

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

2003/0008(CNS) - 05/06/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted the report drafted by Dominique F. C. SOUCHET (IND, France) and amended the Commission's proposal. (Please see the document dated 20/05/03. Parliament stated that, since the implementation of Regulation I766/92EC, intervention prices have been reduced five times, making a total of 45%, whereas, over the same period, the consumer price index in the EU has risen by 25.5%. In real terms, therefore, the reduction in the intervention price amounts to 56%. Parliament added that cereals prices in Europe are now virtually on a par with international prices. An intervention price for cereals is fixed at EUR 101,31/tonne. The intervention price valid for maize and sorghum in May will remain valid in July, August and September of the same year. The need to reduce the intervention price for cereals will be re-assessed in 2006. An intervention price for cereals is fixed at EUR 101,31/tonne. The intervention price valid for maize and sorghum in May will remain valid in July, August and September of the same year. The need to reduce the intervention price for cereals will be re-assessed in 2006. On the question of rye, the Commission had stated that rye should be excluded from the intervention system. Parliament felt that intervention in respect of rye should be restricted to a certain period of time and should occur only in those places for which no alternatives to growing rye have been found which are justifiable from the agricultural and economic points of view. This would lead to lower intervention stocks of rye and would preserve jobs and incomes in disadvantaged areas. Furthermore, a regulating mechanism should be set up to encourage the use of rye in animal feed and as a raw material for special technical applications and energy production. The Commission must propose before 31 December 2004, a plan to encourage the use of rye on the internal market. On the question of potato starch, a minimum price equal to EUR 178,31/tonne is fixed for potatoes intended for the production of potato starch. A direct payments scheme is introduced, the amount of the payment being EUR 111/tonne.