Set-aside requirement 1999/2000: support system for producers of arable crops (derog. regul. 1765 /92/EEC)

1998/0213(CNS) - 10/06/1998 - Legislative proposal

OBJECTIVE: to set the compulsory set-aside rate for the 1999/2000 marketing year at 10% , in the context of the support system for producers of certain arable crops. CONTENTS: the proposal seeks an exemption from the normal basic rate of set-aside (17.5%), for the 1999/2000 marketing year. Most production forecasts for the 1998 harvest (1998/99 marketing year) indicate a growing surplus situation on the internal market. These developments come at a moment where world markets are relatively weak, resulting in a significant risk that new intervention stocks could accumulate dramatically over the next two years, leading to an untenable position after 2000 if nothing is done. The Commission therefore proposes that the current set-aside rate be increased from 5% until 10%, in order to influence the 1998/99 seed and have an effect on the 1999/2000 marketing year. It is expected that this will result in reduced cereal production of about 8 million tonnes (1.5 m hectares of cereals).