

Common agricultural policy CAP, reform: cereals, common organisation of the market CMO

2003/0008(CNS) - 21/01/2003 - Legislative proposal

PURPOSE : to repeal and replace Regulation 1766/92/EC on the common organisation of the market in cereals. **CONTENT** : a final 5% reduction (of the 20% proposed in Agenda 2000) is proposed to bring the cereals intervention price down to EUR 95.35/t from 2004/05 to ensure that intervention is a real safety net. To avoid a further accumulation of intervention stocks, rye will be excluded from the intervention system. With the diminishing role of intervention, a seasonal correction for the intervention price will no longer be justified. It is therefore proposed to abolish the monthly increment system. Production refunds for starches and certain derived products will no longer be applied. As a consequence of the cut in cereal intervention price, area payments for cereals and other relevant arable crops will be increased from EUR 63 to EUR 66/t. These will be included in the single farm payment. (Please refer to CNS/2003/0006). The proposals also deal with import duty within the WTO provisions, export refunds and licences, and other matters consequent on a common market in cereals.