



## **ACP sugar supplying states welcome work of European Parliament on sugar reform proposals**

Brussels 5 October 2005: African, Caribbean and Pacific (ACP) sugar supplying states today noted with interest the adoption of the Opinion of the Development Committee of the European Parliament on the proposed reform of the EU sugar regime. The ACP Sugar Group is particularly encouraged by the proposal of draftsman **Lady Glenys Kinnock MEP** to phase in price cuts for ACP countries over a period of 8 years as compared with the 4 years proposed by the European Commission. The Group also welcomes the provision of financial support for ACP countries from the proposed restructuring fund to help them, like their European counterparts, modernise and re-structure their sugar cane industries.

However, ACP countries maintain that the 39% price cut in question is unjustifiably severe and would spell disaster for ACP economies. In this respect, they welcome as a step in the right direction the recently completed draft report of Agriculture Committee rapporteur **Mr. Jean-Claude Fruteau MEP** which calls for a less drastic reduction of 25%. ACP countries nonetheless stress that the cut should, and could, be even lower.

*"We appreciate the fact that MEPs are sympathetic to our position and are taking our concerns into account,"* said Ambassador George Bullen, Chairman of the ACP Consultative Group on Sugar. *"We hope that Member States will follow the Parliament's lead and opt for a more just, equitable and sustainable reform."*

The European Parliament will vote next week<sup>1</sup> on **Mr. Bernard Lehideux MEP's** Report on accompanying measures for ACP countries. Mr. Lehideux and his Development Committee colleagues have voted in favour of granting ACP countries €80 million in financial assistance for 2006, as compared with a paltry €40 million proposed by the European Commission. *"Although still not nearly enough to help us to adapt and survive, this would be a welcome improvement on the Commission's proposal,"* according to Ambassador Bullen.

The ACP supports the UK proposal to allocate €100 million in assistance in 2006 with €500 million annually thereafter, and urge the Commission, Parliament and Council to identify a dedicated EU budget line from which the resources can be provided.

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For general background information visit the ACP Sugar website at:

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<sup>1</sup> The plenary vote is currently scheduled for the Brussels mini-session on Thursday 13 October. However, this date still has to be confirmed.

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