Ethyl alcohol of agricultural origin: common organisation of the market CMO

2001/0055(CNS) - 21/02/2001 - Legislative proposal

PURPOSE : to establish a framework of common rules for ethyl alcohol of agricultural origin. CONTENT : since 1 January 1998, the Commission has set up a monitoring system for alcohol imports under the Regulation on the General System of Preferences (GSP). The system has been extended, on a voluntary basis, to alcohol imports from ACP countries. Although effective in its monitoring role, the system is not a practical policy instrument to deal with import problems. In the past, several attempts to establish a common market organisation for agricultural alcohol were made but the socio-economic circumstances were different. The main objectives of this proposal are to increase market information, monitor trade flows and establish a forum for dicussion and preparing of decisions. The Council's request to consider the regulatory framework is limited to the following aspects: defintions, improved statistical information aimed at increased market transparency, a regime for import and export licences and the creation of an appropriate committee for the sector. Following consideration of the needs of the sector, this proposal is for a framework of common rules, in the form of a "lightweight" common market organisation. This incorporates the elements referred to by the Council and a number of additional elements, such as rules on State aid and a safeguard clause. All the measures proposed are traditionally found in other common market organisations for agriculture. The type of common market organisation proposed does not include intervention measures on the Community market. The proposal therefore has no financial implications.