



European Economic and Social Committee

**NAT/221
Tobacco/2004 harvest
premium**

Brussels, 10 December 2003

OPINION

of the European Economic and Social Committee

on the

Proposal for a Council Regulation amending Regulation (EEC) No. 2075/92 on the common organisation of the market in raw tobacco

(COM (2003) 633 final -2003/251 (CNS))



On 31 October 2003, the Council decided to consult the European Economic and Social Committee, under Article 37 of the Treaty establishing the European Community, on the

Proposal for a Council Regulation amending Regulation (EEC) No. 2075/92 on the common organisation of the market in raw tobacco
(COM(2003) 633 final - 2003/251 (CNS)).

On 28 October 2003, the Bureau of the European Economic and Social Committee 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 work, at its 404th plenary session of 10/11 December 2003 (meeting of 10 December 2003) the European Economic and Social Committee appointed **Mr Moraleda Quilez** as rapporteur-general and adopted the following opinion by 69 in favour, two votes against with four abstentions.

1. Introduction

1.1 In this proposal for a regulation the Council sets the deduction from the 2004 harvest premium to finance the Community Tobacco Fund. Work is currently in progress on reform of the common organisation of the market in raw tobacco, which has a direct effect on the Community Tobacco Fund. As the new rules are not due to take effect until 2005, a deduction percentage therefore needs to be set for 2004, and in the transitional context the Commission opts to maintain it at the same level as in 2003.

2. General comments

2.1 As the Community Tobacco Fund is financed from the retention at source of a percentage of subsidies granted to producers, any increase in the fund means a reduction of subsidies. In the light of the current transitional situation of the tobacco sector, the Commission proposal seems reasonable, particularly as the 3% retention will satisfactorily cover the forecast utilisation of the fund.

3. **Conclusion**

3.1 In the light of the situation of the sector, the Committee endorses the Commission proposal to maintain the retention at the same level for the coming year.

Brussels, 10 December 2003.

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Roger Briesch

Patrick Venturini