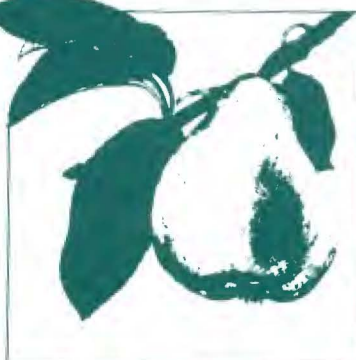
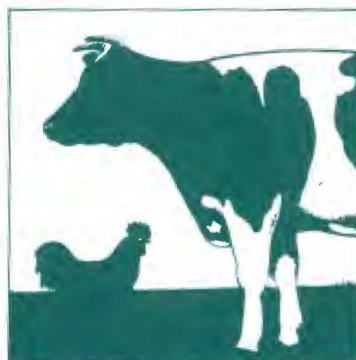
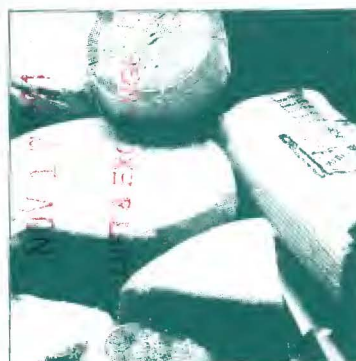




GREEN EUROPE

SERIALS DEPARTMENT

# agricultural prices 1992/1993 Commission proposals



AGRICULTURAL PRICES

1992/93

Commission proposals

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## I. General remarks

The Commission, in its communication COM(91) 100 final of 1 February 1991 on the development and future of the common agricultural policy, presented an analysis of today's CAP and identified new aims and directions for the CAP of tomorrow. This discussion document, together with the detailed proposals which the Commission put forward in November last year, have formed the basis for a debate on the future orientation of the CAP. It is highly desirable that this debate be diverted as little as possible from the fundamental issues set out in those two documents. This is why the Commission has decided that its package of farm price proposals for 1992/93 should not include measures which might complicate the on-going discussion but that the price package should, wherever possible, roll forward the present arrangements for a further year. In this way the reform proposals themselves can be discussed, adopted and implemented without reference to short-term considerations.

The proposals in this document concerning agricultural prices for 1992/93 should accordingly be seen against the background of the negotiations to reform the CAP; it is to be hoped that the Council will adopt the price package quickly, taking into account the opinion of Parliament.

The proposals in the agri-monetary field are designed to ease the introduction of the Single Market on 1 January 1993 by removing the need to apply monetary compensatory amounts.

## II. Agricultural markets and incomes: the current situation

After the marked improvement seen in 1989, the Community's agriculture sector in 1991 experienced a second successive year of market deterioration and a rapid build-up of intervention stocks. Although 1991 was relatively good in terms of productivity and output, the difficulties encountered on some markets have prevented a satisfactory evolution in farming incomes. Incomes have fallen in almost all divisions of agriculture, but particularly in cereals, oilseeds, milk, beef and veal, and pigmeat.

This decline has taken place in spite of active intervention by the Community in agricultural markets. Intervention stocks have risen considerably, again especially in cereals (possibly reaching 25 million tonnes by the end of the marketing year), milk products (700 000 tonnes) and beef (800 000 tonnes).

The 1991 outturn is further proof that re-establishing a lasting balance in agricultural markets is an essential precondition for improvements in farm incomes.



### III. Price proposals and related measures

As is clear from the analysis of the current and prospective market situation, the Community is facing a progressive deterioration of market balances. The precise budgetary effect of this deterioration will vary from over time depending on cyclical market conditions. This year the conjunctural situation is somewhat better than last year, in particular because of higher world market prices for cereals and some improvement in the world and, more particularly, domestic market situation for dairy products. But these short-term developments do not in any way remove the need to tackle the underlying tendency to greater market imbalance in the medium and long term. The Commission has presented the Council with a series of proposals for reform designed to confront these problems as they affect most of the major market sectors of the CAP and will make proposals for other sectors when this reform package has been accepted.

The reform proposals will fundamentally change the market organisations in several sectors, taking into account the need to ensure the competitiveness of Community agriculture, improve the distribution of agricultural support among farmers and reinforce measures to safeguard the environment. The aim of these measures is not just to reduce agricultural expenditure or to adapt our policy in advance to any international commitment which could be taken in the context of GATT negotiations, but essentially to have more effective instruments for bringing the markets into balance whilst safeguarding farm incomes and the rural economy. These proposals have been widely examined and discussed by the Council and Parliament during the last few months.

Formal conclusions have not yet been reached on these proposals but the need for fundamental reform is not in question. Indeed, in the absence of fundamental reform the Commission would be compelled to propose drastic changes in prices and support mechanisms. Such measures would bring the market back into balance but at a heavy cost in terms of producer incomes.

In order, however, to allow the Council to concentrate its attention on the reform, the proposals which follow below provide essentially for the continuation into 1992/93 of the prices and stabiliser mechanisms as they existed in 1991/92.

