

Add new point 2.7:

'On a more general level, such forbidden zones reduce consumer choice and limit product development. They are, therefore, inappropriate in a Single Market which is there to improve choice for the consumer by removing artificial barriers.'

Reasons

Self-evident. The Single Market should remove existing barriers and not create new ones as this proposal attempts to do.

Voting

For: 17, against: 40, abstentions: 13.

Opinion on the proposal for a Council Regulation (EEC) authorizing an enhanced aid system for the formation of producers' organizations in the French overseas departments, in the Canary Islands, in Madeira and in the Azores⁽¹⁾

(92/C 223/21)

On 22 April 1992 the Council decided to consult the Economic and Social Committee, under Article 198 of the Treaty establishing the European Economic Community, on the abovementioned proposal.

The Economic and Social Committee decided to appoint Mr Pricolo as Rapporteur-General for its Opinion.

At its 297th Plenary Session (meeting of 27 May 1992), the Economic and Social Committee unanimously adopted the following Opinion.

1. The Committee fully endorses the Commission's reasons for proposing enhanced aid for the formation and initial operation of producers' organizations in the fisheries sector in the French overseas departments, Canary Islands, Madeira and Azores.

2. The principle that aid should be graduated to reflect the special structural circumstances of different EC regions must now be recognized as a constant and inalienable part of agricultural structures policy.

The use of differentiated parameters which take account of the factors that impede economic development and production in the less favoured and most outlying regions of the Community provides a way of reducing (if not eliminating) structural disparities and thus boosting economic and social cohesion.

3. Provisions on producer groups and associations thereof are contained in horizontal Regulation (EEC)

No 1360/78 of 19 June 1978 as amended by Regulation (EEC) No 3808/89 of 12 December 1989 and, with particular reference to the fisheries sector, in Regulation (EEC) No 3687/91 of 28 November 1991. The provisions are designed to overcome structural problems connected with the concentration of supply and the adjustment of production to market demand.

These problems are much more acute—sometimes dramatically so—in the Community's most outlying regions and islands. Hence the need for a greater economic and financial effort to tackle the problem of the very high number of small, inadequately organized enterprises.

4. The Committee therefore welcomes the Commission's move, not least because it will provide a consistent derogation system for producers' organizations in the fisheries sector. The Council Decisions of 26 June 1991 concerning the Poseican (Canary Islands) and Poseima (Madeira and Azores) programmes already adopt the principle that producers' organizations in the fisheries sector in these islands should be eligible for enhanced aid.

⁽¹⁾ OJ No C 100, 22. 4. 1992, p. 13.

The principle is now being extended to the French overseas departments, and a derogation from Article 6 (2) of Regulation (EEC) No 3687/91 is to apply both to the departments and to the islands.

5. Under Article 6 (2), aid may be currently granted for the formation of producers' organizations and during the first three years following recognition. For years one, two and three, aid is not to exceed 3%, 2% and 1% respectively of the value of production marketed. Nor must it exceed 60%, 40% and 20% of the organization's administrative expenses in the first, second and third years respectively.

The derogation now being proposed would authorize aid for a five-year period instead of three, and at a higher level: up to 5%, 4%, 3%, 2% and 1% of the value of production marketed in years one to five respectively. The new aid ceilings would be 80%, 70%, 60%, 40% and 20% of the organization's administrative expenses, again in years one to five respectively.

6. The Committee considers that the enhanced aid scheme should boost the development and consolidation of producers' organizations in the French overseas departments, Canary Islands, Madeira and Azores. It therefore endorses the Commission proposal.

Done at Brussels, 27 May 1992.

*The Chairman
of the Economic and Social Committee*

Michael GEUENICH
