telephone sales and order booking.

The scheme does not apply to establishments performing administrative functions for undertakings engaged in the production, processing and marketing of agricultural products listed in Annex I to the EC Treaty, nor to any undertaking in the following sensitive sectors: fisheries, coal, steel, transport, shipbuilding, synthetic fibres or motor vehicles.

(11) **Combination of aid**

A reduction in social security contributions may not be granted if the applicant has been granted transport aid under the modified regional policy transport aid scheme (N 146/1999) during the same period.

(12) **Duration**

The scheme will expire on 31 December 2000.

(13) **Budget**

The budget for 2000 is SEK 313 734 000 (around EUR 36 634 000).

III. INITIATION OF THE PROCEDURE UNDER ARTICLE 88(2) EC

(14) In its decision to initiate the procedure laid down in Article 88(2) of the EC Treaty in respect of the reduced social contributions scheme ⁽³⁾, the Commission expressed two doubts regarding the compatibility of the notified aid measure with the Community's State aid rules:

- (a) the Swedish authorities tried to justify the reduction in social contributions as transport aid to offset the 'additional distance-related costs' incurred by eligible companies. In its decision to initiate the procedure, the Commission expressed doubts as to whether the concept of 'additional distance-related costs' corresponded with the concept of 'extra cost of transport of goods'.
- (b) secondly, the Commission also questioned whether it was possible to establish a direct link between the amount of aid received by beneficiaries under the scheme and the amount of extra transport costs actually incurred by them.

(15) In its decision to initiate the Article 88(2) procedure, the Commission also indicated that it would consider whether harsh weather conditions and other specific circumstances could provide additional justification for the aid granted under the scheme.

IV. COMMENTS FROM SWEDEN

(16) By letter dated 11 May 2000, Sweden submitted comments on the Commission's decision to initiate the Article 88(2) procedure in respect of the reduced social contributions aid scheme. These comments can be summarised as follows.

- (a) The aid is an effective instrument to encourage the establishment of service companies in regions that are suffering from severe handicaps (remote northerly location, adverse weather conditions, long distances and low population densities).
- (b) The concept of 'extra cost of transport of goods' is not very well suited for application in the services sector. By their very nature, most service companies do not transport large quantities of physical goods. However, they are affected by heavy fixed direct costs related to long distances, low population densities and unfavourable climate. A study commissioned by the Swedish Government confirms that service companies in northern Sweden have higher 'distance-related costs' than companies in the Stockholm area.

⁽¹⁾ Assisted area A qualifies for exemption under Article 87(3)(c) of the EC Treaty and is part of the Swedish regional aid map for the period 2000 to 2006, approved by the Commission under State aid N 639/1999 (approval letter SG(2000) D/103189 of 17 April 2000).

⁽²⁾ OJ C 184, 1.7.2000, p. 10.

⁽³⁾ OJ C 184, 1.7.2000, p. 10.

- (c) In the past, the Commission adopted a broader definition of the 'extra cost of transport of goods', including, for example, the costs of transferring staff.
- (d) The study commissioned by Sweden shows that, for the companies included in the sample, the amount of the additional distance-related costs per person employed in companies in northern Sweden is much higher than the average aid per person employed granted under the scheme. There is therefore no risk of the aid granted under the scheme overcompensating for the additional distance-related costs incurred by beneficiaries.
- (e) The administrative costs of operating the aid scheme are low.
- (f) Norway operates a scheme, which has been approved by the EFTA Surveillance Authority (ESA) and which is similar to the Swedish reduced social contributions aid scheme (namely the regionally differentiated social security taxation scheme).
- (19) *Aid in any form whatsoever:* under the scheme the aid is provided in the form of a reduction in social contributions paid by employers for persons employed in undertakings located in the eligible regions and engaged in eligible sectors/activities.
- (20) *Aid granted by the Member State or through State resources:* employers' social security contributions are compulsory payments from employers to the State. They are an important source of revenue for the Swedish Government. In its notification, Sweden indicated that the operation of the scheme would cost the Swedish Treasury SEK 313 734 000 (around EUR 36 634 000) in foregone tax receipts in 2000.
- (21) *Aid:* the effect of the scheme is to reduce the wage costs of eligible undertakings. The benefits to an individual undertaking resulting from the reduced social contributions will depend on the number of persons employed in the undertaking and their salaries. Enterprises benefiting from the reduced social contributions gain a competitive advantage by being relieved of part of their tax burden.

