

Common organisation of agricultural markets (CMO): simplify the common agricultural policy (CAP), creation of one single Regulation ("single CMO Regulation")

2006/0269(CNS) - 22/10/2007 - Final act

PURPOSE: simplify the Common Agricultural Policy by replacing the 21 Common Market Organisations (CMOs) with a single CMO.

LEGISLATIVE ACT: Council Regulation (EC) N° 1234/2007 on the establishment of a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

CONTENT: the Council adopted a Regulation on the establishment of a common organisation of agricultural markets and on specific provisions for certain agricultural products.

This Regulation is the centrepiece of the Commission's action plan, which aims to simplify and rationalise the Common Agricultural Policy. This instrument brings together, in one Regulation, the 21 existing CMOs and the 23 acts of the Council covered by it, by a horizontal approach.

The Single CMO combines and harmonises, as far as possible, the Council acts in the classic areas of market policy into one single Regulation. This covers the rules on intervention, private storage, marketing and quality standards, import and export rules, safeguard measures, competition, state aid and the communication and reporting of data.

Whilst remaining a technical exercise, which is neither intended to change the underlying policy decisions taken by the Council nor to alter the current scope of the existing CMOs, the regulation also aims to create a horizontal legal framework, thus requiring re-drafting and a reduction in the detail, which could then be covered by implementing legislation.

This type of technical simplification is not a way to introduce reforms through the back door and should not lead to the policy decisions that have been taken over the years in the CAP being called into question. Policy changes are happening in parallel, for example in the ongoing discussions on reforming the CMOs for fruit and vegetables and wine. These changes will be incorporated into the single CMO once the Council has reached final agreement on these two reforms.

The CMO can also serve as the basis for future political simplification. With improved transparency and better accessibility, a better view will be achieved of sector specific exceptions, allowing a judgment on whether these are necessary and justified. The upcoming 'Health Check' of the 2003 reforms will provide an occasion to study potential policy changes which could help further the simplification drive.

ENTRY INTO FORCE: 23/11/2007. The Regulation applies as from 01/01/2008. Some are held back, during 2008, according to the sector in question.