Hops: common organisation of the market COM (amend. regul. 1696/71/EEC)

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The Committee adopted the report by Xaver MAYER (EPP, D) on the proposal for a regulation amending the Common Organisation of the Market (COM) in hops. Technological progress and changes in tastes have in recent years seen demand for varieties of hops with a high alpha acid content. Some traditionally cultivated varieties no longer sufficiently meet these requirements. In addition, the hop market is currently beset by global structural surpluses, because the new varieties have higher yields. As a result, there is an urgent need to convert production to the new varieties. This requires major investment and will have to be supported under the COM if European growers are to stand up to competition from the USA, where hops are grown on a much larger scale. Existing hop plants therefore need to be grubbed-up so that structural surpluses can be kept to a minimum and old varieties replaced with new. The Commission proposal would withhold aid from grubbed-up areas but the Committee is calling for aid to continue for a limited transition period (known as "temporary set-aside"). At the end of this period, the farmer would have to decide whether or not to abandon hop-growing. Such a system would not burden the EAGGF with any extra costs. The committee also proposed that producer groups be allowed to use up to 40% of this aid (rather than the 20% proposed by the Commission) for common objectives, with the remaining 60% being redistributed to individual farmers. The Committee believes that further steps are needed to support exports of Europe's hops, e.g. publicity and sales promotion campaigns, selective buying-in operations to stabilise the market, safeguarding and improvement of quality, targeted research and authorisation of plant protection products. Lastly the committee is calling for an increase in the level of aid (500 ECU rather than 450 ECU per hectare), which would be based on historical averages for the last three years, rather than the last 10 years as proposed by the Commission.