

Basic information	
2001/0276(CNS) CNS - Consultation procedure Regulation	Procedure completed
Leaf tobacco: premiums and guarantee thresholds for the 2002, 2003 and 2004 harvests (amend. Regulation (EEC) No 2075/92) Repealed by 2010/0368(COD) Subject 3.10.06.09 Industrial plants, tobacco, hops	

Key players				
European Parliament	Committee responsible		Rapporteur	Appointed
	AGRI Agriculture and Rural Development		CUNHA Arlindo (PPE-DE)	04/12/2001
	Committee for opinion		Rapporteur for opinion	Appointed
	BUDG Budgets		REDONDO JIMÉNEZ Encarnación (PPE-DE)	22/01/2002
	CONT Budgetary Control		The committee decided not to give an opinion.	
	ENVI Environment, Public Health, Consumer Policy		The committee decided not to give an opinion.	
	Council of the European Union	Council configuration		Meetings
Transport, Telecommunications and Energy		2420	2002-03-25	
European Commission	Commission DG		Commissioner	
	Agriculture and Rural Development			

Key events			
Date	Event	Reference	Summary
21/11/2001	Legislative proposal published	COM(2001)0684 	Summary

13/12/2001	Committee referral announced in Parliament		
26/02/2002	Vote in committee		Summary
26/02/2002	Committee report tabled for plenary, 1st reading/single reading	A5-0065/2002	
14/03/2002	Decision by Parliament	T5-0118/2002	Summary
14/03/2002	Debate in Parliament		
25/03/2002	Act adopted by Council after consultation of Parliament		
25/03/2002	End of procedure in Parliament		
28/03/2002	Final act published in Official Journal		

Technical information	
Procedure reference	2001/0276(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealed by 2010/0368(COD)
Legal basis	EC Treaty (after Amsterdam) EC 037 EC Treaty (after Amsterdam) EC 036
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/5/15506

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0065/2002	26/02/2002	
Text adopted by Parliament, 1st reading/single reading		T5-0118/2002 OJ C 047 27.02.2003, p. 0418-0569 E	14/03/2002	Summary
European Commission				
Document type	Reference	Date	Summary	
Legislative proposal	COM(2001)0684  OJ C 051 26.02.2002, p. 0382 E	21/11/2001	Summary	
Follow-up document	COM(2003)0599 	13/10/2003	Summary	
Other institutions and bodies				
Institution/body	Document type	Reference	Date	Summary

EESC	Economic and Social Committee: opinion, report	CES0190/2002 OJ C 094 18.04.2002, p. 0014	20/02/2002	
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Additional information		
Source	Document	Date
European Commission	EUR-Lex	

Final act	
Regulation 2002/0546 OJ L 084 28.03.2002, p. 0004	Summary

Leaf tobacco: premiums and guarantee thresholds for the 2002, 2003 and 2004 harvests (amend. Regulation (EEC) No 2075/92)

2001/0276(CNS) - 14/03/2002 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Arlindo CUNHA (EPP/ED, Portugal) on leaf tobacco. (Please refer to the document dated 26/02/02). The deduction used to finance the Fund is set at 2% in 2002, 2003 and 2004. Parliament added that the Fund could be used, inter alia, to organise a study into whether restricting Community tobacco production without changing the import regime will have an impact on the consumption of tobacco by EU citizens, as well as stepping up agronomic research with a view to promoting the gearing of tobacco production towards varieties and cultivation and drying methods less harmful for human health, better adapted to market conditions and more environment-friendly, and the development of alternative uses for raw tobacco. Expenditure under the Fund for each of the areas mentioned in the proposal may amount to 50% of the total amount of the Fund. In the event of underutilisation of the amounts made available for one of these areas, the Commission will redistribute the amounts to the others, provided that there are projects eligible for subsidy in this area.

