Olive and olive oil sector: reform of the common organisation of the market COM

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In the Committee's view, the Note does not improve upon the existing CMO for the reasons set out below. From the political point of view, it does not promote the development of the traditional olive-growing regions of the Community. From the economic point of view, it provides no incentive for competitiveness in the European olive oil sector. In practice, the tree aid option entails giving up future sustainable olive cultivation, which is essential if Europe's leading position is to be maintained. The ESC believes that from the market point of view, the Commission document confirms the non-existence of structural surpluses. From the consumption point of view, the promotion campaigns designed to boost demand on the internal and external markets should be funded by the CMO budget. The Committee would also propose that such campaigns be sustained over time and tailored to the local conditions of each country. From the development point of view, it is also clear that the current CMO has underpinned levels of activity, investment and innovation: whether they would continue if changes are made is doubtful. The Committee is convinced that it is essential to maintain intervention and lengthen the intervention storage period, making use of private storage if necessary, in order to maintain producers' incomes. From the quality point of view, the Commission should take the initiative and put forward rules to the Council to guarantee olive oil authenticity with a labelling system which would inform consumers and guard against possible confusion arising from blends. Effective control instruments should be built into the present CMO to prevent fraud. The Committee does not consider the Commission Note to be an adequate basis for amending the CMO for olive oil. The description given of the sector (claiming to cover economic, cultural, regional, social and environmental aspects) completely fails to reflect what is a plural and diverse picture in either its production and processing aspects, or in the most important aspect of all: its cultural, social and economic impact on the areas in question. The Committee consequently urges that, before any action is taken, the need for reform be demonstrated by means of detailed and rigorous studies. This CMO, which has shown its worth over 31 years, should not be modified without prior assessment of the effects of such changes.