Agenda 2000: raw tobacco, reform of the common organisation of the market COM (amend. regul. 2075/92/EEC)

1998/0027(CNS) - 16/06/1998 - Text adopted by Parliament, 1st reading/single reading

In adopting the report by Mr Raul ROSADO FERNANDES (UPE, P) on the reform of the common organization of the market in raw tobacco, Parliament endorses the Commission proposal while pointing out that the market in this product is very competitive and calling for more effective matching of supply with demand. It stresses that tobacco is of vital economic and social importance and that in some regions it is the sole source of income. Furthermore, tobacco production is principally concentrated in the poorest regions where there is practically no economically viable alternative. Accordingly Parliament recommends that: - within the maximum overall guaranteed threshold set for the Community (350 600 tonnes of raw leaf tobacco per harvest), the Council shall set for four (and not three) consecutive harvests the individual guaranteed thresholds for each variety group. The Member States could, within the guaranteed threshold, distribute supplementary quota certificates to producers who, after delivering the quantities agreed by contract, still have surplus quantities; - the variable part of the premium paid to consumer groups should take account of other criteria linked to product quality. The European Parliament upheld the Commission proposal that this should be between 35 and 45% of the total premium while the rapporteur proposed a figure of 25%; - an interprofessional institute shall be created in cooperation with the Commission to establish objective quality criteria for classification. This body would base its specification on criterias such as organoleptic characteristics and combustion capacity; - specific aid (2% of the total premium) paid to producer groups to ensure ecological methods encourage better quality and ensure compliance with the rules by the producer groups should also be used to encouraged diversification towards other crops; 30% of this aid would be specifically earmarked for more ecological methods; - national reserve quotas shall be set up to guarantee a minimum of 4% of the Member States quotas of at least of which shall be reallocated to new or young farmers; - a Community tobacco fund financed by deduction of 1% of the premium instead of 2%; this deduction may be increased to 2% of the premium following an annual assessment of the operation and utilization of the fund. It shall finance measures for the creation of less harmful and more environment-friendly varieties and research into other uses for tobacco, in particular the food (proteins) or medical spheres. In addition Parliament attaches great importance to reconversion, proposing that a system be set up under the Structural Fund to facilitate the voluntary departure from the sector by individual producers. The Commission shall submit a proposal before 31 December 1998, taking account of the interests of the relevant producers groups. In the meantime, for those who wish to leave the sector or reduce their production quotas, the European Parliament calls for the introduction of a system of repurchasing quotas with a corresponding reduction in guaranteed thresholds. Finally, a number of amendments were made concerning the application of the regulation.