Basic information

2003/0271(CNS) CNS - Consultation procedure Regulation	Procedure completed
Set-aside requirement for the 2004-2005 marketing year (derog. Regulation (EEC) No 1765/92) **Subject** 3.10.14.04 Set-aside and conversion of land	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
AGRI Agriculture and Rural Development	DAUL Joseph (PPE-DE)	25/11/2003

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	2555	2003-12-17

European Commission

Commission DG	Commissioner
Agriculture and Rural Development	

Key events

Date	Event	Reference	Summary
11/11/2003	Legislative proposal published	COM(2003)0691	Summary
02/12/2003	Vote in committee		Summary
02/12/2003	Committee report tabled for plenary, 1st reading/single reading	A5-0460/2003	
03/12/2003	Committee referral announced in Parliament		
16/12/2003	Decision by Parliament	T5-0558/2003	Summary
17/12/2003	Act adopted by Council after consultation of Parliament		
17/12/2003	End of procedure in Parliament		

31/12/2003	Final act published in Official Journal		

Technical information

Procedure reference	2003/0271(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	EC Treaty (after Amsterdam) EC 036 EC Treaty (after Amsterdam) EC 037 Rules of Procedure EP 52-p1
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/5/20346

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0460/2003	02/12/2003	
Text adopted by Parliament, 1st reading/single reading		T5-0558/2003 OJ C 091 15.04.2004, p. 0026-0066 E	16/12/2003	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2003)0691	11/11/2003	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Regulation 2003/2322
OJ L 345 31.12.2003, p. 0020-0020 Summary

Set-aside requirement for the 2004-2005 marketing year (derog. Regulation (EEC) No 1765/92)

2003/0271(CNS) - 11/11/2003 - Legislative proposal

PURPOSE : to fix the basic rate of compulsory set-aside for producers of certain arable crops. PROPOSED ACT : Council Regulation. CONTENT : In order to qualify for area payments for arable crops under the reform of the common agricultural policy, producers must set aside a percentage of their arable land with a view to achieving a balance between Community production and foreseeable outlets. Small producers are dispensed from the set-aside requirement. The set-aside rate in the framework of Agenda 2000 is set at 10% and is covered by Council Regulation 1251/1999/EC. The 2003 /2004 marketing year for cereals in EU-15 is characterised by a very low production due to a severe drought in main production regions of the Community. In particular the production of soft wheat has fallen from 94 million tons in the 2002/2003 marketing year to 84 million tons in the 2003 /2004 marketing year. In recent weeks estimates of the maize harvest have been steadily revised downwards. Latest estimates are that it will be some 31 million tons, which is 25% lower than in 2002/2003. The total cereals production in the current marketing year has decreased from 209 million tons to 183.6 million tons. In this situation the ending stocks of the campaign 2003/2004 are estimated to decrease to a very low level. The harvest in the 10 candidate countries was also very bad due to severe drought. Production has decreased from 53.5 million tons in 2002/2003 to 46. 4 million tons in the 2003/2004 marketing year. On the world market the consumption of wheat in 2003/2004 is estimated at 585 million tons compared with a production of 556 million tons. For coarse grains the situation is nearly the same. The production in 2003/2004 is estimated at 893 million tons, compared with a consumption of 923 million tons, despite a record harvest of maize in the USA. Ending stocks are estimated to decrease also from 158 million tons in 2002/2003 to 128 million tons in 2003/2004. In these circumstances the Commission has made use of the market management tools available to it, including the sale of stocks from public storage and controls on exports to ensure that Community market obtains supplies. The Commission concludes that a normal harvest 2004 at a 10% set-aside rate would not be expected to lead to a significant revival of stocks in EU-25 unless exports or internal consumption were to be significantly lower than normal. On the other hand a poor harvest 2004 would expose the internal market to potentially serious risks. Under these circumstances it is proposed that the set-aside rate for 2004/2005 will be reduced to 5%. FINANCIAL IMPLICATIONS : - Budget line: B1-10. - Appropriations: EUR 16 790 million. - Expenditure charged to the EC budget: EUR 74 million, of which exports refunds (EUR 18 million) and interventions (EUR 56 million.) The estimated expenditure in 2005 is EUR 41 million and in 2006 EUR 33 million. OBSERVATIONS: It may be pointed out that if world prices in euro for the 2004/05 campaign remained at the price levels used for establishing the LA to the PDB 2004, the rates of export refund for wheat and barley will be zero, and the budgetary impact forexport refunds for these products would also be zero. This corresponds to the current situation where the refund rates for wheat and barley stand at zero. The 2 million tonnes export result from the restoration of the normal balance between internal domestic consumption and exports of cereals that has been disturbed by the drought.

Set-aside requirement for the 2004-2005 marketing year (derog. Regulation (EEC) No 1765/92)

2003/0271(CNS) - 17/12/2003 - Final act

PURPOSE : to fix the basic rate of compulsory set-aside for producers of certain arable crops. LEGISLATIVE ACT : Council Regulation 2322/2003/EC derogating from Regulation 1251/1999/EC as regards the set-aside requirement for the 2004/05 marketing year. CONTENT : the support system for producers of certain arable crops introduced by Regulation 1251/1999/EC, provides that, in order to qualify for area payments, producers are to set aside a certain proportion of their arable land. The cereals market in the Community during the 2003/04 marketing year is characterised by low production due to severe drought in main production regions of the Community. This situation is expected to cause a significant reduction in closing stocks for 2003/04 on the Community market. A normal 2004 harvest would not be expected to lead to a significant increase in stocks. A poor harvest would expose the internal market to potentially serious risks. For the 2004/05 marketing year, the rate for set-aside should therefore be fixed at a lower level than that set out in the second subparagraph of Article 6(1) of Regulation 1251/1999/EC and this Regulation aims to do just that. The Regulation states that the basic rate of compulsory set-aside shall be 5 % for the 2004/05 marketing year. ENTRY INTO FORCE : 31 December 2003. It shall apply to set-aside for the 2004/05 marketing year.

Set-aside requirement for the 2004-2005 marketing year (derog. Regulation (EEC) No 1765/92)

2003/0271(CNS) - 16/12/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted the resolution drafted by Joseph DAUL (EPP-ED, France) and adopted the proposal.