Common agricultural policy (CAP), reform: direct support schemes and support schemes for producers

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On the basis of a questionnaire from the Presidency, the Council held a political discussion on five of the Commission's nine proposals for CAP reform. Although an overall assessment cannot be made until all the proposals have been evaluated, it has been possible to identify some broad tendencies in the Council. Regarding the milk sector, the position of delegations are mixed regarding the package of measures and the timeframes which the Commission has proposed. Concerning the rice sector, the Council is unanimous in its opinion that reform of the sector is essential. However, the Commission proposals are strongly opposed by the rice-producing Member States who consider that the measures in their present form are insufficient to ensure the viability of the sector. When it comes to the cereals sector, many delegations consider that the market situation does not justify a departure from the agreement reached in Agenda 2000. For many delegations, the question of compensation is central to the continuing negotiations. The proposals on rye cannot be accepted by certain delegations unless they are accompanied by other measures to soften the impact or adapt the measure to specific circumstances. Finally, one delegation requested guarantees for the financing of Mediterranean products that are not included in the present package of proposal by the Commission. As regards rural development, there was agreement in the Council on the objectives of the proposal and there was progress towards agreeing the substance of many measures. Nonetheless, a majority of delegations considers that the value of this exercise is substantially reduced by the lack of additional financing for the second pillar before 2007 and by the limited financing after that date, compared with the targets announced in the Commission's Communication of July 2002.