It should be emphasised, however, that some parts of the reform proposals cannot be delayed and early Council decisions on the basis of these proposals is presupposed in this package. For example in the milk sector, the proposal is for unchanged prices. This proposal can only be maintained if, before 1 April, when the existing milk quota system expires, the Council has taken decisions to extend the quota system as proposed in the reform package. It would be quite impractical to support unlimited production at current price levels. Similarly for cereals, the current proposal assumes acceptance of the proposal which has been included in the reform package for the continuation into 1992/93 of the existing maximum guaranteed quantity and basic and supplementary levy systems. In the prices package it is proposed to set the basic levy at 5%, the same level as in 1991/92. A proposal is also made that, as in 1991/92, farmers who join a one year set-aside scheme will be exempted from the levy. This proposal is included as a safeguard in case decisions on the reform are not taken in time for the set-aside scheme proposed in the new arable-products scheme to apply to the 1992/93 plantings (before 1 June 1992). If early decisions are taken on the reform, this proposal will lapse.

In other sectors the price mechanisms and, where appropriate, stabiliser figures are carried forward from 1991/92 into 1992/93 except where changes are due to come into effect on the basis of existing legislation, where adaptations are due to fulfil undertakings given in the course of last year, or where it is necessary to take interim measures to bridge the gap between the existing regime and the reformed CAP. Hence, in the olive oil sector there is a transfer of aid between consumption aid and production aid, as promised last October when the level of consumption aid was last decided and, for cotton, a change is proposed to make price levels somewhat more predictable without weakening the effectiveness of the stabiliser. For tobacco, the interim measures needed because of the delay in adopting the reformed regime have been proposed in advance of this package; what is proposed here is that prices and premiums should remain unchanged. Action is however proposed to mitigate a perverse effect of the existing tobacco regime, which can in some cases make low-grade tobacco more attractive to the processor than high-grade tobacco.

This roll-forward package is designed to allow the Council to take rapid decisions and to avoid distracting its attention from the reform of the CAP. It should not, however, be misunderstood as suggesting that, in the absence of reform, the existing CAP could be rolled forward indefinitely. On the contrary, as explained above, were the reform proposals to be rejected, very drastic price measures would be necessary.



## 1. Cereals

For all cereals the Commission proposes for 1992/93 the maintenance of 1991/92 prices. However, because of the size of the last harvest, the automatic application of stabilisers will bring about a 3% drop in intervention prices.

As the transitional period for Spain will have come to an end, all Spanish institutional prices will henceforth be identical with those for the Community of Ten.

Under the arrangements for the second stage of Portuguese accession, the first step in moving the intervention price for common wheat to the Community price will be taken and the specific aids for cereals will be adjusted.

Target prices are derived from intervention prices by adding a market component and a component representing the cost of transport between the Ormes and Duisburg areas. An updating of transport costs has caused the Commission to propose a slight reduction in target prices.

Monthly increases are kept at their present levels.

In line with the automatic 3% reduction in the intervention price from the beginning of 1992/93 it is proposed to adjust premiums for common wheat and rye to ECU 3.27/t and ECU 4.09/t respectively.

The roll-over of institutional prices and the proposal to continue the co-responsibility scheme mean that it is also proposed to maintain the level of aids and the aid schemes currently applying to cereals.

The minimum price payable for potatoes will continue to be aligned on the price level applied to maize, and it is proposed to retain in 1992/93 the present premium of ECU 18.67/tonne for potato starch.

Finally, it is proposed to carry forward the temporary set-aside system which was applied in 1991/92.



2. Rice

It is proposed to keep the intervention price and the monthly increases at their present levels, but the target price for husked rice has to be reduced slightly because of an updating of transport costs.

For Portugal, the price system applying during the second stage of accession provides for a second adjustment of intervention prices for rice towards the Community level.

3. Sugar

The Commission proposes freezing the basic price for sugar-beet, the intervention price for white sugar and the manufacturing margin, and to maintain the reimbursement of storage costs at ECU 0.52/month.

The prices proposed for Spain have been established in accordance with Articles 3, 4 and 5 of Council Regulation (EEC) No 1716/91 (OJ No L 162, 26.6.1991, p.18).

In accordance with the official minutes of the conference which preceded Portuguese accession, the reference "common prices" on which Portuguese prices must be aligned are the derived prices applicable in the Ireland/United Kingdom region valid for 1992/93. This results in a final increase in the intervention prices for white sugar of ECU 0.87/100 kg.

In the case of sugar-beet prices, the Commission has analysed the evolution of sugar prices in Portugal since accession and is proposing that the Council decide that the alignment of sugar-beet prices be the same as the alignment in sugar prices as from the 1992/93 marketing year.

4. Olive Oil

In the context of a general freeze on prices the Commission proposes maintaining the target price for olive oil at the same level as in 1991/92.

