



**COUNCIL OF
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From: General Secretariat of the Council
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Subject: Report of the Commission on the implementation of the provisions on producer organisations, operational funds and operational programmes in the fruit and vegetables sector since the reform in 2007
- Draft Council conclusions

With a view to the session of the Council ("Agriculture and Fisheries") on 16-17 June 2014, delegations will find attached in Annex the draft Council conclusions prepared by the Special Committee on Agriculture. To allow the Council to reach consensus, the Presidency suggests a minor final adjustment to paragraphs 1 and 4 respectively.

DRAFT

Council conclusions on the

"Report of the Commission on the implementation of the provisions on producer organisations, operational funds and operational programmes in the fruit and vegetables sector since the reform in 2007"

1. The Council welcomes the Commission report on the implementation of the 2007 reform in the fruit and vegetables sector. The Council shares the Commission's assessment that the reform has generated an increase in the share of the total value of EU fruit and vegetable production marketed by producers' organisations (POs) and associations of POs (APOs). The Council therefore believes that producer organisations working within sustainable operational programmes under Regulation (EU) No 1308/2013 should continue to play a central role in achieving the objectives of common agricultural policy for the fruit and vegetables sector.

The Council also shares the Commission's assessment that the reform has still to achieve its full potential. In particular, the Council notes that the degree of organisation between producers remains low or non-existent in some Member States and that there are differences in the degree of organisation between producers in different Member States and in different regions. The Council therefore considers that, while recognising the different conditions among Member States, more can be done to improve the functioning and attractiveness of producers' organisations thus boosting the competitiveness of the sector.

2. In this context, the Council considers that the procedure to set up and run a recognised producer organisation which has access to EU funds for its operational programme is complex and prone to legal uncertainty. Moreover the Council considers that the administrative burden is too high and risks depriving producers of the full benefits afforded by the reform.

The Council therefore believes that more can be done to cut red tape and simplify the rules and procedures, providing producers with a clear, predictable and transparent framework within which they can best respond to the market. The Council invites the Commission to review the suggestions made to this end by Member States.

The Council also underlines the benefits of sharing best practices and experience. In this context the Council emphasises the continuing contribution made by existing high performance producer organisations, as well as transnational producer organisations. The conditions applicable to these producer organisations, including on burden-sharing between Member States, merit further careful review in the light of Member States' suggestions.

3. The Council recognises that production of fruit and vegetables is unpredictable, that the products are perishable and that even limited surpluses can significantly disturb the market. The Council believes that the enhanced tools available to the Commission under the 2013 CAP reform on crisis prevention and management provide a solid basis for effective and efficient action at EU level. Raising producers' awareness on these measures, making them effective and ensuring clarity and simplification in their implementation should be explored to allow producers take full advantage.

4. The Council therefore invites the Commission to review and analyse the underlying reasons and possible improvements to better achieve the objectives set by the Common Agricultural Policy for the fruit and vegetables sector, and, after an adequate period of implementation of the recent reform of the CMO, if appropriate, take the necessary initiatives.

The Council further invites the Commission to take into consideration the views of all Member States regarding the regulatory framework for the sector with a view to announcing, before the end of this financial period, its future intentions on the CAP post 2020, including for the fruit and vegetables sector.
