

Italian Committee for the Defence of the Tobacco

Rome, 2003 October 3rd

To the Members of Agricultural Committee
European Parliament

Dear Sir/Dear Madam,

the European Commission has elaborated a reform proposals on the Mediterranean CMOs, that has been submitted to the Council and the European Parliament on September 23rd.

Such proposals are relative, among others, to the tobacco sector, it is clear that they would represent an immediate death sentence, without appeal, for the tobacco production and the whole tobacco industry in Europe.

We want to point-out to your attention the following :

- the Göteborg European Council has not in any way, nor explicitly nor implicitly, expressed consensus to the Commission proposal, aimed to the phasing-out of tobacco subsidies;
- on the contrary, the European Parliament and the Economic and Social Committee have expressed with a large majority their support to the preservation of the tobacco production;
- the disruptive effects on local economies potentially caused by the Commission proposal is not an exaggerated dramatization, but is the result clearly foreseen by the “Extended Impact Evaluation”, prepared by the Commission Services themselves. In this document, it is brutally confirmed that all jobs (largely underestimated at around 200.000), both in agriculture and in the first processing industry, will be “temporarily” lost, while waiting for the possibly positive effects of the restructuring envelope;
- the CMO evaluation paper, prepared by COGEA, as confirmed by the “Extended Impact Evaluation”, confirmed that no link exist between the termination of the tobacco production in Europe and European consumers health. This approach would destroy important agro-industrial districts, while the shortage in European tobacco production will be immediately substituted by imports from non-EU countries;

Moreover, we want to point out that the proposal that will be submitted to your attention by the Commission Services does not match with any of the three principles sanctioned by the compromise of Luxembourg on the Mediterranean crops. In fact:

- it clearly is not a proposal that guarantees a long term perspective for the tobacco production, which, on the contrary, would be brutally and immediately eliminated;
- it isn't a proposal that guarantees the financial envelope, since a significant portion of the subsidies would be switched off from agriculture towards not better identified activities and alternative sources of income;
- finally, the proposal of total decoupling would not be in line with the general framework of the CAP reform (which on the contrary has indicated total decoupling as an exception, vis-à-vis to a variegated panorama of partial decoupling, of total coupling, of national aids); as well, it has been clarified that the decoupling scheme must not in any case become a tool for the abandonment of rural production.

Dear Sir/Madam, we therefore invite you to express a strong negative position on the reform proposal (better definable as elimination) of the Common Market Organization of raw tobacco and, in observance to the commitments and to the decisions taken by the Council and the Commission in Luxembourg, to exact from the Commission the submission of a new proposal that assures a long-term prospective for the sector.

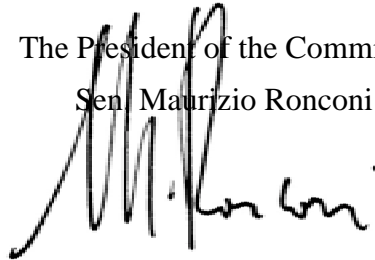
We enclose a series of critical considerations, not exhaustive, on the document produced by the Services of the Commission, which forms the technical basis for the reform proposal of the tobacco CMO.

In this case, the Italian Committee for the Defence of Tobacco declares since now to be ready for a free and open discussion with the Commission Services, to work out the most appropriate technical mechanisms.

On the contrary, we shall be forced, inviting similar movements in other producing countries to join us, to declare the state of agitation and to organize every possible form of protest, with the support of the interested local Authorities.

Sure about Your sensibility and attention, with our distinguished regards.

The President of the Committee
Sen. Maurizio Ronconi

A handwritten signature in black ink, appearing to read 'M. Ronconi', is positioned below the typed name. The signature is fluid and cursive, with a prominent initial 'M' and a trailing flourish.