V. COMMENTS FROM INTERESTED PARTIES

- (17) The Norwegian Government was the only interested party to submit comments. This was done by letter dated 27 July 2000. In their letter, the Norwegian authorities confirm that Norway operates a scheme that is similar to the Swedish reduced social contributions scheme and which was approved by the ESA in accordance with Article 62 of and Protocol 27 to the EEA Agreement. Many of the arguments advanced by Norway are similar to the arguments presented by Sweden (namely those summarised under (a), (b), (d) and (e) of recital 16. In addition, Norway argues that, so far, no complaints have been received to the effect that the Swedish reduced social contributions aid scheme or the Norwegian regionally differentiated social security taxation scheme has distorted trading conditions. Furthermore, the Swedish scheme essentially covers companies in the services sector, typically serving local markets. Norway therefore concludes that it is unlikely that the scheme has a significant effect on competition and EEA trade.
- (22) *The aid favours certain undertakings or the production of certain goods:* the Commission considers that the selectivity criterion is satisfied because the aid is granted exclusively to firms which are located in certain regions (part of northern Sweden) and which are active in certain sectors (mainly service activities).
- (23) *The aid distorts or threatens to distort competition:* the effect of the scheme is to reduce the overall wage costs of eligible undertakings. The exact benefit accruing to an individual undertaking depends on the number of persons employed in the undertaking and their salaries. The aid has a direct effect on the production costs of the eligible undertakings. The Commission must therefore conclude that the reduced social contributions aid scheme is liable to enhance the ability of these enterprises to compete with enterprises in other Member States. It is clear that the provision of advantages of this nature to competitors which are located in certain regions rather than others and which are active in certain sectors rather than others could distort competition.

VI. ASSESSMENT OF THE AID

The existence of aid

- (18) The Commission takes the view that the reduced social contributions aid scheme constitutes State aid within the meaning of Article 87(1) of the EC Treaty because it satisfies all the conditions for the application of that paragraph. The arguments are set out below.
- (24) *The aid distorts competition in so far as it affects trade between Member States:* in relation to an aid scheme of the same type as the reduced social contributions aid scheme (as opposed to an ad hoc aid case), the European Court of Justice has ruled that 'In the case of an *aid programme* the Commission may confine itself to examining the characteristics of the programme in question in order to determine whether, by reason of the high amounts or percentages of aid, the nature of investments for which aid is granted or other terms of the programme, it gives an appreciable advantage to recipients in relation to their competitors and is likely to

benefit undertakings engaged in trade between Member States' ⁽¹⁾ (emphasis added). The reduced social contributions aid scheme is open to a number of service sectors. It is also open to establishments of all sectors ⁽²⁾ that are engaged in administrative activities that concern the management of a company, business and wages administration, bookkeeping, automatic data processing, registration, telephone sales and order booking. It is therefore clear that the scheme could also be applied to companies engaged in economic activities which are subject to trade between Member States.

The legality of the aid

- (25) The scheme was notified in accordance with Article 88(3) of the EC Treaty.

