



HOPS

Hops, Common Organisation of the Market
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BASIC REGULATION

- Council Reg. (EEC) N°1696/71 of 26 July 1971 on the Common Organisation of the Market in hops.
- Soon to be replaced by Council Regulation (EC) No 1952/2005 of 23 November 2005.



Basic Principles

- Marketing of hops following a certification procedure and a forward contract system
- Recognition and promotion of producer groups
- Aid arrangements for Community-grown hops.
- Temporary measures for resting and/or grubbing up.
- Arrangements for trade with third countries



Products covered by Hops COM

- Hop cones, fresh or dried
 - » (Tariff Code **NC 1210 10**)

- Hop powders and pellets
 - » (Tariff Code **NC 1210 20**)

- Hop extracts
 - » (Tariff code **NC 1302 13**)



System of trade with third countries

- Common tariff customs duties :
 - cones, powders, pellets : 5,8 %
 - extracts : 3,2 %

- Agreements with certain countries for special tariffs or exemptions, sometimes combined with fixed quantities.



Registration of contracts

- **General rule**

Compulsory registration applies to all supply contracts related to hops harvested in the Member State (inc. forward and delivery contracts).



Producer groups

Shall:

- market all of the produce of their

or

- market part of their member's produce and monitor prices negotiated between producers and traders and grant or refuse approval for the conclusion of contracts.



Special temporary measures

- Council Regulation (EC) No 1098/98 introducing special temporary measures for hops.
- Member States may decide to apply temporary resting and/or grubbing up as a means of adjusting production



Aid to producers

- Level of aid

480 Euro / ha / year
is paid since 1996

+

equivalent aid called “compensation” for the areas under temporary resting and/or permanently grubbing up.



Aid to producers

- Administrative and on-spot checks to verify compliance with conditions for granting the aid / compensation.
- Avoid double payment for same area : cross checks with “integrated administration and control system”.
- Checks of the hop declarations.
- Sanctions



Communications by Member States to the Commission:

- Names & addresses
 - of competent bodies for
 - registration of each producer's hop cultivated area;
 - control and update of the system.



Communications by Member States to the Commission

- About producer groups in their territory
- how these producer groups
 - manage the aid and compensation aid paid to them;
 - which special measures were implemented with the withheld part of the aid.



2004 Reform

- In general full decoupling, however,
- 25% may remain coupled for payments to either individual producers and/or to producer groups.
- Regulation (EC) No 1782/2003, Article 68a and Annex VII J.
- Regulation (EC) No 1973/2004, Chapter 17, Article 170-171