

Case C-1/94

Cavarzere Produzioni Industriali SpA and Others  
v  
Ministero dell'Agricoltura e delle Foreste and Others

(Reference for a preliminary ruling  
from the Consiglio di Stato)

(Common organization of the markets — Sugar quotas —  
Transfers between undertakings)

Opinion of Advocate General Léger delivered on 1 June 1995 .....	I - 2365
Judgment of the Court (Fifth Chamber), 11 August 1995 .....	I - 2377

Summary of the Judgment

*Agriculture — Common organization of the markets — Sugar — Power to adjust the quotas of undertakings, conferred on the Member States by Article 25(2) of Regulation No 1785/81 — Conditions of exercise — Exercise after the time-limit of 1 March for the marketing year starting on 1 July — Excluded — Exercise at the same time as an adjustment of quotas following a transfer of undertakings or factories — Whether permissible — Conditions — Scope — Reduction of the A and B quotas by 10% each — Basis of calculation — A and B quotas allocated by the*

*Member State to the undertaking under Article 24 of the regulation — Restructuring plans permitting adjustments exceeding 10% in Italy — Definition*  
 (Council Regulations No 1785/81, Arts 24 and 25(2), and No 193/82, Art. 2)

Member States may not, for the marketing year starting on 1 July, exercise the power to adjust the quotas of undertakings, conferred on them by Article 25(2) of Regulation No 1785/81 on the common organization of the markets in the sugar sector, after the date of 1 March set by Regulation No 193/82 laying down general rules for transfers of quotas in the sugar sector, even if the Council regulation fixing the quotas and stating that power to be applicable has been adopted after 1 March, since no Community legislation expressly derogating from that time-limit has been enacted.

That power may be exercised at the same time as an adjustment of quotas pursuant to Article 2 of Regulation No 193/82 following a transfer of undertakings or factories, provided that the specific conditions governing the application of each of those provisions are complied with. It permits Member States

to reduce the A quota and the B quota of an undertaking by 10% each.

That 10% margin of manoeuvre relates to the A and B quotas allocated to an undertaking, within the framework of the quota system in force, by a national decision taken by the Member State on the basis of Article 24 of that regulation, sharing out among the undertakings operating in its territory the basic A and B quantities allocated to it.

In providing that in Italy that margin of manoeuvre is not confined to the 10% limit where it is used to transfer quotas on the basis of 'restructuring plans', the second subparagraph of Article 25(2) of Regulation No 1785/81 refers to plans concerning the sugar sector as a whole at national or regional level.