WRITTEN QUESTION E-1446/07 by Luis Manuel Capoulas Santos (PSE) to the Council

Subject: Voluntary modulation

The current scale for sharing out support to farmers under the 1st pillar of the CAP is particularly unfair to Portuguese farmers compared to their EU 15 counterparts.

The Council has been issuing successive declarations for years acknowledging this 'specific situation' and, within the framework of the current CAP, this injustice can be made good only by increasing the allocations to Portugal for 'rural development'.

The compromise reached by the European Council of December 2005, given the impossibility of reaching agreement on an 'obligatory modulation' as the situation really requires, made it feasible to implement a 'voluntary modulation' of up to 20% which, in the case of Portugal, scarcely covers 5% of farmers, in order to allow this amount to be redistributed more fairly, and in keeping with the real situation obtaining in each Member State, by means of the second pillar.

I am very concerned about the dispute between the EP and the Council and Commission, in which all of Europe's farmers are being used as hostages, farmers to whom it is difficult to explain why, on the EP's responsibility, 20% of the funds to which they are entitled to in 2007 are being held back from the rural development financial package.

This being the case, what is the situation of the current negotiations to put an end to the present stalemate which is holding back 20% of the 'rural development' funding for 2007, and what solutions does the Council advocate to achieve the rapid unblocking of a stalemate which not only prejudices farmers but also tarnishes the European institutions?

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