

Brussels, 11 June 2007

Simplifying the Common Agricultural Policy: Council backs 'single Common Market Organisation'

European Union agriculture ministers today backed a European Commission proposal to establish a single Common Market Organisation for all agricultural products, to replace the existing 21 CMOs. The move is a major step in the ongoing process of streamlining and simplifying the Common Agricultural Policy for the benefit of farmers, administrations and companies handling agricultural products. The creation of a single CMO will slim down legislation in the farming sector, improve its transparency and make the policy more easily accessible. It is an example of applied better regulation and therefore forms an integral part of the Lisbon strategy. The creation of a single CMO is the most significant technical simplification of the CAP yet undertaken. It should not be interpreted as a way to reform the policy by the back door. The single CMO allows the repeal of almost 50 Council acts and replaces more than 650 legal articles in the current regulations with around 200.

"This is a major step forward in simplifying the CAP," said Mariann Fischer Boel, Commissioner for Agriculture and Rural Development. "The creation of a single CMO will make the policy more transparent, more understandable and less burdensome to implement. Less red tape will make life easier for farmers and administrators, and should reduce costs for the food industry."

The single CMO follows up the Commission's 2005 Communication on simplifying the CAP, which underlined that "reducing red tape in the farm sector by making rules more transparent, easier to understand and less burdensome will reduce costs for businesses and ensure that European citizens receive value for money".

To achieve these goals, the single CMO combines and harmonises as far as possible the Council acts in the classic areas of market policy into one single Regulation. This covers the rules on intervention, private storage, marketing and quality standards, import and export rules, safeguard measures, competition, state aid and the communication and reporting of data.

This type of technical simplification is not a way to introduce reforms through the back door. Policy changes are happening in parallel, for example in the ongoing discussions on reforming the CMOs for fruit and vegetables and wine. These changes will be incorporated into the single CMO once the Council has reached final agreement on these two reforms.

The text on which a compromise was reached today in the Council provides for a single Regulation with around 200 articles, in place of some 50 Council acts with a total of more than 650 articles. Eventually, the whole CAP will be covered by just four main Council acts: those on the single CMO, the direct aid regime, rural development and the financing of the CAP. Economic operators will find it easier to find the legal text they need. Most of the current CMOs are old and have been amended very often. The single CMO will be of better quality.

The CMO can also serve as the basis for future political simplification. With improved transparency and better accessibility, a better view will be achieved of sector specific exceptions, allowing a judgment on whether these are necessary and justified. The upcoming 'Health Check' of the 2003 reforms will provide an occasion to study potential policy changes which could help further the simplification drive.

Please also see:

http://ec.europa.eu/agriculture/simplification/index_en.htm &
http://ec.europa.eu/enterprise/regulation/better_regulation/simplification.htm

See also Commissioner Fischer Boel's blog:

<http://blogs.ec.europa.eu/fischer-boel>