




# Procedure file

Basic information		
CNS - Consultation procedure Regulation	<a href="#">2004/0269(CNS)</a>	Procedure completed
Potatoe starch: quota system for the production, 2005/2006 and 2006/2007 marketing years		
Amending Regulation (EC) No 1868/94 <a href="#">1994/0038(CNS)</a>		
Subject 3.10.02 Processed products, agri-foodstuffs 3.10.15 Agricultural production, farm surpluses, shortages and quotas, non-marketing premiums		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Agriculture and Rural Development	PPE-DE <a href="#">WOJCIECHOWSKI Janusz</a>	20/01/2005
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2662</a>	30/05/2005
European Commission	Commission DG	Commissioner	
	<a href="#">Agriculture and Rural Development</a>		

Key events			
06/12/2004	Legislative proposal published	<a href="#">COM(2004)0772</a>	Summary
26/01/2005	Committee referral announced in Parliament		
19/04/2005	Vote in committee		
21/04/2005	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A6-0096/2005</a>	
10/05/2005	Debate in Parliament		
11/05/2005	Results of vote in Parliament		
11/05/2005	Decision by Parliament	<a href="#">T6-0172/2005</a>	Summary
30/05/2005	Act adopted by Council after consultation of Parliament		Summary
30/05/2005	End of procedure in Parliament		
22/06/2005	Final act published in Official Journal		

Technical information	
Procedure reference	2004/0269(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation (EC) No 1868/94 <a href="#">1994/0038(CNS)</a>
Legal basis	EC Treaty (after Amsterdam) EC 037; EC Treaty (after Amsterdam) EC 036
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/6/25369

Documentation gateway					
Legislative proposal		<a href="#">COM(2004)0772</a>	06/12/2004	EC	Summary
Economic and Social Committee: opinion, report		<a href="#">CES0248/2005</a> <a href="#">OJ C 234 22.09.2005, p. 0025-0025</a>	09/03/2005	ESC	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0096/2005</a>	21/04/2005	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0172/2005</a> OJ C 092 20.04.2006, p. 0111-0165 E	11/05/2005	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2005)2482/2</a>	16/06/2005	EC	

Additional information	
European Commission	<a href="#">EUR-Lex</a>

Final act
<a href="#">Regulation 2005/941</a> <a href="#">OJ L 159 22.06.2005, p. 0001-0003</a> Summary

## Potatoe starch: quota system for the production, 2005/2006 and 2006/2007 marketing years

**PURPOSE** : proposal to amend 1868/94/EC on quotas in relation to the production starch and report from the Commission on the quota system for the production of potato starch.

**CONTENT** : the current quotas are fixed by Regulation 1868/94/EC until the end of the 2004/05 marketing year (30 June 2005).

On 26 June 2003 the Council adopted a fundamental reform of the Common Agricultural Policy (CAP), which significantly changes the way the EU supports the agricultural sector. The vast majority of the CAP's direct payments are to be paid independently of production. These new 'single farm payments' are conditional upon cross-compliance with environmental standards, among others.

In order to maintain starch production in traditional areas of production and to recognise the role of potato production in the rotation of crops, partial decoupling has been adopted in this sector. Part (40%) of the current aid is to be decoupled and included in the single farm payment scheme, based on deliveries over a historical period to potato starch manufacturers. The remaining 60% will be retained as aid for farmers producing potatoes intended for the manufacture of potato starch, as defined in Articles 93 and 94 of Council Regulation 1782/2003/EC. Where a Member State applies an optional transitional period which delays the application of decoupling, the current aid amount will continue to apply.

The aid shall be paid only in respect of the quantity of potatoes covered by a cultivation contract between the potato producer and the starch manufacturer within the limits of the quota allocated to that undertaking in accordance with Regulation 1868/94/EC.

In the new Member States which produce potato starch a simplified single area payment scheme (SAPS) is to be applied, accompanied where appropriate by direct national payments (top-ups).

