

Outermost regions: specific measures for agriculture

2009/0138(COD) - 17/03/2010

The Committee on Agriculture and Rural Development adopted the report drawn up by Luís Paulo ALVES (S&D, PT) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 247/2006 laying down specific measures for agriculture in the outermost regions of the Union.

It recommended that the European Parliament's position at first reading under the ordinary legislative procedure (formerly known as the codecision procedure) should be to amend the Commission proposal as follows:

Clarification of text: the committee aims at adding clarity to the current regulation on the conditions under which unprocessed and processed products, in the framework of specific supply arrangements, can be exported or dispatched. Furthermore it adjusts the regulation to the realities of the market by mentioning the need for a regular update of the maximum quantities for traditional export and dispatch. The text now states that since the quantities covered by the specific supply arrangements are limited to the supply requirements of the outermost regions, those arrangements do not impair the proper functioning of the internal market. Nor should the economic advantages of the specific supply arrangements provoke diversions of trade in the products concerned. Dispatching or exportation of those products, which have not been processed, from the outermost regions should therefore be prohibited. However, dispatch or exportation of those products should be authorised where the advantage resulting from the specific supply arrangements is reimbursed or, in the case of processed products, to permit regional trade or trade between the two Portuguese outermost regions. Account should also be taken of traditional trade flows with third countries in all the outermost regions, and exports of processed products corresponding to traditional exports for all those regions should accordingly be authorised. Nor should the restriction apply to the traditional dispatching of processed products to the rest of the Union. For the sake of clarity and better adjustment to the evolution of the market, the reference period for defining the maximum quantities for traditional exports or dispatch should be calculated in accordance with this Regulation.

Forecast supply balance: a forecast supply balance shall be drawn up stating the quantity of the agricultural products needed to meet supply requirements each year. A separate forecast balance may be drawn up for the requirements of undertakings packaging and processing products intended for the local market, for traditional consignment to the rest of the Union or for export as part of regional trade or traditional trade flows. In the event that a separate forecast balance is drawn up, the quantities specified shall be updated regularly so as to reflect the market trend described in the text.

Export to third countries and dispatch to the rest of the Community: the committee made some amendments to the conditions of export for products covered by the specific supply arrangements.

Extension of sugar derogation to Azores: Under Regulation (EC) No 247/2006, the Azores are entitled to dispatch, by way of derogation from Article 4(2)(a) of that Regulation, yearly maximum quantities of sugar (CN code 1701) to the rest of the Union. Given that sugar beet production could become a very significant complement to milk production in the Azores, in particular on S. Miguel island, and in view of the uncertain outlook regarding the milk market following the decision to abolish the milk quotas and progressively increase them in the meantime, it is necessary to offer producers and processors an alternative to that system which can guarantee the development of the milk sector in the Azores, as well as long-term complementary agricultural prospects. This will enable economic operators to reach a level

of industrial and commercial activities which stabilises the economic and social environment in the Azores. The existing derogation should therefore be extended until 31 December 2019. The amendments state that a maximum quantity of 3 000 tonnes of sugar (CN code 1701) may be dispatched each year from the Azores to the rest of the Union for the period from 1 January 2010 to 31 December 2019.

Removal of deadline for Portuguese vineyards: Regulation (EC) No 247/2006 provides for the gradual elimination, by 31 December 2013, of vineyards planted with prohibited direct-producer hybrid vine varieties in the Azores and Madeira. The committee wants the date of 31 December 2013 to be deleted in order to eliminate the disparity of treatment between the regions of the Azores and Madeira on one hand and the rest of the Union on the other and to allow the continuing conversion of vineyards planted with prohibited vine varieties.

Permanent derogation for certain milk preparations: due to the structural milk deficit of the Canary Islands, skimmed milk powder containing vegetable fat has become a traditional product used by local consumers, especially the most needy, as a substitute for milk. Therefore, the existing derogation should not only be extended but be made permanent. The Commission had recommended extension of the transitional period to 31 December 2013.

Extension of milk measures to Guadeloupe, French Guiana and Martinique: a new recital states that because of the limited nature of their local markets and because of their conditions of production, which entail substantial additional costs, Guadeloupe, French Guiana and Martinique have been unable to develop dairy sectors meeting local needs. The development of the dairy sector in Madeira, brought about by means of milk reconstituted from milk powder, could serve as a development model for that sector in outermost regions sharing common characteristics. The waiver granted to Madeira under Regulation (EC) No 247/2006 should therefore be extended to apply, without delay, to Martinique, Guadeloupe, and French Guiana in the context of the revision of Regulation (EC) No 247/2006 expected for mid-2010.

Labelling: the committee specified that the method by which the UHT milk thus reconstituted has been obtained shall be clearly indicated on the sales labelling.

Retroactive application: a new recital states that the retroactive application of the provisions of this Regulation as from 1 January 2010 should ensure continuity in the specific measures for agriculture in the outermost regions of the Union and should also meet the legitimate expectations of the operators concerned.