

# **Common organisation of the market in fruit and vegetables and in processed fruit and vegetables; aid scheme for producers of certain citrus fruits**

2000/0191(CNS) - 12/07/2000 - Legislative proposal

**PURPOSE** : to present a proposal for a Council Regulation amending Regulation 2200/96/EC on the common organisation of the market in fruit and vegetables, Regulation 2201/96/EC on the common organisation of the market in processed fruit and vegetables and Regulation 2202/96/EC introducing a Community aid scheme for producers of certain citrus fruits. **CONTENT** : the 1996 reform of the fruit and vegetable CMO was implemented from January 1997 onwards. The Commission is to submit a report to the Council on the operation of the CMO by end 2000 (for fresh produce/citrus). This report is in progress and its finalisation is dependant on the submission of information from Member States. However, four important issues have arisen which need addressing urgently. These are the rigidity of the current arrangement for processed tomatoes, the level of the guarantee quantities (quotas or thresholds) for processed tomatoes, pears and citrus fruit, a simplification of the operational fund system and an improvement of the export refunds management for fresh products. At the same time, the two existing regimes (processed peaches/pears and citrus) can be adapted in line with the new arrangement for tomatoes. For processed tomatoes, the arrangement needs to be rationalised and simplified, taking the most effective elements from the existing systems for tomatoes, peaches and pears: - use thresholds instead of quotas; - express thresholds in raw materials instead of processed products; - sub-divide Community thresholds into national thresholds; - paid aid directly to the producer organisation; - fix the aid by the Council on a permanent basis. Since tomato plantings take place in the first quarter of the year, a new arrangement has to be in place at the latest at the beginning of 2001. For operational funds, the current administrative procedure is complicated and cumbersome. A simplification is therefore required. For export funds, the current management systems do not take fully into account the precise needs of the individual operators. It must therefore be improved. Therefore, based on the above, the following amendments are proposed: - rationalisation of the arrangements for processed tomatoes, peaches/pears and citrus fruit; - adaptation of the thresholds for processed tomatoes, pears and citrus regimes, within a budgetary neutrality; - simplification of the financing system of operational funds; - improvement of the management of export refunds for fresh fruit and vegetables. In conclusion, these amendments greatly simplify current regulations, and in particular in the processed tomato sector. At the same time, the different regimes are brought into line with each other. These amendments will benefit growers who, via their organisations, will manage better the marketing of their production. A more flexible processing arrangement will enable market developments. Planning by producer organisations of operational programme expenditure will be greatly simplified, since the amount of aid now will be known to all producer organisations when drawing up their operational programmes.