

21.12.2004

**Meeting between the Minister and Mr. Fernard Boden,
chairman of the Council during the Luxembourg Presidency**

Points of intervention

Dear Fernand,

I am particularly pleased for today's meeting, which will give us the opportunity to exchange views on some topics that will be discussed at the Council during your Presidency, and which are of particular importance for my country. More specifically:

Rural development and CAP financing

Both items are of particular importance for Greece.

Rural development. I have already underlined to Mariann that our decisions on the development of the rural areas, should complete the new reform of the common agricultural policy and should create the necessary conditions for active rural regions and for a viable and competitive agriculture.

The most efficient approach of our objectives makes a must the supply of a sufficient degree of flexibility to the member states

The coefficients of gravity of the development axis, proposed by the Commission will act in my opinion as a deterrent when we consider the need for guaranteeing a well-balanced development. The same considerations are valid for the Leader initiative as well.

As to the financing of the rural development, I believe that each member state should receive the same amount of support, given to it in the framework of the 3rd Community Support Framework. We also need to consider carefully the definition of the distribution criteria of the financing.

The proposal of the Commission should also be improved in order to achieve the simplification objective.

We should also re-examine measures concerning the re-definition of problematic areas, the use of the reserves, the forest protection and the consideration of distant and insular regions.

CAP financing: the proposal of the Commission, includes some provisions, which are a source of concern for me. More specifically, the extension of the time of accounts clearance from 24 to 36 months, the provisions on the non eligibility of the direct payments due, after the 15th of October each year, the forecasts for attributions and the provisions on the financial discipline should be more carefully approached.

In the field of fruits and vegetables, I want to repeat the point of view that I have already expressed within our Council that is that it is not necessary to have important changes. I believe we should also have interventions, which will contribute to its better and more efficient operation. I would like to remind you that we recently agreed on the need to improve the regime of the Producers Organizations all over the European Union, to face the crisis of the sector and to promote its products.

As to the reform of the CMO of sugar, everything shows that the proposal of the Commission will be tabled at the end of your presidency.

In my country, the production of sugar concerns particularly sensitive areas and it covers a large number of jobs. In the event of a discontinuation of the production, there are no alternative solutions both for the beetroot producers and for those working in the industry. It is quite easy to understand as a result the importance and the impact that a non-realistic reform of the sector will bring about.

I believe that all our interventions in the regime of sugar should be only the necessary ones, should not be hasty and should be followed by the necessary transitional period.

The existence of a clear framework as to the preferential sugar imports is a basic element for the well-balanced and smooth operation of the market. Up till now, all the data and the indications make us believe that in the near future we will have an explosion of imports from the Less Developed Countries and create many doubts as to the real origin of the product imported as well as to the possibility that these countries have to get the real support we have decided to give as European Union in the framework of the agreement "Everything but Arms". Thus, it is necessary to re-examine the issue of sugar in the framework of EBA, tending towards a preferential regime of quotas, thus satisfying the demand of the Less Developed Countries. I believe that in the framework of your presidency, we might aim at something of this type, during the discussions of the new Generalized Preferences System.

As to **negotiations within WTO**, there is no doubt we are going through a stage of intensive discussions and we not only need systematic and in depth examination of the technical aspects of the items under negotiation, but we also need to be alert.

As A European Union we have shown up till now generosity and flexibility, but we have not had a particular response.

Another item of concern, are discussions on cotton (the relative initiative of the African Countries). I want to make it clear that I do not agree with solutions that entail a specific treatment of this problem. As I have had the opportunity to say recently to Mariann the "cotton sub-committee" that has already been set up, should not have a negotiating capacity. Its role is limited, it should

respond to the Committee of Agriculture and operate in such a way to protect the unity of the agricultural negotiations.

Furthermore, for us the issue of geographical indications is of particular importance.

I also believe that you should see so that as a result of your initiative, our Council is kept informed on the course of international negotiations concerning wine, rice and bananas.