As was envisaged in the proposal for consumption aid for 1991/92 (COM(91)366 final), the Commission considers that in the light of market developments in the sector it is appropriate in future to fix both production aid and consumption aid at the same time and this year to make some transfer from one aid to the other. The amount of transfer will depend on the class of producers concerned.

As regards consumption aid in Spain, the reduction in the aid level for the Community of Ten will entail a reduced increase in the Spanish level in line with the alignment rules set out in Article 2 of Regulation (EEC) No 3416/90.

With regard to Portugal, there should be slight changes to the current level of aid to consolidate the level of consumption in the country.

In accordance with its proposal of October 1991 mentioned earlier, the Commission proposes to the Council that Regulation No 136/66/EEC be amended so that:

- all institutional prices and aids for olive oil are set at the same time of year, in the annual price package;
- when the representative market price (and consumption aid) are set, less weight is given than in the past to the movement of seed oil prices.

#### 5. Oilseeds and protein crops

The Council has already taken the necessary decisions on the support arrangements for oilseed producers.

For 1992/93 the elements of the existing market organization for protein crops should be retained, with no changes.

The maximum guaranteed quantity (MGQ) system is not applied to dried fodder, but the Commission proposes maintaining present institutional prices and MGQs for pulses as well as the present target price for fodder dried during 1992/93. The coefficient to be applied in calculating the aid has already been set by the Council at 80% for 1992/93.

In Regulation (EEC) No 762/89 the Council introduced a per-hectare based aid system for growers of lentils, chickpeas and vetches which will expire on 30.6.1992. It is proposed to extend this aid system until the end of the 1992/93 marketing year, and to maintain the aid at ECU 75/ha.

## 6. Fibre plants

In the light of the proposals for the chief alternative crops to cotton, and taking into account the conclusions of the Commission's report on the subject, it is proposed that the guide price be maintained for 1992/93, subject however to a technical adjustment resulting from the change proposed to the standard quality, thereby bringing the guide price for 1992/93 up to ECU 102.79/100 kg.

For 1991/92 the Council fixed the minimum price for unginned cotton at 95% of the guide price. It is therefore proposed that the minimum price for unginned cotton for 1992/93 also be fixed at 95% of the (adjusted) guide price, i.e. at ECU 97.65/100 kg.

It is also proposed to continue the stabiliser regime but to limit the size of the price reductions which may be made in the course of a given marketing year, with any excess beyond that limit carried forward into the following year.

It is proposed that the programme for small producers (less than 2.5 ha) be extended by four marketing years.

For fibre flax, hemp, linseed, hemp seed and silkworms, the proposal is to roll forward the measures applied during the previous marketing year while incorporating the adjustments required in the Act of Accession.

## 7. Wine

The Commission proposes maintaining the same guide price in 1992/93 as in 1991/92.

The Commission intends to present proposals in the course of this year for the reform of the common organization for wine. However, it does not consider it opportune to open this discussion whilst the attention of the Council is concentrated on the wide range of reforms already proposed in other areas of the common agricultural policy. It therefore proposes extending various features required in existing legislation, that is to say:

- the submission of reports on the definition of wine-growing areas, enrichment, the impact of structural measures, compulsory distillation, the sulphur dioxide content of wine, sparkling wine and dessert wine (in preparation) and measures to enable groups of producers to be treated in the same way as individual producers for compulsory distillation contracts;



- determination of the rules for calculating the quantities to be distilled in each production region (uniform percentage and reference year), agreed to following the Dublin agreement but held over until 31 August 1992, and the derogation given to allow the compulsory distillation scheme to be applied according to special rules in Greece;
- setting of the trial period for certain deacidification practices soon to expire;
- continuation of the period during which part of the aid intended to encourage the use of grape must for the production of juice may be earmarked for the promotion of grape juice, already extended last year until 31 August 1992.

#### 8. Fruit and vegetables

It is proposed that the basic and buying-in prices be kept at their present level for cauliflowers, apricots, nectarines, peaches, lemons, tomatoes, aubergines, pears, table grapes, apples, satsumas, mandarins, clementines and oranges.

In the case of Spain and Portugal, prices will be further aligned in accordance with Articles 149 and 285 of the Act of Accession. This is the third alignment for Spain and the second for Portugal.

The intervention threshold for apples is now set until the end of the 1991/92 marketing year. With a view to ensuring market equilibrium in this sector, it is proposed that this threshold be made permanent at the level in force for the 1991/92 marketing year, namely 3% of average production (for consumption as fresh fruit) over the last five marketing years for which figures are available.

The system of quotas for processed tomatoes which has applied for the past four years expires at the end of this marketing year and the previous guarantee threshold system will automatically come back into force.

In order to avoid a sudden increase in expenditure arising from the non-application of a quota system this year and to avoid a clash between the two systems next year, the Commission proposes that any aid reduction which may be needed as a result of the threshold being exceeded this year will apply this year rather than next.

