

Community Tobacco Fund: transfer of tobacco aid (2008 and 2009) and financing of the Fund

2008/0020(CNS) - 04/02/2008 - Legislative proposal

PURPOSE: to transfer 5% of the tobacco aid granted for the calendar years 2008 and 2009 to the Community Tobacco Fund.

PROPOSED ACT: Council Regulation.

BACKGROUND: according to Council Regulation (EC) No 1782/2003 establishing common rules for direct support schemes under the CAP, tobacco aid is granted to raw tobacco producers, for the harvest years 2006-2009. The “Single CMO Regulation” (Regulation (EC) no 1234/2007) provides for the funding of the “Community Tobacco Fund”. The Tobacco Fund is funded by transferring 5% of the 2006 and 2007 tobacco aid to it. Indeed, the Community Tobacco Fund has always been funded by the transfer of part of the tobacco aids. Transfers to the Community Tobacco Fund, for the calendar years 2006 and 2007, was proposed when the Single payment schemes was first introduced. However, later provisions extended the tobacco aid to 2008 and 2009 – without extending the funding to the Community Tobacco Fund by a reduction of the tobacco aid.

Actions funded by the Community Tobacco Fund have been very successful and are a positive example of cooperation between agriculture and health policies.

CONTENT: the purpose of this proposal, therefore, is to ensure the continuation of actions funded by the Community Tobacco Fund. It intends to do so by transferring financing from the tobacco aid, an amount equal to 5% of the tobacco aid granted, for the calendar years 2008 and 2009, to the Community Tobacco Fund.