

EU-Commission  
GD Agri  
Mr Longo  
Mr Boisdequin  
Rue le la Loi 200  
B – 1049 Brussels

Bonn, March 10<sup>th</sup>, 2003

ESA\_03.0080

**Proposal of the EU-Commission for an integration of the Market Organisation for Seeds (Council Regulation 2358/71) in a direct support scheme under the Common Agricultural Policy (2003/0006 (CNS))**

Dear Mr Longo,  
Dear Mr Boisdequin,

The Section Forage Plants and Amenity Grasses of the European Seed Association (ESA SFG) has taken note of the EU-Commission proposals for a reform of the Common Agricultural policy introducing a system of decoupled compensatory payments (2003/0006 (CNS)). ESA SFG is presently preparing a position paper on the views of plant breeders, seed production companies and seed trade with regard to the Market Organisation for Seeds (Council Regulation 2358/71) in that context. Please find in the following a first reaction of ESA SFG for your consideration.

The EU-Commission proposes to replace several market organisations including the Market Organisation for Seeds by decoupled payments starting from the marketing year 04/05. Please note that the production cycles for several species covered by the Market Organisation for Seeds take up to three years. Consequently, because of unavoidable natural and technical reasons, contracts must be made between plant breeders, production companies and seed producing farmers not only for the marketing years 03/04 but for the two years beyond that date, i.e. in spring 2003 already for the seed harvest in 2004 and 2005. A fundamental change of the support systems of the EU-Commission within a cycle of contractual production would endanger investments in seed supply for the following marketing years.

ESA SFG expects that the reform of the Common Agricultural Policy proposed in the Midterm Review may not be implemented from the marketing year 04/05, as intended, but may be postponed to allow for an in depth discussion. The seed subsidies in the framework of the Market Organisation for Seeds, however, are only fixed for 02/03 and 03/04. A Council Regulation for the subsidy amounts in 04/05 and 05/06 is due in March 2003.

ESA SFG strongly urges the EU-Commission to ensure the smooth functioning of fodder seed production and avoid disruptive changes of

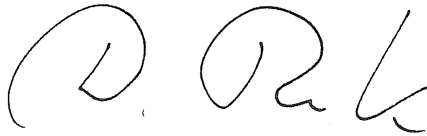
the support systems without advance notice. Therefore, the necessary preparation for a Council Decision on seed subsidy amounts for the marketing years 04/05 and 05/06 must be taken without delay.

The EU fodder seed industries represented by ESA SFG remain at your disposal for any additional information or clarification required.

Sincerely Yours  
European Seed Association



Dr. Gisbert Kley  
Chairman of the Subsection  
Seed Production and Statistics  
within ESA SFG



Dieter Rücker  
Secretary of the Subsection  
Seed Production and Statistics  
within ESA SFG