Seeds: common organisation of the market CMO, aid granted for 2002-2003 and 2003-2004 (amend. Regulation (EEC) No 2358/71)

2001/0099(CNS) - 04/05/2001 - Legislative proposal

PURPOSE : to amend Regulation 2358/71/EEC on the common organisation of the market in seeds and fixing the aid granted in the seeds sector for the 2002/03 and 2003/04 marketing years. CONTENT : since 1994, the area sown to seeds in the European Union has increased substantially, as have the quantities produced, particularly for certain species. Over that period, the market prices received by producers have fluctuated, sometimes considerably. At the same time, there has been an increase in the quantities exported and in the stocks held by the Community, demonstrating that more seeds are being produced than can be actually disposed of on the Community market. Under the common organisation of the market in seeds established by Council Regulation 2358/71/EEC, the amount of aid to be paid for the 2002/03 and 2003/04 marketing years must be fixed before 1 August 2001. In order to curb the constant increase in expenditure under this market organisation, a stabiliser mechanism similar to the one for rice seed must be introduced. These two matters (fixing the aid and introducing a stabiliser) must be dealt with together because they are closely linked: spending on the market organisation depends on the unit rate for aid applied to the quantity produced and eligible for Community aid. Keeping the aid at the current level is acceptable only if a stabiliser mechanism is introduced to keep spending within reasonable limits. The alternative of reducing the unit rate of aid will not be as effective and does not place responsibility on the Member States where the increased production has been recorded. Among the species of seed covered by the market organisation, Lolium perenne L. currently receives aid differentiated by variety (briefly put: high-persistence, new, and low-persistence varieties). The last item the aid was fixed, it was noted that this differentiation was no longer justified and so it was decided that it should be continued for the 2001/02 marketing year, but on a temporary basis only. This proposal aims to introduce a stabiliser similar to the one in place for rice seed for all the species covered by the market organisation and to carry over the amounts of aid to be paid for the 2002/03 and 2003/04 harvests.