9. Tobacco

As the proposed reform of this regime cannot now be applied to the 1992 crop, the Commission proposes extending unchanged the 1991 levels of the norm and intervention prices, premiums, derived intervention prices, reference qualities and production areas. Prices also remain unchanged for certain problematic varieties where the specific price reductions decided in the past have to be continued.

Furthermore, under Article 13 of Regulation (EEC) No 727/70 the Commission is presenting a report on the situation of production and marketing for certain varieties of tobacco.

10. Milk and milk products

The Commission proposes maintaining in 1992/93 the same level of target and intervention prices as in 1991/92. This proposal assumes that the Council will decide to continue the milk quota system, as the Commission has already proposed, with a 2% cut in quota for the next marketing year (1% of this redistributed).

In accordance with the rules in the Treaty of Accession (Article 70(3)), the Commission proposes that the common intervention prices for butter and skimmed-milk powder should now be applied in Spain. For Portugal, the common intervention price for butter is already being applied; for skimmed-milk powder the Commission proposes, as provided for in the Treaty of Accession, that the difference in price between the Azores and mainland Portugal should be eliminated and therefore that the current intervention price in the Azores should be applied to Portugal as a whole.

Taking into account the serious budgetary situation and the general context of maintaining the existing price level, the co-responsibility levy must be maintained at its present level.

11. Beef and veal

It is proposed to maintain the guide price at the same level as in 1991/92, i.e. at ECU 200/100 kg liveweight. It is also proposed to maintain the intervention price at ECU 343/100 kg carcase weight for quality R3.

As regards intervention, pending the Council decisions on the reform package it is proposed not to adapt the existing rules.

No change in the special beef premium is proposed from its level in 1991/92, i.e. ECU 40 per animal (with an unchanged maximum of 90 animals). As regards the suckler cow premium, the level is fixed at the same as in 1990/91 (exclusive of the one-off increase decided for 1991/92) i.e. ECU 40/cow (without headage limit), with the possibility of a national supplement subject to a maximum ECU 25/cow, and an associated provision for payment by the EAGGF of the first ECU 20/cow of this national supplement in the case of Greece, Ireland, and the United Kingdom insofar as Northern Ireland is concerned.

12. Sheepmeat and goatmeat

Institutional prices for the 1992 marketing year were fixed in the 1991/92 price package.

As regards institutional prices for 1993, the Commission proposes that the stabilizer mechanism be frozen at 7% (its 1990 level) and that the basic price remain unchanged.

Since the variable slaughter premium no longer applies in Great Britain, it is now opportune to adjust the seasonal scale so as to improve its application as far as private storage is concerned. It is proposed that the top and bottom seasonal basic prices be reduced in 1992 by 25%. Experience so far with the system of tendering for private storage aid would seem to indicate that changing the seasonal price scale in this way will not noticeably alter the conditions to be fulfilled by tenderers.

13. Pigmeat

From 1 November 1984 to June 1990 the basic price for pig carcasses of standard quality stood at ECU 2 033.30 per tonne, and for the period July 1990 to June 1992 has been fixed at ECU 1 897.00 per tonne. It is proposed that this level be maintained for the 1992/93 marketing year.

The definition of standard qualities should remain at:

- (a) carcasses weighing 60 kg to under 120 kg: grade U,
- (b) carcasses weighing 120 kg to 180kg: grade R.



#### IV. Agri-monetary measures

The agri-monetary proposals are based on the situation of currencies at the beginning of February 1992.

As regards the currencies which are maintained within a mutual margin of fluctuation of 2.25%, there are no longer any monetary gaps – the agricultural conversion rates are already at the level of central rates.

In the case of the other currencies (drachma, peseta, escudo and pound sterling) the monetary gaps vary in line with movements on the exchange markets, but it was agreed in July 1988 that they should be dismantled before 1 January 1993. With regard to Greece, the arrangements for automatic dismantling of the gaps created by past monetary realignments provide for a final stage – for the majority of products – which will take effect at the beginning of the 1992/93 marketing year.

In order to minimize any further dismantling which may be needed on 31 December 1992, it is proposed to cut all the monetary gaps existing at the time of the Council's adoption of the price package to 1.5 points, at which level the compensatory amounts no longer come into play.

