## <u>Sugar sector: Council agrees on the</u> <u>reimbursement of excess levies between</u> <u>1999 and 2001</u>

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On 19 February 2018 the Council decided on a recalculation of the sugar production levies for the years 1999/2000 and 2000/2001. The objective of the adopted regulation is to comply with a judgment of the European Court of Justice (ECJ) from February 2017, which ruled that the production levies for the sugar sector between 1999 and 2001 had been wrongly calculated, resulting in sugar producers being over-charged.

I am pleased to announce that today's decision enables us to put right the wrongs of the past and ensure that those sugar producers who were over-charged are fully refunded.

Rumen Porodzanov, Minister of agriculture, food and forestry of the Republic of Bulgaria and President of the Council

In order to comply with the ECJ judgment, the regulation adopted by the Council provides for sugar producers and beet growers to be reimbursed for the excess sums unduly paid between 1999 and 2001.

The overall impact to the EU budget has been calculated at  $\notin$ 195.3 million, out of which  $\notin$ 93.1 million for the levies and  $\notin$ 102.2 million for the estimated interest costs.

The common market organisation (CMO) in the sugar sector was set up in 1968 with the aim of ensuring a fair income for EU producers and self supply of the EU market, and since then it has been periodically reviewed. In order to support European growers and processors, the sugar sector was originally subject to price support and production quotas, that were ended on 30 September 2017.

Sugar levies were inherently linked to the sugar quota regime. Under the CMO rules, producers overshooting their quota had to pay a surplus levy on such quantities. These levies were then paid into the EU budget.

The adopted regulation will enter into force on the day following its

publication and shall apply from:

- 13 October 2000, as regards the 1999/2000 marketing year
- 12 October 2001, as regards the 2000/2001 marketing year

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