The compatibility of the aid

- (26) Having established that the reduced social contributions aid scheme constitutes State aid within the meaning of Article 87(1) of the EC Treaty, the Commission has examined it to see whether it qualifies for one of the derogations in Article 87(2) and (3).
- (27) In the case of the reduced social contributions aid scheme, the Commission considers that the exemptions provided for in Article 87(2) EC do not apply, since the aid measure does not pursue any of the objectives listed in that paragraph. In addition, Sweden did not argue that this might be the case.
- (28) Article 87(3)(a) EC does not apply, since, in 2000, no part of Sweden qualifies for regional aid under that provision ⁽³⁾.
- (29) Aid under the scheme is not intended to promote the execution of an important project of common European interest or to remedy a serious disturbance in the economy of a Member State, nor is it intended to promote culture or heritage conservation. The Commission therefore considers that neither Article 87(3)(b) EC nor Article 87(3)(d) EC is applicable to the reduced social contributions aid scheme. It should be pointed out here that the Swedish authorities have not claimed exemption of the scheme on the basis of either of these derogations.

- (30) In view of the above, the Commission examined the aid on the basis of Article 87(3)(c) EC. This examination has given rise to the following observations.

- (a) The reduced social contributions aid scheme is targeted at low population density areas in the north of Sweden. Its aim is to promote the development of these areas and should therefore be examined on the basis of the Guidelines on national regional aid ⁽⁴⁾;
- (b) The reduced social contributions aid scheme enables the Swedish authorities to provide aid to individual companies without reference to any initial investment or job creation by the recipient firms, as required by point 4.4 of the guidelines on national regional aid;
- (c) The implication of this is that the scheme in question enables the Swedish authorities to grant, in the eligible area, aid intended to reduce the recipients' normal current costs. Such aid constitutes 'operating aid';
- (d) In several communications, and more particularly in its guidelines on national regional aid, the Commission has indicated that, in view of its particularly distortive effect, operating aid may be considered compatible with the common market only in exceptional circumstances. Only two such exceptions are mentioned in the guidelines:
- point 4.15 of the guidelines provides that such aid may be granted in regions eligible under the derogation in Article 87(3)(a). As mentioned in recital 28 of this Decision, no area in Sweden qualifies for this derogation. It can therefore not be applied to the reduced social contributions scheme,
 - point 4.16 of the guidelines provides that aid intended to offset additional transport costs may be authorised in the outermost regions or the regions of low population density qualifying for exemption under either Article 87(3)(a) or Article 87(3)(c).

In its decision to initiate the Article 88(2) procedure in respect of the Reduced Social Contributions aid scheme, the Commission concluded that the area eligible under the scheme qualifies as a region of low population density under Article 87(3)(c).

⁽¹⁾ Case 248/84 *Germany v Commission* [1987] ECR 4013.

⁽²⁾ With the exception of those to which special Community State aid rules apply.

⁽³⁾ The Swedish regional aid map for the period 2000 to 2006, approved by the Commission under State aid N 639/1999 (approval letter No SG(2000) D/103189 of 17 April 2000), does not contain any regions eligible under Article 87(3)(a).

⁽⁴⁾ Guidelines on national regional aid (OJ C 74, 10.3.1998, p. 9 and OJ C 258, 9.9.2000, p. 5).

In view of the above, the Commission examined whether the reduced social contributions aid scheme satisfied the criteria regarding transport aid as laid down in point 4.16 of and Annex II to the guidelines on national regional aid. The results of this examination are set out in paragraph (e).

(e) The Commission considers that the reduced social contributions scheme does not satisfy the following conditions specified in point 4.16 of and Annex II to the guidelines on national regional aid:

- footnote 37 of and the second indent of Annex II to the guidelines specify that transport aid may be given only in respect of the extra cost of transport of goods,
- the first indent of Annex II to the guidelines provides that the aid may serve only to compensate for the additional cost of transport and that there must never be overcompensation,
- the third indent of Annex II to the guidelines requires that transport aid must be objectively quantifiable in advance, on the basis of an aid-per-kilometre ratio or on the basis of an aid-per-kilometre and an aid-per-unit-weight ratio.