## Price proposals in ecus for individual agricultural products

13.2.1992

Product and type of price or amount (Period of application)	1991/92 Decisions		Proposals 1992/93		Spain			Portugal		
	Amounts ecus/t	% change (1)	Amounts in ecus/t	% change	Amounts 1991/92	in ecus/t 1992/93	% change	Amounts 91/92	in ecus/t 1992/93	% change
1	2	3	4	5	6	7	8	9 (4)	10 (4)	11
Common wheat 1. 7.92-30. 6.93										
- Target price	233,26	- 0,41	232,76	- 0,21	233,26	232,76	- 0,21	233,26	232,76	- 0,21
- Intervention price breadmaking wheat (2)	168,55	0,00	168,55	0,00	168,55	168,55	0,00	210,80	206,11	- 2,22
- (Intervention price feed wheat)	160,13	0,00	160,13	0,00	160,13	160,13	0,00	200,26	195,80	- 2,22
Barley 1. 7.92-30. 6.93										
- Target price	212,33	- 0,45	211,83	- 0,24	212,33	211,83	- 0,24	212,33	211,83	- 0,24
- Intervention price	160,13	0,00	160,13	0,00	160,13	160,13	0,00	160,13	160,13	0,00
Maize 1. 7.92-30. 6.93										
- Target price	212,33	- 0,45	211,83	- 0,24	212,33	211,83	- 0,24	212,33	211,83	- 0,24
- Intervention price	168,55	0,00	168,55	0,00	168,55	168,55	0,00	168,55	168,55	0,00
Sorghum 1. 7.92-30. 6.93										
- Target price	212,33	- 0,45	211,83	- 0,24	212,33	211,83	- 0,24	212,33	211,83	- 0,24
- Intervention price	160,13	0,00	160,13	0,00	160,13	160,13	0,00	160,13	160,13	0,00
Rye 1. 7.92-30. 6.93										
- Target price	212,33	- 0,45	211,83	- 0,24	212,33	211,83	- 0,24	212,33	211,83	- 0,24
- Intervention price (3)	160,13	0,00	160,13	0,00	160,13	160,13	0,00	160,13	160,13	0,00
Durum wheat 1. 7.92-30. 6.93										
- Target price	277,21	- 3,54	276,71	- 0,18	277,21	276,71	- 0,18	277,21	276,71	- 0,18
- Intervention price	227,70	- 3,50	227,70	0,00	216,48	227,70	+ 5,18	227,70	227,70	0,00
- Aid (ecus/ha)	181,88	+ 6,28	181,88	0,00	146,34	181,88	+ 24,29	181,88	181,88	0,00
Rice 1. 9.92-31. 8.93										
- Target price - husked rice	546,13	0,00	545,52	- 0,11	546,13	545,52	- 0,11	546,13	545,52	- 0,11
- Intervention price - paddy rice	313,65	0,00	313,65	0,00	313,65	313,65	0,00	338,39	332,21	- 1,83
Sugar 1. 7.92-30. 6.93										
- Basic price for sugar beet	40,00	0,00	40,00	0,00	46,84	46,08	- 1,6	42,83	41,57	- 2,9
- Intervention price for white sugar (*)	53,01	0,00	53,01	0,00	61,29	59,57	- 2,8	53,35	54,22	+ 1,6

(\*) ecus/q.

(1) Without the agrimonetary effect.

(2) For the 1991/92 marketing year, this price was increased by 3.37 ecus/t for a higher quality. A premium of ECU 3,27 ecus/t is proposed for 1992/93 (-3,00%).

(3) For the 1991/92 marketing year, this price was increased by 4,22 ecus/t for a higher quality. A premium of ECU 4,09 ecus/t is proposed for 1992/93 (-3%).

(4) Portuguese producers receive special assistance to grow common wheat, barley, maize, sorghum and rye, (R. 3653/90).

Price proposals in ecus for individual agricultural products

Product and type of price or amount (Period of application)	1991/92 Decisions		Proposals 1992/93		Spain			Portugal		
	Amounts ecus/t	% change	Amounts ecus/t	% change	Amounts in 1991/92	ecus/t 1992/93	% change	Amounts in 1991/92	ecus/t 1992/93	% change
1	2	3	4	5	6	7	8	9	10	11
Olive oil 1.11.92-31.10.93										
- Production target price	3.220,1	0	3.220,1	0,0	3.220,1	3.220,1	0,0	3.220,1	3.220,1	0,00
- Intervention price	2.158,7	0	2.038,7	- 5,6	1.853,1	1.846,3	- 0,4	2.096,5	1.999,5	- 4,6
- Representative market price	1.972,8	3,7	1.932,8	- 2,0	-	-	-	-	-	-
- Production aid	708,3	0	828,3	16,9	458,5	551,0	20,1	425,3	526,1	23,7
- Consumption aid	539,0	- 11,5	459,0	- 14,8	456,7	457,5	0,2	494,2	482,5	- 1,4
Dried fodder - Guide price(1) 1. 5.92-30. 4.93	178,61	0	178,61	0	178,61	178,61	0	178,61	178,61	0
Peas and field beans 1. 7.92-30. 6.93										
- Activating price	440,1	- 1,5	440,1	0	440,1	440,1	0	440,1	440,1	0
- Guide price	290,3	- 1,5	290,3	0	290,3	290,3	0	290,3	290,3	0
- Minimum price - peas	253,4	- 1,5	253,4	0	253,4	253,4	0	253,4	253,4	0
- field beans	234,7	- 1,5	234,7	0	234,7	234,7	0	234,7	234,7	0
Lupins 1. 7.92-30. 6.93										
- Activating price	423,4	- 1,5	423,4	0	423,4	423,4	0	423,4	423,4	0
- Minimum price	284,2	- 1,5	284,2	0	284,2	284,2	0	284,2	284,2	0
Flax 1. 8.92-31. 7.93										
- Guide price (seed)	544,90	- 1,5	544,90	0	507,30	516,70	1,9	544,90	544,90	0
- Fixed-rate aid (fibre) (per ha)	374,36	0	374,36	0	318,87	374,36	17,4	318,87	374,36	17,4
Hemp 1. 8.92-31. 7.93										
- Fixed-rate aid (per ha)	339,42	0	339,42	0	289,16	339,42	17,4	289,16	339,42	17,4
- Aid (seed)	245,90	- 1,5	245,90	0	245,90	245,90	0	245,90	245,90	0
Silkworms 1. 4.92-31. 3.93										
- Aid per box	111,81	0	111,81	0	95,80	111,81	16,7	95,80	111,81	16,7

