

WRITTEN QUESTION P-3013/04  
by Jean-Claude Fruteau (PSE)  
to the Commission

Subject: Supplies of rice to the Ile de la Réunion

The Ile de la Réunion buys large amounts (between 40 000 and 50 000 tonnes) of the rice that it requires in the form of cargo rice from Europe. Accordingly, consumers on the island are safe in the knowledge that the rice that they buy has been treated with products which conform to European standards.

In the past, the price difference between European and Asian rice could be offset by a subsidy of between EUR 257 and EUR 338 per tonne.

However, Community officials rejected the application for a subsidy of EUR 238/tonne submitted on 27 May 2004. As a result of that rejection, Réunion was unable to purchase rice on the European market, and the Commission was therefore obliged to put an additional 45 000 tonnes into intervention.

If the Community offered Réunion a subsidy of EUR 250/tonne, the cost to the EU of 10 000 tonnes of cargo rice exported to the island would amount to EUR 2.5 million. By way of comparison, the cost of putting the same quantity (12 500 tonnes of paddy rice) into intervention amounts to EUR 3.75 million, i.e. half as much again. Accordingly, Réunion remains an economically very advantageous market for surplus production from continental Europe.

Since Article 299(2) of the consolidated Treaty of Nice provides for specific mechanisms to benefit the outermost regions, with particular regard to the supply of raw materials, what measures is the Commission thinking of taking so that the requirements relating to the supply of Community rice to the Ile de la Réunion may be met?