

**Opinion of the European Economic and Social Committee on the 'proposal for a Council Regulation amending Regulation (EC) No. 1673/2000 on the common organisation of the markets in flax and hemp grown for fibre'**

(COM(2003) 701 final - 2003/0275 CNS)

(2004/C 108/16)

On 1 December 2003 the Council decided to consult the European Economic and Social Committee, under Article 37 of the Treaty establishing the European Community, on the above-mentioned proposal.

On 9 December 2003 the Committee Bureau instructed the Section for Agriculture, Rural Development and the Environment to prepare the Committee's work on the subject.

In view of the urgency of the matter, at its 405<sup>th</sup> plenary session (meeting of 28 January 2004) the European Economic and Social Committee decided to appoint Mrs Santiago as rapporteur-general and adopted the following opinion with 31 votes in favour and one abstention.

## 1. Introduction

1.1 On 27 July 2000 the Council adopted Regulation (EC) No. 1673/2000 amending the common organisation of the markets in flax and hemp grown for fibre. The regulation entered into force on 1 July 2001.

1.2 Article 15(1) of the regulation stipulated that not later than 31 December 2003 the Commission was to submit a report on production trends in the sector in the various Member States and the impact of the reform on the sector's outlets and economic viability. The report was also to examine the maximum content of impurities and shives applicable to short flax fibre and hemp fibre.

1.3 The Commission considers that although the information gathered indicates that the arrangements have had clear positive effects on the sector, the data currently available do not allow for a detailed analysis of the production trends in the Member States or of whether or not the NGQs have been set at the correct level.

1.4 In these circumstances, the Commission thinks that the existing system of aid should not be modified until a more complete analysis of trends in the sector is available. This analysis will be carried out for the report planned for 2005.

1.5 The Commission therefore proposes that the possibility for Member States to derogate from the 7.5 % limit on impurities and shives should be extended until the 2005/06 marketing year, allowing aid to be granted for short flax fibre and hemp fibre containing a percentage of impurities and shives of less than 15 % and 25 % respectively.

1.6 The Commission considers that retaining the current aid system and prolonging the derogation for a further two years should consolidate the positive development the sector is experiencing.

1.7 As the accession countries are also producers of flax and hemp fibre, the proposal will help them adapt to the changes in the sector.

## 2. Comments

2.1 The Committee endorses the proposal and is pleased that the Commission has recognised that a sudden move to the new system of a single payment per farm would slow down the positive trends in the sector. This position is in keeping with the views expressed by the Committee in previous opinions.

Brussels, 28 January 2004

*The President*  
*of the European Economic and Social*  
*Committee*  
Roger BRIESCH