Leaf tobacco: premiums and guarantee thresholds for the 2002, 2003 and 2004 harvests (amend. Regulation (EEC) No 2075/92)

2001/0276(CNS) - 13/10/2003 - Follow-up document

Following the Council Decision Regulation 546/2002/EC to amend the activities of the Community Tobacco Fund and according to Council Regulation 2075/92/EEC on the common organisation of the market in raw tobacco, the Commission must submit a report by 31 December 2003 on the use of Community Tobacco Fund appropriations. This is the purpose of this report. In particular, this report focuses on the use of appropriations deriving from the deduction applied to the 2002 harvest. Measures under the Fund are as follows: - measures to provide information on the harmful effects of smoking continue to be implemented, but their scope has been extended as regards health warnings, and the problems of passive smoking and giving up; - the other measures under the Fund have been entirely redefined. Agronomic research has been replaced by a new priority in the form of measures to support initiatives allowing tobacco growers wishing to withdraw from the sector to switch to other crops and economic activities which generate employment, as well as studies on conversion opportunities. The Fund continues to be financed by a deduction from the premium paid to tobacco producers. This deduction has been gradually increased, thus enabling more financial resources to be made available. On the basis of a 2% premium deduction for the 2002 harvest, the overall amount available for financing the Fund for 2003 stands at approximately EUR 19 million. The equal allocation of resources to the two categories of measures means that EUR 9.5 million is available for each. As regards the use of the Fund for information purposes, the increase in the premium clawback from 1% to 2% made it possible to consider larger-scale measures aimed at providing information on the harmful effects of smoking. Accordingly, a vast anti-smoking campaign targeted at adolescents in the 12-18 age group was launched in the fifteen Member States of the Community. This campaign will take place over three years at a projected annual cost of EUR 6 million, financed in full by the Fund. In 2001, the percentage of appropriations committed stood at 99.9%. The percentage of appropriations committed in 2002 was 96.8%. With regard to conversion measures, the change in the scope of the activities of the Community Tobacco Fund in March 2002 was radical. Individual measures comprise: - switching to other crops and improving the quality of agricultural products other than tobacco, as well as providing incentives to holdings to diversify their activities; - training for producers for a switch to agricultural products other than tobacco; - establishing the infrastructure for marketing quality products other than tobacco, as well as services for the rural economy and rural people and diversifying agricultural or semi-agricultural activities with a view to creating a range of activities that generate alternative employment and income, and in particular promoting tourism and handicrafts activities. In the context of the quota buy-back programme for the 2002 harvest, quotas totalling 2 550 tonnes of tobacco were bought back and 1 335 producers withdrew from the sector. The buy-back was successful in Italy and Greece (56.8% and 39.4% of the total buy-back

respectively), as well as in Portugal, Belgium and Austria. However, no quotas were bought back in Germany, Spain or France. By way of comparison with previous years, 2002 quota buy-backs were seven times greater than those for the 1999, 2000 or 2001 harvests. The improvement in the results of the buy-back programme may also be attributed to the opportunities offered by the Fund. The report concludes that the increase in funding from 1% to 2% has made it possible to achieve a budgetary threshold authorising assistance for media measures which now cover the entire EU. On the basis of the data and forecasts the 90% rate of use should also be exceeded this year. As regards the part of the Fund earmarked for conversion activities, the interest shown by producers in 2003 has confirmed that the amendment which resulted in the Tobacco Fund providing support for the conversion of tobacco-growing areas has fulfilled genuine needs in this field. The proof lies in the fact that the measures financed in 2003 entirely used up the budget resources allocated for this purpose.

Leaf tobacco: premiums and guarantee thresholds for the 2002, 2003 and 2004 harvests (amend. Regulation (EEC) No 2075/92)

