



European Commission  
Directorate-General for Agriculture

# Newsletter

ISSN 1560-1862

## Support measures for rural areas hit by drought and forest fires

**The Commission has stepped in to help farmers and foresters across the EU who have been badly affected by the extreme weather conditions during the summer. Its practical assistance takes a variety of forms.**

The drought has been a blow to many farmers and, in some regions, follows problems caused earlier in 2003 by frost and severe storms. Farmers' incomes in several sectors will have been hit hard, notably by tumbling crop yields. Lower than anticipated returns from both crops and livestock harm cash flow. At the same time, animal feed prices have risen and farmers have struggled to obtain sufficient feed supplies.

The Commission's response, which is coordinated with those of Member States, has been to address these problems in very specific ways. In late July, the Commission and Member States agreed to suspend export refunds on cereals so they could remain available on the EU market for feeding purposes. And the Commission is allowing farmers in drought-affected areas to use set-aside land for grazing or for feed purposes.

In mid-August, the Commission proposed a three-pronged package of measures.

- In the areas affected by drought, bringing forward advance payments of 50 % of direct support (for 2003/04) for arable crops from 16 November to 16 October, thus helping to alleviate income loss and cash flow problems in the arable sector.
- Offering quantities of rye, barley and sorghum for sale by tender from intervention stocks, to be used in animal feed. Quantities covered are 730 000 tonnes of rye, 610 000 tonnes of barley and 12 000 tonnes of sorghum. The first deadline for the introduction of offers was 18 September. This comes on top of sales of rice from intervention for feed purposes agreed in July.
- Making early and higher payment of advances for suckler cow and special beef premiums and sheep and goat premiums (brought forward from 16 October to the beginning of September in the worst affected areas).

The Commission has been helped in taking such prompt supportive action thanks to data provided by its

Joint Research Centre (JRC). The JRC has used its advanced crop yield forecasting system to predict the effects of the drought on this year's harvest. The expected drop in the main crop yields ranges from about 2 % for potatoes to 25 % for sunflowers overall in the EU (with some areas suffering more dramatic falls). The loss in wheat production will be approximately 10 million tonnes compared with the 2002 harvest. Yield forecasts are calculated bimonthly, based on agro-meteorological model outputs and satellite indicators combined with time series trend analyses.

The forestry sector has also suffered, notably in Portugal where, by 20 August, over 300 000 hectares of forest (6 % of the total forest area of Portugal) had been burnt and lives lost. The Commission's assistance is again practical and supplements national efforts.

Firstly, the European Forest Fire Information System (EFFIS) provided fire risk forecast maps, which gave civil protection and forest fire services in the Member States detailed and daily advance warning of local fire risks, allowing them to take preventive action. Secondly, the Commission-run European Forest Fires Damage Assessment System (Effdas) provided precise information on damage and allowed for assistance needs to be targeted accurately. The Commission has coordinated and part-financed the EU's forest fire protection plan since 1992.

Assistance to drought-stricken farmers and the forest sector is not limited to these measures. As Commissioner Fischler outlined in mid-August, 'It is clear that, in circumstances such as these, Member States have primary responsibility and can take appropriate measures, including through amending their rural development programmes and by adopting eligible State aids.' The Commission is keen to examine and approve such amendments. Forestry chapter measures in areas classified as high or medium forest fire risk <sup>(1)</sup> must conform to the relevant forest protection plan of the Member States. A flexible approach to consideration of *force majeure* in rural development measures is also possible, for example the possibility to derogate from the five-year commitment in agri-environment schemes (see 'News in brief' below for news of a new publication on forestry issues).

<sup>(1)</sup> For further information, see [http://europa.eu.int/comm/agriculture/fore/fires/index\\_en.htm](http://europa.eu.int/comm/agriculture/fore/fires/index_en.htm), and Newsletter No 54.

# Collapse of trade talks in Cancún

Earlier optimism that progress would be made in amending the rules on international farm trade dissolved recently when negotiations broke down after only four days into the fifth WTO ministerial meeting in Cancún, Mexico, which began on 10 September (1).

With its newly reformed trade-friendly common agricultural policy (CAP) (2), the EU had entered the negotiations hoping to achieve a reasonable deal on world trade reform. Furthermore, in Geneva on 13 August, in preparation for Cancún, the EU and the US had presented a joint paper aimed at fulfilling the objectives of the Doha Development Agenda and which addressed the three main 'traditional' areas for negotiation, i.e., domestic support, market access and export subsidies. Despite a certain amount of progress having been made on agricultural issues, however, the final stumbling block proved to be the so-called 'Singapore' issues covering trade and investment, trade and competition policy, transparency in government procurement and trade facilitation.

Speaking after the talks had broken down, Commissioner Franz Fischler commented:

'Whatever happens to the Doha Development Agenda, one thing I can promise: for us, there is no way back. Europe will continue the path of agriculture reform we have embarked upon. We will continue to change our farm policy to make it more competitive, trade-friendly and more in tune with the interests of the poor countries, European farmers and citizens.'

Ministers agreed that discussions should be resumed in Geneva by 15 December 2003 at the latest.

(1) Detailed information on the aims and results of the conference can be found on [http://europa.eu.int/comm/agriculture/external/wto/cancun/index\\_en.htm](http://europa.eu.int/comm/agriculture/external/wto/cancun/index_en.htm).

(2) See 'Special Newsletter of July 2003 for a summary of the CAP reform: [http://europa.eu.int/comm/agriculture/publi/newsletter/capreform/special\\_en.pdf](http://europa.eu.int/comm/agriculture/publi/newsletter/capreform/special_en.pdf).

## News in brief

### ❑ Six new geographical indications and designations of origin have been registered

On 25 August, the Commission announced the addition of six new names to the 'Register of protected designations of origin (PDO) and protected geographical indications (PGI)'. These are Ficodindia dell'Etna (fruit — Italy — PDO), Manazana de Girona or Poma de Girona (fruit — Spain — PGI), Monte Etna (oil — Italy — PDO), Colline di Romangna (oil — Italy — PDO), Pretuziano delle Colline Teramane (oil — Italy — PDO) and Torta del Casar (cheese — Spain — PDO).

These EU quality signs were established in 1992 in order to encourage the diversification of agricultural production, to protect producers from misuse and imitation of the names of their products and to inform consumers on the specific character of the products.

### ❑ European Commission supports OIE global conference on animal welfare

The OIE (World Organisation for Animal Health) is convening a global conference on animal welfare, to be held in Paris from 23 to 25 February 2004. The European Commission is actively involved in the organisation of the conference and Commissioner David Byrne will attend. The conference will provide a forum for various stakeholders (governmental authorities, scientists, industry, non-governmental organisations and consumers) to contribute to the OIE's animal welfare activities. Those interested in attending the conference should register their interest by 31 October 2003 via the specific conference web site [http://www.oie.int/eng/Welfare\\_2004/home.htm](http://www.oie.int/eng/Welfare_2004/home.htm).

### ❑ New publication: *Sustainable forestry and the European Union*

In collaboration with other DGs, the Agriculture DG has this month published a new brochure entitled *Sustainable forestry and the European Union*. The brochure aims to present current EU initiatives and activities related to the forest sector which complement and reinforce the forest policies of the Member States (1).

(1) Catalogue No: KF-52-03-158-EN-C (in English only).

