

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

2003/0009(CNS) - 21/01/2003 - Legislative proposal

PURPOSE : to repeal and replace Council Regulation 3072/95/EC on the common organisation of the market in rice. **CONTENT** : the above-mentioned Regulation is repealed due to having been amended several times, with further amendments necessary. The Commission seeks to stabilise market balances due notably to the impact of the Everything but Arms (EBA) initiative. It proposes a one step reduction of the intervention price of rice by 50% to an effective support price of EUR 150/t in line with world prices. To stabilise producers' revenues, the current direct aid will be increased from EUR 52/t to EUR 177/t, a rate equivalent to the total cereals compensation over the 1992 and Agenda 2000 reforms. Of this, EUR 102/t will become part of the single farm payment and paid on the basis of historical rights limited by the current maximum guaranteed area (MGA). (Please see CNS 030006.) The remaining EUR 75/t multiplied by the 1995 reform yield will be paid as a crop specific aid. The MGA will be set at the 1999-2001 average or the current MGA, whichever is lower. A private storage scheme will be introduced, and triggered when the market price falls below the effective support price. In addition, special measures will be triggered when market prices fall below EUR 120/t. The proposed Regulation also deals with import and export measures and other matters consequent on a common market in this product.