(1) A 20% reduction in aid over 2 years is proposed, using a coefficient of 90 % in 1991/92 and 80 % in 1992/93.



Price proposals in ecus for individual agricultural products

Product and type of price or amount (Period of application)	1991/92 Decisions		Proposals 1992/93		Spain			Portugal		
	Amounts ecus/t	% change	Amounts ecus/t	% change	Amounts in ecus/t 1991/92	1992/93	% change	Amounts in ecus/t 1991/92	1992/93	% change
1	2	3	4	5	6	7	8	9	10	11
Cotton 1. 9.92-31. 8.93										
- Guide price	958,6	0	1.027,9	7,23(*)	958,6	1.027,9	7,23(*)	958,6	1.027,9	7,23(*)
- Minimum price	910,7	0	976,5	7,23(*)	910,7	976,5	7,23(*)	910,7	976,5	7,23(*)
Milk 1. 4.92-31. 3.93										
- Target price	268,1	0	268,1	0	268,1	268,1	0	268,1	268,1	0
Butter										
- Intervention price	2.927,8	0	2.927,8	0	3.024,9	2.927,8	- 3,2	2.927,8	2.927,8	0
Skimmed milk powder										
- Intervention price	1.724,3	0	1.724,3	0	2.026,7	1.724,3	- 14,9	2.100,0(1)	2.070,0	-1,4
Grana padano cheese 30-60 days										
- Intervention price	3.796,7	0	3.796,7	0						
Grana padano cheese 6 months										
- Intervention price	4.704,3	0	4.704,3	0						
Parmigiano-Reggiano cheese 6 months										
- Intervention price	5.192,1	0	5.192,1	0						
Beef/veal 2. 4.92-31. 3.93										
- Guide price for adult bovine animals (2)	2.000	0	2.000	0	2.000	2.000	0	2.000	2.000	0
- Intervention price quality R 3 cat. A	3.430	0	3.430	0	3.430	3.430	0	3.430	3.430	0
- Intervention price quality R 3 cat. C	3.430	0	3.430	0	3.430	3.430	0	3.430	3.430	0
1992					1993					
Sheepmeat 7. 1.92- 6. 1.93										
- Basic price (carcase weight)	4.229,5	- 2	4.229,5	0	4.229,5	4.229,5	0	4.229,5	4.229,5	0
Pigmeat 1. 7.92-30. 6.93										
- Basic price (carcase weight)	1.897	0	1.897	0	1.897	1.897	0	1.897	1.897	0

(\*) Technical adjustment taking account of the improvement in the standard quality.

(1) For the Azores, the intervention price for skimmed milk powder is ECU 3/100 kg less than the price indicated, which is applicable on the mainland.

(2) Price per tonne (liveweight).

Price proposals in ecus for individual agricultural products

Product and type of price or amount (Period of application)	1991/92 Decisions			Proposals 1992/93			Spain (1)			Portugal (2)				
	Amounts ecus/t	% change	(3)	Amounts ecus/t	% change	(3)	Amounts in 1991/92	ecus/t 1992/93	% change	(3)	Amounts in 1991/92	ecus/t 1992/93	% change	(3)
	2	3		4	5		6	7	8		9	10	11	
Fruits and vegetables – Basic price														
- Cauliflowers	1. 5.92-30. 4.93	-	)	0	-	0	-	-	+ 5,0		-	-	+ 3,4	
- Tomatoes	11. 6.92-30.11.92	-	)	0	-	0	-	-	+ 13,8		-	-	+ 5,5	
- Peaches	1. 6.92-30. 9.92	-	)	0	-	0	-	-	+ 1,0		-	-	0	
- Lemons	1. 6.92-31. 5.93	-	)	0	-	0	-	-	+ 9,7		-	-	+ 9,0	
- Pears	1. 7.92-30. 4.93	-	)	0	-	0	-	-	+ 7,9		-	-	+ 8,6	
- Table grapes	1. 8.92-20.11.92	-	)	0	-	0	-	-	0		-	-	+ 5,4	
- Apples	1. 8.92-31. 5.93	-	)	0	-	0	-	-	+ 7,5		-	-	+ 5,0	
- Mandarins	16.11.92-28. 2.93	-	)	0	-	0	-	-	+ 5,6		-	-	0	
- Sweet oranges	1.12.92-31. 5.93	-	)	0	-	0	-	-	+ 1,8		-	-	+ 4,5	
- Apricots	1. 6.92-31. 7.93	-	)	0	-	0	-	-	+ 8,1		-	-	+ 6,3	
- Aubergines	1. 7.92-31.10.92	-	)	0	-	0	-	-	+ 16,0		-	-	+ 5,8	
- Clementines	1.12.92-15. 2.93	-	)	0	-	0	-	-	0		-	-	0	
- Satsumas	16.10.92-15. 1.93	-	)	0	-	0	-	-	0		-	-	0	
- Nectarines	1. 6.92-31. 8.92	-	)	0	-	0	-	-	0		-	-	0	

