



# *CMO status report and perspectives*

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ICOP November 2011



# Exceptional measures for F&V sector following e-coli crisis



'quick response' to the crisis :

- Following the German press release of 26 May 2011 on the e-coli outbreak, the Commission reacted very swiftly:
  - 7 June:
    - Extraordinary Council of Ministers
    - Management Committee: first draft Regulation.
  - 14 June: vote on the draft Regulation at the Management Committee.
  - **18 June: Regulation published in OJ.**
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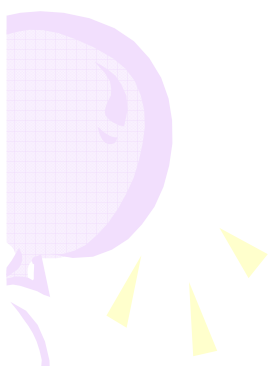
# Exceptional measures for F&V sector following e-coli crisis

Exceptional and temporary measures based on article 191 sCMO(emergency)

- Scope of the measure :  
Measures concern products **most directly affected** by the crisis, i.e. **tomatoes, cucumbers, lettuces and certain endives, courgettes and sweet peppers**, and were limited in time (26 May to 30 June); not fruits despite several demands
  - Content :comprehensive package
    - a new 100% EU financed payment available to **all producers**, whether or not they are members of a producer organisation, and
    - for producer organisations only, greater flexibility in the application of the current rules in the framework of the SCMO.
  - The exceptional measures were focused on market intervention measures, and in particular, on withdrawal (no 5% quantitative limit and 4,6% VMP capping for POs) and green harvesting/non harvesting operations (as defined in R 585/2011) aimed at decreasing the market pressure so that producer prices can return to normal levels.
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# Exceptional measures for F&V sector following e-coli crisis

- **Promotion activities:** the Commission adopted on 18 July 2011 Regulation (EC) No 688/2011 setting out an additional calendar for the submission and selection of information and promotion programmes on fresh F&V on the internal market and in third countries.
  - As a part of the **information activities**, the Commission launched on 19 July a media campaign in all EU Member States to win back consumer trust in F&V. The campaign consisted of advertisements in print media as well as an audiovisual news package distributed free of charge to TV stations across the EU and neighbouring countries.
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# Exceptional measures for F&V sector following e-coli crisis

Budget :

- The EU budget available **to producers** for this comprehensive "EHEC e-coli" package was set at **210 million €**; But it was increased via Regulation 768/2011 to **227 million €** in order to adequately support vegetable producers and to cover all eligible requests

- Allocation coefficient fixed at 100%



- Followed by a promotion package :

*The European Commission has approved 14 programmes in 11 Member States to **promote fresh fruit and vegetables in both the internal market and third countries**. The total budget of the programmes, running for a period of three years, is **€ 34.1 million of which the EU contributes € 17.0 million (50%)**. This was one of a set of measures proposed by the Commission in summer 2011 to address the difficult market situation faced by this sector as a consequence of the E-coli crisis*

**2 important elements to note for this crisis : loss of consumer confidence + loss of markets (inside EU and Russia ban)**

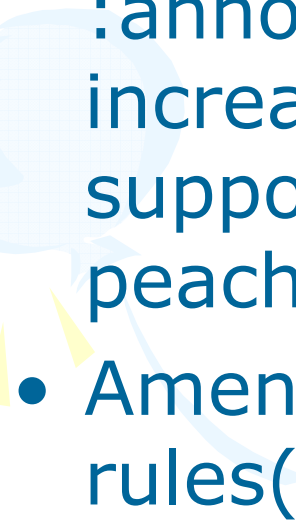



# L'épidémie de STEC: les chiffres clés

- En Allemagne
    - premier cas: début mai 2011
    - 22 mai 2011: pic des cas (200 cas/jour)
  - Au niveau européen
    - rapports de l'Allemagne à la Commission et aux EM: 21 mai 2011
    - 12 EM et quelques pays tiers affectés
    - "cluster" français lié à la consommation de graines germées: 24 juin 2011
  - 7 juillet 2011: dernier cas (apparition signes cliniques)
  - 26 juillet 2011: fin de l'épidémie
  - chiffres ECDC (actualisés au 28 juillet 2011): 3910 cas, 782 S.H.U., 46 morts
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# Peaches and nectarines crisis

- 19 July 2011 : agricultural council and 28 July 2011 management committee :announcement of the intention to increase the maximum amounts of support for market withdrawals for peaches and nectarines
  - Amendment of the implementing rules(R543/2011), not a specific regulation: vote and publication in September 2011
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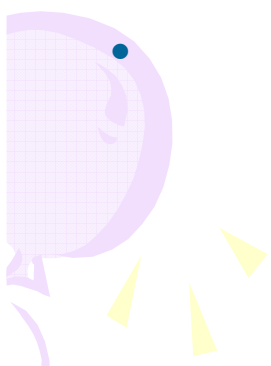


# Peaches and nectarines crisis

- Not an E coli sanitary type of crisis, emerging crisis due to simultaneous production timetables in Member States because of weather conditions and July weather impacting on consumption as well
  - New maximum amounts for both set at 26,9€/100 kg, as from 19 July, modification not only for 2011 year, with effect as from 19 July, and no other adjustments such as derogations to various ceilings (5% quantitative limit per PO, 4,6% VMP capping )
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# Crisis measures: the next steps....

- The experience within the E. coli outbreak has shown that the available tools under the current legislation **are limited** where urgent reaction is needed.
  - Therefore, the Commission proposal for the new sCMO under CAP 2020 aims to establish a new legal basis and instruments that **allow a quick reaction with appropriate measures when a crisis occurs**( *Article 155 sCMO :Measures concerning animal diseases and loss of consumer confidence due to public, animal or plant health risks*):**implementing acts**
  - In the framework of sCMO, the establishment of a **new reserve for crises in the agricultural sector** (€3.5 billion for the financial perspective or €500 mio per year) **and the enlargement of scope of the clause of loss of consumer confidence to all sectors** are proposed for this purpose.
  - Besides, in the proposed Regulation for rural development, a **new horizontal risk management toolkit** to deal more effectively with income uncertainties and market volatility is included.
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## Crisis measures: the next steps...

Call of the European Parliament in October 2011 to increase for the fruit and vegetable sector the amounts for the budget lines « aid for preliminary recognition of producers groups » by 75 million€ and for « operational funds to producer organisations by 175 million€ » and asking for Commission proposals and that this increase will serve specific measures for the producers affected by the E coli crisis and prevent future crisis