

Rice: reform of the common organisation of the market COM

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In the view of the ESC, the reduction in intervention prices should be offset by full financial compensation in order to maintain producers' income levels and ensure their survival. Similarly, the principle of equal treatment required that for all producer Member States, the compensatory aid be calculated on the basis of the average of the last three marketing years (1993, 1994, 1995) in each producer country, with due account for trends in consumption and for the accession of the new Member States. The proposed penalties for overshooting the national maximum guaranteed areas needed to be revised. The ESC drew attention to the social consequences of the probable reduction in the area under rice. It was surprised that the Commission proposal did not analyse the social impact of rice growing and did not quantify the workforce in the agro-industrial sector as a whole. The reform of the common market organisation in rice and the reduction of customs tariffs following the GATT Agreements would mean a significant reduction in the prices of Community rice and rice imports. It was vital that this reduction be passed on to the consumer. The ESC agreed that quality policy should be better geared to consumer requirements.