2001/0276(CNS) - 25/03/2002 - Final act

PURPOSE : to fix the premium and guarantee thresholds for tobacco and amend the objectives of the Community Tobacco Fund. **COMMUNITY MEASURE :** Council Regulation 546/2002/EC fixing the premium and guarantee thresholds for leaf tobacco for the 2002, 2003 and 2004 harvests and amending Regulation 2075/92/EEC. **CONTENT :** The premium and supplementary amounts for each tobacco harvest are fixed, taking particular account of past and foreseeable possibilities for the disposal of the various types of tobacco, under normal conditions of competition. These are linked to the guarantee thresholds fixed for the same years. With regard to the cultivation contract auction scheme, under the provisions of Regulation 2075/92/EEC the scheme must cover all the groups of tobacco varieties produced in a Member State. The scheme has not yet been applied because Member States believe that auctioning is only warranted for certain variety groups and only for contracts of producer groups which manifest an interest. This Regulation introduces more flexible provisions so that Member States can restrict this mechanism to certain variety groups only and to producer groups which wish to participate. The national quota reserves created under Regulation 2075/92/EC have failed to achieve the conversion or farm-restructuring objectives for which they were created. The possibility does, however, remain open under this Regulation for Member States which wish to do so to have recourse to the system where they consider it to be useful. The Community Tobacco Fund is set up, financed by a deduction of 2% of the premium for the 2002 harvest and 3% of the premium for the 2003 harvest. The Commission may ask for an increase of up to 5% for the 2004 harvest. The Fund will finance the following: -improve public awareness of the harmful effects of tobacco consumption, particularly through information and education, support for the collection of data to establish tobacco consumption patterns and to study nicotineism; -specific measures to help tobacco growers to switch to other crops or other economic activities that create employment and studies of the possibilities for tobacco growers to do so. **ENTRY INTO FORCE :** 29/03/02.

Leaf tobacco: premiums and guarantee thresholds for the 2002, 2003 and 2004 harvests (amend. Regulation (EEC) No 2075/92)

2001/0276(CNS) - 21/11/2001 - Legislative proposal

PURPOSE: To fix the premiums and guarantee thresholds for leaf tobacco by variety group and Member State for the 2002/03/04 harvests. **CONTENT:** In a recently published Communication, "A sustainable Europe for a better world: A European Union strategy for sustainable development", the Commission committed itself to reducing public health risks. In terms of how this may affect the Common Agricultural Policy, the Communication notes that the CAP should reorient its priorities "to reward health, high-quality products and practices rather than quantity; adapt the tobacco regime at the end of its review in 2002 so as to allow for the phasing out of tobacco subsidies while putting in place measures to develop alternative sources of income and economic activity for tobacco workers and growers and decide on an early date accordingly". The phasing out of tobacco subsidies is dependant on a Commission study into the most effective means for achieving this goal. Before such a study can take definition the Commission is in need of tobacco data from Member States. In the meantime a Commission study in raw tobacco production is under way and expected to be completed by late 2002. Based on such reports and studies, the Commission is expected to present a proposal incorporating the wishes of the Communication by the first quarter of 2003. Given the time lap between a Commission proposal on redefining the EU tobacco leaf market and the completion of the studies needed for the formulation of such a proposal, the Commission is proposing this Council Regulation, which fixes the premium and guarantee thresholds in the tobacco leaf market for the next three years. In terms of fixing the premium and thresholds for the 2002/03/04 harvest, the proposal is actively encouraging the abandonment of the Group V varieties since they have a low market outlet. Producers are being encouraged either to opt for more popular varieties or else abandon tobacco production all together through recourse to the quota buy back scheme. Premiums for other variety groups should be set at the level for the 2001 harvest. In terms of the guarantee thresholds, the aims of the proposal are two-fold: 1. To update the production profile based on the transfers applied for within the guarantee threshold in the last three marketing years and which have enabled production to be redirected towards varieties in greater market demand. 2. To adapt the quantities selectively in line with both use as recorded in recent years and market demand, especially for group I, II, III and V varieties. The reduction in the guarantee thresholds will produce a budget saving of EUR 31.4 million. Further, the proposal seeks to amend Article 6(5) of Regulation No 2075/92 by allowing Member States the option of applying the auction system to a single variety group. In addition the system would seek to simplify procedures and do away with national reserves. Lastly, the proposal seeks to amend the objectives of the "Community Tobacco Fund". Rather than financing agronomic research, the Fund should concentrate on measure which supports specific initiatives such as supporting tobacco growers to switch from tobacco to other crops or economic activities that create employment.