## Outermost regions: specific measures for agriculture

2009/0138(COD) - 02/10/2009 - Legislative proposal

PURPOSE: to amend Regulation (EC) No 247/2006 laying down specific measures for agriculture in the outermost regions of the Union.

PROPOSED ACT: Council Regulation.

CONTENT the Council adopted Regulation (EC) No 247/2006 laying down specific measures for agriculture in the outermost regions of the Union. The development in Community legislation and the practical implementation of this Regulation which occurred in the meantime require the amendment of some of its provisions.

The main amendments proposed are as follows:

**Sugar:** following the reform of the common organisation of the market of sugar, incorporated in the single CMO by Council Regulation (EC) No 1234/2007, it is proposed that Article 5 be updated so that it reflects these new provisions and allows the Azores to integrate raw cane sugar in its forecast supply balance. In previous marketing years, the sugar beet production in the Azores was not sufficient to allow its sugar industry to fulfil their allocated quota and no significant quantities of raw beet sugar were available on the market. This amendment will improve their situation by allowing them to import raw cane sugar (within the limit of the forecast supply balance).

Milk-based preparations: Regulation (EC) No 247/2006 provides for a transitional period during which the Canary Islands may continue to receive supplies of determined quantities of milk-based preparations falling within CN codes 1901 90 99 and 2106 90 92 intended for industrial processing. This transitional period expires on 31 December 2009. The product falling within CN code 1901 90 99 – skimmed milk powder with vegetable fat – is a traditional product for the local consumers, including the most deprived, and has been sold in the Canary Islands during the last 40 years. The supply of this product has generated a specific local industry ensuring employment and added value. In the current situation of economic crisis it is proposed to maintain the supply of this specific product and to extend the transitional period set by the Regulation to 31 December 2013. In the light of the experience gained by the Commission, and to ensure that the Community support programmes are implemented effectively and appropriately, it is necessary to remove references in that Regulation to checks and administrative penalties. However, such national measures will continue to be communicated to the Commission in accordance with the Regulation.

**Wine:** following the wine reform of 2008 and the recent integration of the wine CMO into the single CMO, Article 18 needs to be updated to reflect the new provisions of Council Regulation (EC) No 1234 /2007 as amended by Regulation (EC) No 491/2009.

French overseas department of Reunion: despite the recent development of the local milk production in Reunion, the current need for drinking milk consumption on the island is not sufficiently covered. Moreover, the remoteness and insularity of this region do not allow other sources of raw milk. Consequently, it is proposed that the authorisation to produce reconstituted UHT milk from milk powder of Community origin, granted to Madeira by the first subparagraph of Article 19(4) of Regulation (EC) No 247/2006, should be extended to the French overseas department of Reunion.

FINANCIAL IMPLICATIONS: these programs have a high level of execution. As the proposed modifications to Council Regulation (EC) No 247/2006 do not change the annual ceiling amounts for the financing of the specific supply arrangements and of the measures in favour of local production, there is no budgetary impact.