(1) Including price alignment (3rd alignment)

(2) Including price alignment (2nd alignment)

(3) Without the effect of intervention thresholds.

Table wine	(1)	1. 9.92-31. 8.93												
- Guide price Type R I		3,21	0	3,21	0	3,01	3,21	+ 6,64		3,21	3,21	0		
- Guide price Type R II		3,21	0	3,21	0	3,01	3,21	+ 6,64		3,21	3,21	0		
- Guide price Type R III		52,14	0	52,14	0	48,81	52,14	+ 6,82		52,14	52,14	0		
- Guide price Type A I		3,21	0	3,21	0	3,01	3,21	+ 6,64		3,21	3,21	0		
- Guide price Type A II		69,48	0	69,48	0	65,04	69,48	+ 6,83		69,48	69,48	0		
- Guide price Type A III		79,35	0	79,35	0	74,28	79,35	+ 6,83		79,35	79,35	0		

(1) R I, R II and A I expressed in ecus/%/hl.

R III, A II and A III expressed in ecus/hl.

For Portugal including price alignment (1st alignment) carried out in 1991/92.

Price proposals in ecus for individual agricultural products

Product, group and variety	Harvest 1991 - Decisions	Harvest 1992 - Proposals
	Price/premium/% change compared with 1990	Price/premium/% change compared with 1991
1	2	3
Tobacco	i) Price - 6% adjustable i) Premium - 6% adjustable	0%; except where the proportion of lower qualities purchased by a processor exceeds a specified maximum.



AGRIMONETARY PROPOSALS - PRICE PACKAGE 1992/93

Applicable at the beginning of the 1992/93 campaign

MEMBER STATES	GREEN CENTRAL RATES(2)	PREVIOUS SITUATION			DISMANT- LEMENT	NEW SITUATION			EFFECT ON PRICES
Product Group(1)	(ecu=...nc)	GREEN RATES (ecu=...nc)	REAL GAPS (points)	APPLIED GAPS (points)		GREEN RATES (ecu=...nc)	REAL GAPS (points)	APPLIED GAPS (points)	
BELGIUM/LUXEMBOURG	48.5563								
All products		48.5563	0.000	0.0	0	48.5563	0.000	0.0	0.000
DENMARK	8.97989								
All products		8.97989	0.000	0.0	0	8.97989	0.000	0.0	0.000
FRANCE	7.89563								
All products		7.89563	0.000	0.0	0	7.89563	0.000	0.0	0.000
GERMANY	2.35418								
All products		2.35418	0.000	0.0	0	2.35418	0.000	0.0	0.000
IRELAND	0.878776								
All products		0.878776	0.000	0.0	0	0.878776	0.000	0.0	0.000
ITALY	1761.45								
All products		1761.45	0.000	0.0	0	1761.45	0.000	0.0	0.000
NETHERLANDS	2.65256								
All products		2.65256	0.000	0.0	0	2.65256	0.000	0.0	0.000
PORTUGAL	202.670								
All products		208.676	2.878	1.4	-1.378	205.756	1.500	0.0	-1.399
UNITED KINGDOM	0.815203								
All products		0.795423	-2.487	-1.0	0.987	0.803156	-1.500	0.0	0.972
SPAIN	147.585								
Beef, milk		154.138	4.251	2.8	-2.751	149.832	1.500	0.0	-2.794
Cereals, sugar		153.498	3.852	2.4	-2.352	149.832	1.500	0.0	-2.388
Olive oil, wine, dried fodder, flax, hemp, silkworms		149.813	1.487	0.0	0.000	149.813	1.487	0.0	0.000
Cotton, grain legumes		151.660	2.687		-1.187	149.832	1.500	0.0	-1.205
Sheepmeat, other crop prod.		150.828	2.150		-0.650	149.832	1.500	0.0	-0.660
Others		151.660	2.687	0.0	-1.187	149.832	1.500	0.0	-1.205
GREECE	270.197								
Sheepmeat, cereals, sugar, wine, olive oil, tobacco, fishing prod., structure		252.121	-7.170	-5.7	5.670	266.204	-1.500	0.0	5.586
Tomatoes, cucumbers, courgettes, aubergines		257.188	-5.058		3.558	266.204	-1.500		3.506
Poultry (3)		256.487	-5.345	-2.2	3.845	266.204	-1.500	0.0	3.788
Grain legumes (3)		257.895	-4.770		3.270	266.204	-1.500	0.0	3.222
Other crop products (3)		257.188	-5.058		3.558	266.204	-1.500		3.506
Others (3)		257.895	-4.770	-3.3	3.270	266.204	-1.500	0.0	3.222

(1) Except pigmeat (application of Article 6a of Council Regulation (EEC) No 1676/85).

