

# Rice: reform of the common organisation of the market COM

1995/0203(CNS) - 22/12/1995 - Final act

**OBJECTIVE** : reform of the common organization of the market in rice following the entry into force, on 1 January 1995, of the agricultural provisions of the GATT, which amends the international arrangements for trade in rice. **COMMUNITY MEASURE** : Council Regulation (EC) No 3072/95 on the common organization of the market in rice. **SUBSTANCE** : reform in the rice sector will introduce a similar mechanism to that adopted in 1992 in the reform of the Community market in cereals. Its key elements are as follows: \* a 15% reduction in the producer price over three years from the 1997/98 marketing year; \* compensation to producers in the form of a payment per hectare whose amounts will be calculated on the basis of average agronomic yield in the Member States; \* The establishment of a national base area for each producer Member State and a specific base area for French Guyana. The base areas shall be as follows : - Spain : 104 973 ha; - France : Guyana 5 500 ha; metropolitan territory 24 500 ha; - Greece : 24 891 ha; - Italy : 239 259 ha; - Portugal : 34 000 ha. \* The imposition of penalties, at national level, where the base area of a Member State has been exceeded. The penalty will be progressive and will depend on the rate of overrun; \* The fixing of an intervention price for paddy rice at ECU 351/t for the 1996/7 marketing year, followed by annual reductions to ECU 298,35/t for the 1999/2000 and subsequent marketing years; \* Intervention in the rice sector will be open from 1 April to 31 July (four months, four monthly increases); \* An enhancement of the quality policy: the parameters for defining the standard quality for intervention are strengthened with a view to bringing them into line with the production standards of third countries exporting to the Community market; \* In order to ensure continuity of supply to EC processing plants, the Commission will be authorized to take all appropriate action to deal with exceptional circumstances. **ENTRY INTO FORCE** : 30 December 1995. The regulation is applicable from the 1996/1997 marketing year.