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*Committee on Budgets*

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**2011/0281(COD)**

17.10.2012

# **OPINION**

of the Committee on Budgets

for the Committee on Agriculture and Rural Development

on the proposal for a regulation of the European Parliament and of the Council  
establishing a common organisation of the markets in agricultural products  
(Single CMO Regulation)  
(COM(2011)0626 – C7-0339/2011 – 2011/0281(COD))

Rapporteur: Giovanni La Via

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## SHORT JUSTIFICATION

The common organisation of the markets within the CAP remains a vital part and constitutes a high priority in the current reform. The reform tries to outline the way forward for the individual market organization of the CAP, such as sugar, wine, olive oil etc. The proposals try to address all sectors of the CAP and that the financial interests of the Union will be upheld.

As the CAP grew more complex over the years, better regulation and a significant reduction of bureaucracy to farmers needs to be an important component of the future CAP. Any unjustified and excessive administrative burden and cost to national authorities should be avoided, especially in the light of fiscal consolidation by the Member States and the scarcity of resources. Targeted spending is required in order to ensure a sound management of the Union funds towards the delivery of crucial public goods through the multifunctional CAP.

The aim of the proposal of the Commission is to lay down a sector specific policy by addressing all individual sectors. In addition, the proposals refer to market intervention and private storage issues as well as the use of export refunds. The questions of producer organisations and producer groups, especially in the fruit and vegetable sector, together with promotion schemes and labelling practices have been addressed. Policy options are given for the sectors in order to respond to the future challenges for agriculture areas and to meet the objectives set for the CAP. The reform has to also take into account the new marketing, productions and quality package standards (e.g. milk quotas), in order to provide an efficient framework and a system able to avoid the high volatility of prices.

It is of paramount importance to ensure compliance with the requirements of public interest linked to the granting of payments.

This report has been based on the aggregate financial amounts, which the Commission has earmarked for the CAP within the next multiannual financial framework. Should fundamental changes be made to that proposal, the substance of this opinion would need to be revised.

## AMENDMENTS

The Committee on Budgets calls on the Committee on Agriculture and Rural Development, as the committee responsible, to incorporate the following amendments in its report:

### Amendment 1

#### Proposal for a regulation

#### Article 31 – paragraph 1 – subparagraph 1 – point e

*Text proposed by the Commission*

(e) environmental measures and methods of production respecting the environment, including organic farming;

*Amendment*

(e) environmental measures and methods of production respecting the environment, including organic farming **and integrated production**;

*Justification*

*As a production method that integrates as many natural resources and mechanisms as possible, 'integrated production' guarantees a type of farming that is sustainable in the long term. For this reason and because this method can be applied to virtually all crops, it should be treated as an environmental practice that is accepted by the Union in relation to agricultural products.*

### Amendment 2

#### Proposal for a regulation

#### Article 32 – paragraph 1

*Text proposed by the Commission*

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in point (a) of Article 30(1) as actually paid and limited to **50** % of the actual expenditure incurred.

*Amendment*

1. The Union financial assistance shall be equal to the amount of the financial contributions referred to in point (a) of Article 30(1) as actually paid and limited to **60** % of the actual expenditure incurred.

### Amendment 3

#### Proposal for a regulation

##### Article 32 – paragraph 2 – subparagraph 2

*Text proposed by the Commission*

However, that percentage may be increased to **4,6 %** of the value of the marketed production provided that the amount in excess of 4,1 % of the value of the marketed production is used solely for crisis prevention and management measures.

*Amendment*

However, that percentage may be increased to **5 %** of the value of the marketed production provided that the amount in excess of 4,1 % of the value of the marketed production is used solely for crisis prevention and management measures.

### Amendment 4

#### Proposal for a regulation

##### Article 55 – paragraph 1– subparagraph 2 (new)

*Text proposed by the Commission*

*Amendment*

***These standards shall apply with equal intensity and rigour to products from third countries.***

*Justification*

*Applying the principle of reciprocity should guarantee that all products destined for the same market comply with the same requirements.*

### Amendment 5

#### Proposal for a regulation

##### Article 133 – paragraph 1 – introductory part

*Text proposed by the Commission*

*Amendment*

1. To the extent necessary to enable exports on the basis of world market quotations or prices and within the limits resulting from agreements concluded in accordance with Article 218 of the Treaty, the difference between those quotations or

***1. The export refunds referred to in this Chapter shall only be used in connection with Article 154.*** To the extent necessary to enable exports on the basis of world market quotations or prices and within the limits resulting from agreements concluded

prices and prices in the Union may be covered by export refunds for:

in accordance with Article 218 of the Treaty, the difference between those quotations or prices and prices in the Union may be covered by export refunds for:

## Amendment 6

### Proposal for a regulation

#### Article 154 – paragraph 1 – subparagraph 1

*Text proposed by the Commission*

Taking into account the need to react efficiently and effectively against *threats of* market disturbance caused by significant price rises or falls on internal or external markets *or any other factors affecting the market*, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to take the necessary measures for the sector concerned, respecting any obligations resulting from agreements concluded in accordance with Article 218 of the Treaty.

*Amendment*

Taking into account the need to react efficiently and effectively against market disturbance caused by significant price rises or falls on internal or external markets, the Commission shall be empowered to adopt delegated acts in accordance with Article 160 to take the necessary measures for the sector concerned, respecting any obligations resulting from agreements concluded in accordance with Article 218 of the Treaty.

## Amendment 7

### Proposal for a regulation

#### Article 154 – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

Where in the cases of *threats of* market disturbances referred to in the first subparagraph, imperative grounds of urgency so require, the procedure provided for in Article 161 of this Regulation shall apply to delegated acts adopted pursuant to this paragraph.

*Amendment*

Where in the cases of market disturbances referred to in the first subparagraph, imperative grounds of urgency so require, the procedure provided for in Article 161 of this Regulation shall apply to delegated acts adopted pursuant to this paragraph.

## PROCEDURE

<b>Title</b>	Common organisation of the markets in agricultural products (Single CMO Regulation)
<b>References</b>	COM(2011)0626 – C7-0339/2011 – 2011/0281(COD)
<b>Committee responsible</b> Date announced in plenary	AGRI 25.10.2011
<b>Opinion by</b> Date announced in plenary	BUDG 25.10.2011
<b>Rapporteur</b> Date appointed	Giovanni La Via 6.2.2012
<b>Date adopted</b>	10.10.2012
<b>Result of final vote</b>	+: 27 –: 2 0: 2
<b>Members present for the final vote</b>	Marta Andreasen, Richard Ashworth, Francesca Balzani, Zuzana Brzobohatá, Göran Färm, José Manuel Fernandes, Eider Gardiazábal Rubial, Salvador Garriga Polledo, Jens Geier, Ivars Godmanis, Lucas Hartong, Jutta Haug, Sidonia Elżbieta Jędrzejewska, Ivailo Kalfin, Sergej Kozlík, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, George Lyon, Barbara Matera, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Dominique Riquet, Potito Salatto, Helga Trüpel, Derek Vaughan, Angelika Werthmann
<b>Substitute(s) present for the final vote</b>	Maria Da Graça Carvalho, Georgios Papastamkos, Nils Torvalds, Catherine Trautmann