Raw tobacco: common organisation of the market COM

1997/2009(COS) - 18/06/1997

The Commission was strongly criticized by the Committee, it adopted the report by Miguel ROSADO FERNANDES (UFE, E) on the reform of the common organization of the market in raw tobacco. The rapporteur thought the Commission was trying to reduce or even eradicate this European crop using health as a pretext. Some 30% of the world's tobacco is grown in Europe. The Commission's approach would lead to the big multinationals importing more tobacco into Europe without any financial or social compensation for the agriculture sector, the committee believes. As the European production quota had not been reached, the committee thought that producers should not be forced to give up tobacco growing. Hence the hostility to the Commission's plan to buy up individual quotas from producers who want to leave tobacco farming rather than giving producers' organizations the opportunity to buy with a view to redistributing them to other farmers. The report also opposed the reduction of premiums. Such a reduction would lead to the abandonment of a large number of farms, which play a role in environmental protection and the fight against desertification. The effect would be aggravated in areas where there is no possibility of conversion, especially in the South where unemployment is extremely high. The tobacco industry employs 284 000 people. The Commission's approach will have enormous social, financial and political costs, which can only be met by Structural Fund aid. The Commission bases its changes on the argument that European tobacco is of 'poor quality' although it knows that the definition of quality is left to the big multinationals and that in many cases the price of this tobacco has quintupled as a result of the effect of supply and demand in a free market. Consequently the committee is calling for the creation of an independent body on which the producers would be represented which would be responsible for quality criteria and arbitration of disputes. The committee is proposing that the 30% reduction in the budget for the sector should be achieved over five years with each country deciding on how this should be done. Furthermore, '2% of aid should be held back for the promotion of research into raw tobacco with the aim of countering its harmful effects' and 'incentives and financial assistance should be provided for research and experiments with a view to obtaining tobacco varieties which are low in nicotine and tar'.