The amount of aid granted under the scheme to an eligible undertaking does not bear any relation to the additional transport costs actually incurred by that particular undertaking. The aid granted depends on the size of its wage bill, which depends in turn on the number of persons employed and their average salaries. It can therefore scarcely be argued that the aid is 'objectively quantifiable in advance on the basis of an aid-per-kilometre ratio or on the basis of an aid-per-kilometre and an aid-per-unit-weight ratio'. The implication is also that it cannot be excluded that there is overcompensation of the additional transport costs in at least some cases.

Sweden tries to justify the aid granted under the scheme by arguing that service companies in northern Sweden have additional distance-related costs compared with service companies in the Stockholm area. Sweden defines these distance-related costs as travel and accommodation costs, telecommunications costs, and costs of management, training

and other business services. This goes far beyond the concept of 'extra cost of transport of goods', which can be accepted as a justification for the granting of transport aid according to the guidelines (footnote 37 and the second indent of Annex II). In addition, the use of extra distance-related costs as defined by Sweden as a basis for the granting of transport aid does not provide any guarantee that there is no overcompensation of the extra cost of transport of goods actually incurred by the recipients of the aid;

(f) The Commission considers that the criteria of harsh weather conditions, low population density, remoteness and long distances are all interrelated. Low population density and long distances are largely a consequence of the harsh weather conditions and the remoteness of the areas concerned. The Commission recognises that, taken together, these factors represent a significant handicap for the northern regions of Sweden. This is why the guidelines on national regional aid contain a number of special provisions in favour of low population density areas such as northern Sweden. The ability to grant transport aid is only one of these special provisions made in the guidelines in favour of this type of region. In addition, point 3.10.4 of the guidelines facilitates eligibility of low population density areas for the regional derogation under Article 87(3)(c). Furthermore, point 4.10.8 of the guidelines enables Member States to apply higher regional aid intensity ceilings in low population density areas than is permitted in other Article 87(3)(c) regions (with the exception of the outermost regions). The Commission considers that, taken together, these arrangements provide adequate compensation for the handicaps faced by low population density regions;

(g) Sweden has not argued that the reduced social contributions aid scheme falls within the scope of the Guidelines on aid to employment⁽¹⁾. It may nevertheless be possible to interpret aid granted under the scheme as contributing to the maintenance of jobs in the affected low population density areas. The Commission has therefore analysed this possibility. Point 22 of the guidelines allows the Commission to authorise aid to maintain jobs, but only if one of the following criteria is met:

- the purpose of the aid is to make good the damage caused by natural disasters or exceptional occurrences in accordance with Article 87(2)(b) of the EC Treaty,
- the aid is limited to Article 87(3)(a) regions.

The Commission considers that neither of the two criteria is met in the case of the reduced social contributions aid scheme;

⁽¹⁾ Guidelines on aid to employment (OJ C 334, 12.12.1995, p. 4).

- (h) The coverage of the reduced social contributions aid scheme is not limited to R & D projects, training aid measures, environmental protection projects or to rescue and restructuring projects in conformity with the provisions of the Community framework for State aid for research and development ⁽¹⁾, the framework on training aid ⁽²⁾, the Community guidelines on State aid for environmental protection ⁽³⁾ or the Community guidelines on State aid for rescuing and restructuring firms in difficulty ⁽⁴⁾. Nor is the scheme limited to small and medium-sized enterprises as defined in the Community guidelines on State aid for SMEs ⁽⁵⁾. The Commission therefore concludes that the reduced social contributions aid scheme does not qualify for the derogation provided for in the above frameworks and guidelines either.

In view of the above, the Commission concludes that the reduced social contributions aid scheme does not qualify for any of the derogations provided for under Article 87(3)(c).

- (31) As to the other comments made by Sweden and by Norway (see recitals 16 and 17, the Commission makes the following observations.

