

External aid: financial and technical assistance to ACP countries that are signatories to the Sugar Protocol following the reform of the common organisation of the market in sugar CMO

2005/0117(COD) - 15/12/2005 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution making some amendments to the Commission's proposal. It should be recalled that the Parliamentary Committee had wanted the EU to provide EUR 80 million in 2006, double the EUR 40 million proposed by the European Commission when it unveiled the reform in June this year. (Please see the summary of 26/09/2005.) However, the final figure of EUR 40 million was approved by Parliament in order to reach agreement with the Council in first reading. Parliament's rapporteur Bernard **Lehideux** (ALDE, FR) therefore called for his name to be withdrawn from the report although reluctantly supporting the first-reading agreement on the EUR 40 million. The figure of EUR 80 million would come from the External action budget heading, a key area in the ongoing negotiations between Parliament and Council on the 2006 budget. In addition, the assistance provided for under the Regulation shall be complementary but additional to assistance provided under other instruments of development cooperation.

Other amendments, however, followed the committee line:

-ACP countries that had already taken steps to adapt their sugar industry in anticipation of the EU sugar reform should not be penalised. A new clause stipulates that the multi-annual adaptation strategy "may include measures in the process of being implemented and also current and future financial impacts of social plans already implemented", provided that these measures and plans are clearly in line with the objectives laid down in Article 4 of the regulation;

-ACP countries affected by the reform should promote non-food uses of sugar such as bioethanol production;

-the reform's flanking measures should be extended automatically to 2007 if negotiations on the next financial perspective drag on, thereby delaying implementation of the new instrument for development aid and economic cooperation.