

Common organisation of the market (CMO) in bananas

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The committee adopted the report by Jean-Claude FRUTEAU (PES, FR) amending - under the consultation procedure - the proposed regulation on the banana sector:

- the committee was opposed to the Commission's proposal that aid for banana growers should be shifted towards producer support by using the Single Payment Scheme (SPS), which would decouple payments from banana production. It felt that this could create problems for certain traditional banana-producing regions in the EU (such as the outermost regions, which face growing competition from Central and South American banana producers). MEPs wanted 40% of the national aid to remain coupled to production, with the remaining 60% of the national share being available through the SPS;
- the committee also advocated keeping the current rules on producers' organizations, which play a key role in the management of crop-specific aid. Affiliation to a recognised organisation should be mandatory for banana-producers receiving EU aid, unless their geographical circumstances make this impossible;
- to facilitate the transition from the old to the new banana regime, provision should be made for a system of specific advances during 2007, and more specifically during the period running from January to October;
- in the event of a deterioration in the economic conditions affecting the livelihoods of banana producers, "following in particular a change in the external regime", the Commission should submit a specific report to Parliament and Council by the end of 2009, accompanied by suitable proposals where necessary.