- (a) The fact that Sweden considers that the scheme constitutes an effective instrument to encourage the establishment of service companies in the eligible region underlines the fact that the scheme has a significant impact on competition. However, the Commission is of the opinion that the fact that a particular scheme is effective in terms of its impact on regional development does not necessarily mean that the scheme is also compatible with the Treaty. Article 87(3)(c) EC provides that aid to facilitate the development of certain economic areas may be considered compatible only where such aid does not adversely affect trading conditions to an extent contrary to the common interest;

- (b) Similarly, the Commission considers that the fact that a particular aid scheme is easy or cheap to implement is not relevant to the assessment of its compatibility with the common market;

- (c) The existence of a similar scheme in Norway (namely the regionally differentiated social security taxation scheme) is not a sufficient reason to approve the Swedish reduced social contributions

scheme. In this context, the Court of Justice has ruled that 'any breach by a Member State of an obligation under the Treaty in connection with the prohibition laid down in Article 92 cannot be justified by the fact that other Member States are also failing to fulfil this obligation. The effects of more than one distortion of competition on trade between Member States do not cancel one another out but accumulate and the damaging consequences to the common market are increased' ⁽⁶⁾;

- (d) Finally, the fact that the Commission adopted a more flexible approach in its 1997 Decision on appropriate measures regarding the predecessor of the reduced social contributions aid scheme (E 8/96) ⁽⁷⁾, which expired on 31 December 1999, cannot be taken as a justification for approving the modified successor scheme which is the subject of the present Decision. In this connection, the Court has ruled that a measure of general application cannot be impliedly amended by an individual decision and that such an individual decision cannot be subsequently relied upon, on the basis of the principles of equal treatment and the protection of legitimate expectations, in order to justify a further infringement of those rules ⁽⁸⁾.

- (32) On the basis of the analysis presented in recitals 26 to 31, the Commission takes the view that the reduced social contributions aid scheme does not qualify for any of the derogations provided for in Article 87(2) and (3). The Commission therefore concludes that the scheme is incompatible with the common market.

- (33) This Decision does not affect the possibility for the Member State of applying the rules on *de minimis* aid, to assist non-economic activities or to grant aid which does not affect trade between Member States, irrespective of whether or not it is based on the notified reduced social contributions aid scheme,

HAS ADOPTED THIS DECISION:

Article 1

The reduced social contributions aid scheme is incompatible with the common market. Accordingly, it may not be implemented.

⁽¹⁾ Community framework for State aid for research and development (OJ C 45, 17.2.1996, p. 5).

⁽²⁾ Framework on training aid (OJ C 343, 11.11.1998, p. 10).

⁽³⁾ Community guidelines on State aid for environmental protection (OJ C 72, 10.3.1994, p. 3).

⁽⁴⁾ Community guidelines on State aid for rescuing and restructuring firms in difficulty (OJ C 368, 23.12.1994, p. 12).

⁽⁵⁾ Community guidelines on State aid for small and medium-sized enterprises (OJ C 213, 23.7.1996, p. 4).

⁽⁶⁾ Case 78/76 *Steinike & Weinlig v Germany* [1977] ECR 595.

⁽⁷⁾ Commission letter No SG(97) D/6781 of 7 August 1997.

⁽⁸⁾ Case C-313/90 *Comité international de la rayonne et des fibres synthétiques and others v Commission* [1993] ECR I-1125.

Article 2

Sweden shall inform the Commission, within two months of notification of this Decision, of the measures taken to comply with it.

Article 3

This Decision is addressed to the Kingdom of Sweden.

Done at Brussels, 21 December 2000.

For the Commission

Mario MONTI

Member of the Commission

CORRIGENDA**Corrigendum to Commission Decision 2001/468/EC of 8 June 2001 authorising methods for grading pig carcasses in Italy**

(Official Journal of the European Communities L 163 of 20 June 2001)

On page 32 in Article 2, the equation:

for: $Y = X - (X * a_1 / (100 - a_2))$,

read: $Y = X - [X * a_1 / (100 - a_2)]$.
