

Common organisation of the markets in the sugar sector

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The committee adopted the report by Jean-Claude FRUTEAU (PES, FR) amending the proposal under the consultation procedure:

- a new clause specified that the aim of the COM in the sugar sector should be "to stabilise the markets, to increase the market orientation of the Community sugar regime and to ensure a fair standard of living for the agricultural community within the sugar sector";
- MEPs believed that, to prevent disruption to the industry, the intervention mechanism should be preserved throughout the period of the reform. They therefore introduced new articles providing for an intervention system for the marketing years between 2006/2007 and 2009/2010, to be replaced by a system based on a reference price as from the 2010/2011 marketing year;
- for white sugar, the committee called for the price reductions to be phased in more gradually between 2006/2007 and 2009/2010 and for the final figure to be higher than proposed by the Commission (EUR 442.3 per tonne as opposed to EUR 385.5 per tonne). It made similar proposals for raw sugar, with a final figure of EUR 366.6 per tonne as opposed to EUR 319.5 per tonne suggested by the Commission);
- MEPs proposed a higher minimum price for quota beet and extended it by another two years (until 2009/2010). They deleted the provision which would have enabled that price to be reduced by up to 10% by way of an agreement within the trade;
- the committee deleted Article 8 (Additional sugar quota) on the grounds that a restructuring process should not include an additional quota of 1 million tonnes for certain countries which are actually responsible for the surpluses. It also deleted Article 9 (Additional isoglucose quota), arguing that isoglucose manufacturers should not be allowed an increase in quota at a time when beet growers and sugar manufacturers are being required to cut their production by more than 30% within 3 to 4 years;
- all decisions on adjusting production capacities after 2010 should be made by the Council, on a proposal from the Commission and after consulting Parliament;
- the committee added a new clause maintaining the option of exporting sugar produced in excess of the quota to third countries, subject to compliance with the WTO's conditions;
- provision should be made to control imports into Europe of sugar from the least developed countries. The committee introduced a new article stipulating that, as from 2010/2011, measures to safeguard the Community market will be triggered if sugar imports from those countries are "in excess of the levels guaranteeing a net balance between internal production and consumption in one or more of the countries concerned";
- a new article was introduced stipulating that preferential imports from the least developed countries shall not exceed the quantities of sugar produced locally and shall be separate from the volumes required for internal consumption in the countries concerned;
- finally, a new article required the Commission to carry out a study in order to identify transitional outlets for sugar surpluses for energy use.

