

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

2003/0009(CNS) - 05/06/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Carlos BAUTISTA OJEDA (Greens/EFA, E), amending the Commission's proposal. (Please see the document dated 20/05/03.) Parliament felt that the revision of the market in rice should take account of the specific nature of the crop, which requires special agro-climatic conditions, resulting in its concentration mainly in wetland areas of high environmental interest as the sole crop without alternatives. Rice growing in these areas is vital for the survival of protected habitats. All these features mean that rice-growing areas are of considerable environmental and social which needs to be preserved. Aid must fully compensate for any loss of income and reflect the importance of that income in rice growing areas, especially wetland areas benefiting from environmental protection. Parliament added that the system for trade with third countries laid down in the WTO Agreement on Agriculture provides for the application of a system of maximum import prices under which the entry price and the intervention price for paddy rice are linked. This system does not take into consideration the processing costs for paddy rice, as a result of which rice of a higher quality and a higher price is imported into the Community market at a lower tariff. The Commission should be given a mandate to open negotiations to modify the bound tariffs for rice in order to arrive at a system of fixed tariffs which are no longer linked to the intervention price. Parliament specified that there must be measures to verify that imported rice complies with the same requirements as those laid down for Community rice. This includes the social conditions of producers in the countries of origin. Special monitoring measures must be introduced to prevent rice from entering the Community with reduced or zero import duties by virtue of preferential agreements with third countries (triangulation), together with special monitoring measures to prevent possible irregularities in the inward processing transit regime. Before 31 December 2006, the Commission must report on the impact of the measures adopted in this Regulation. That report must also evaluate the consequences of the tariff reductions granted as part of the 'Everything But Arms' Agreement. In particular, the report must analyse the systems for monitoring the rules of origin for imported rice and the methods used to produce, trace and label it. It will also evaluate the effects of the 'Everything But Arms' Agreement on the economy of the less-developed countries, the distribution of their agricultural income, job creation and the reinvestment of profits.