Hops: common organisation of the market COM (amend. regul. 1696/71/EEC)

1997/0066(CNS) - 07/03/1997 - Legislative proposal

OBJECTIVE: To amend Regulation (EEC) 1696/71 on the common organization of the market in hops, with a view to facilitating the sector's adjustment to market requirements by strengthening the role of the producer groups. SUBSTANCE: In relation to the present situation, the proposed modifications can be summed up in four major points: (1) the granting of flat-rate annual aid per hectare based on historical averages, with no distinction between the various groups or varieties and payment being made as soon as possible after the harvest; the aid comprises two amounts existing under the previous scheme, i.e. aid to producers and aid for varietal conversion and amounts to ECU 450/ha; (2) the possibility for members of recognized producer groups to market all or part of their produce themselves, without any reduction in the aid resulting by way of a penalty, where they are so authorized by the group; the latter has the right to monitor prices negotiated between producers and traders and can grant or refuse approval for the conclusion of contracts; in the event of disagreement on prices proposed, the producer group is under an obligation to take over the hops at a higher price and find another purchaser; (3) the possibility of varietal conversion on a permanent basis, i.e. with no limit in area or time, payment being covered by the flat rate aid per hectare; (4) the possibility of withholding up to 20% (100% under the present system) of the aid to producers to implement special measures such as rationalization and mechanization of cultivating and harvesting, the adoption of common rules on production, varietal conversion, promotion, measures to determine and improve quality and research; should producer groups not market their members' whole production, this possibility becomes an obligation, the percentage in that case continuing to stand at 20%; during the fifth year following the entry into force of the Regulation, there is provision for an assessment to be made of the measures applied and of their impact on the sector.