Six new Member States have been involved since the 2004/05 marketing year in the quota system for potato starch and share a total quota of 186 613 tonnes fixed for 2004/05, of which 78% goes to Poland, 18% to the Czech Republic, and 4% is divided between Estonia, Latvia, Lithuania and Slovakia.

The EU quota has increased by 11% as a result, from 1 762 million tonnes (EU-15) to 1 949 million tonnes (EU-25).

Potato starch is in competition with cereal starch. The restrictions on production applied in the cereals sector, in particular set-aside, and the increase in production of potato starch at the beginning of the 1990s led the Council to limit production of potato starch from 1995/96 onwards by introducing the quota system (Regulation 1868/94/EC).

The report discusses the development of the potato and cereal starch sector, with special reference to exports and production.

Under Article 3(2) of Regulation 1868/94/EC the three-yearly quota must be allocated among producer Member States on the basis of a report from the Commission to the Council. The recent changes in the common agricultural policy and in production in the Member States which joined the Community on 1 May 2004 must be taken into account to this end and, pending indication of the initial effects on the sector, the existing quotas for the 2004/05 marketing year will be rolled over for two more years

#### FINANCIAL IMPLICATIONS :

- Budget lines : 05 02 01 03 (PDB appropriations EUR 47 million), 05 02 03 15 ( PDB appropriations EUR 195 million) and 05 02 12 02 (PDB appropriations EUR 1 394 million).

- Expenditure forecasts : 2006 : potato starch prime : EUR 43,4 million; aid for potatoes : EUR 159,7 million ; Total : EUR 203,1 million;

- 2007 : potato starch prime : EUR 43,4 million; aid for potatoes : EUR 124,1 million;  
Total : EUR 167,5 million.

## Potatoe starch: quota system for the production, 2005/2006 and 2006/2007 marketing years

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Parliament adopted the report draft by Janusz WOJCIECHOWSKI (EPP-ED, PL) by 546 votes in favour, to 23 against and 9 abstentions, on establishing a quota system in relation to the production of potato starch. This report was subject to the following amendments stating that the existing quota system should be rolled over for the next 4 marketing years (2005/06, 2006/07, 2007/08 and 2008/09). This quota system should allow for the possibility of transnational balancing-out with priority being given to the ten new Member States. The Commission shall present the Council, no later than 30 September 2008, with a report on the allocation of quota within the Community, accompanied by appropriate proposals. This report shall take account of any changes in the payments to potato producers and of developments on the potato starch and cereal starch markets. No later than 31 December 2008 the Council shall decide on the proposals from the Commission. No later than 31 January 2009 the Member States shall notify those concerned of the detailed rules adopted for the sector.

## Potatoe starch: quota system for the production, 2005/2006 and 2006/2007 marketing years

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PURPOSE: to establish a quota system in relation to the production of potato starch.

LEGISLATIVE ACT: Council Regulation 941/2005/EC amending Regulation 1868/94/EC establishing a quota system in relation to the production of potato starch.

CONTENT: the purpose of the Regulation is to renew the existing potato starch quotas for a period limited to two years (2005/2006 and 2006/2007 marketing years), including for the six new producing Member States (Poland, Czech Republic, Latvia, Lithuania, Estonia and Slovakia).

The current potato starch quotas, fixed by Council Regulation 1868/94/EC and since amended, expire in June 2005, at the end of the 2004/2005 marketing year. The Council must allocate the quota, which up till now has been for three years, between the Member States as from July 2005.

Following the CAP reform in June 2003, 40% of the current payment is disbursed in the form of a payment to the holding, with the remaining 60% maintained as aid to farmers who produce starch potatoes.

ENTRY INTO FORCE: 29.06.2005.

DATE OF APPLICATION: 01.07.2005.

## Potatoe starch: quota system for the production, 2005/2006 and 2006/2007 marketing years

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The Council adopted, by qualified majority, the Council Regulation amending Regulation 1868/94/EC establishing a quota system in relation to the production of potato starch. The Italian, Polish and Lithuanian delegations voted against.