(2) Switch-over coefficient = 1.145109 - Green market rate for floating currencies; week of reference: 29.1.92 - 5.2.92.

(3) The pocket price dismantlement has to be added to the automatic dismantlement taking effect at the beginning of the 1992/93 campaign:

Poultry	252.121	-7.170	-2.2	1.825	256.487	-5.345	0.0	1.732
Grain legumes	252.121	-7.170		2.400	257.895	-4.770		2.290
Other crop products	252.121	-7.170	-5.7	2.112	257.188	-5.058	-3.6	2.010
Others	252.121	-7.170	-5.7	2.400	257.895	-4.770	-3.3	2.290

Effect of Commission proposals on support prices for  
agricultural products expressed in ecus and in  
national currency\*

	% change in prices (1)(2)	
	in ecus	in national currency (3)
Belgium	0.0	0.0
Denmark	0.0	0.0
Germany	0.0	0.0
Greece (4)	0.0	6.1
Spain (5)	1.2	- 0.4
France	0.0	0.0
Ireland	0.0	0.0
Italy	0.0	0.0
Luxembourg	0.0	0.0
Netherlands	0.0	0.0
Portugal (5)	0.4	- 1.0
United Kingdom	0.0	1.0
EUR 12 (5)	0.1	0.3

- (\*) Excluding impact of stabilizers
- (1) Percentage variation between proposed support prices for 1992/93 and the support prices for 1991/92
- (2) Support price (intervention or equivalent), weighted according to the share of the various products in the value of agricultural production covered by common prices
- (3) Common prices in ecus, converted at green rates in this proposal. For the currencies not respecting the narrow band in the EMS calculations were done using the rates of the week ending on 5.2.92
- (4) Including effect of automatic dismantlement
- (5) Including effect of alignment of Spanish and Portuguese prices on common prices under accession arrangements

Stabilizers and production thresholds (excl. GDR)

	1991/92			1992/93
	Quotas or MGQ applicable	Market situation	Overrun	Quota or quantity applicable/proposed
Cereals	MGQ : 160 million t	Estimated production: 169 million t (+11,6 million t 5 new Länder)	overrun 9 million t; cut in price for 92/92 of 3%	Proposed in the context of CAP reform : the same as for 1991/92
Sugar (white sugar eq.)	Quota A : 11,187 m t Quota B : 2,488 m t	Production (including carryovers) in m t Quota A : 10,970 Quota B : 2,412 Sugar C : 2,156 Total : 15,338		The same as for 1991/92
Isoglucose	Quota A : 240,743 t Quota B : 50,342 t	Estimated production within quotas		
Rape	MGQ EUR-10 : 4,500,000 t	Estimated production: EUR-10 : 6,376,000 t	EUR-10 : overrun of 41.7% resulting in a reduction of ECU 9.08/100 kg (-20.5%) in the target price Spain : ECU - 6.78/100kg in the target price (-16.2%) Portugal : no overrun	SMG : (approved by the Council) EUR-12: 2,377,000ha (with DDR)
Spain : 12,900 t Portugal : 1,300 t		Spain : 21,000 Portugal : -		
Sunflower	MGQ EUR-10 : 2,000,000 t	Estimated production: EUR-10 : 2,966,000 t	EUR-10 : overrun of 48.3 % resulting in a reduction of ECU 18.43/100 kg (-32.1%) in the target price Spain : no overrun Portugal : no overrun	SMG : (approved by the Council) EUR-10:1,202,000ha Spain :1,411,000ha Portugal:122,000ha
Spain : 1,411,800 t Portugal : 90,000 t		Spain : 1,036,000t Portugal : 35,000t		
Soya	MGQ EUR-12 : 1,300,000 t	Estimated production 1.547.000	Overrun of 19% resulting in a reduction of ECU 11.07/100kg in the guide price for the Community of Ten and ECU 4.67/100kg for Spain (-9.6%)	SMG : (approved by the Council) EUR-12:509,000ha
Peas, field beans and sweet lupins	MGQ EUR-12 : 3,500,000 t	Estimated production: EUR-12 : 4,465,000 t	Overrun of 27,6% resulting in a reduction of ECU 4.8/100 kg in the guide prices for peas and field beans (-16,5%)	MGQ : the same as for 1991/92
Olive oil	Q.M.G. EUR-12 : 1,350,000 t	Production will be estimated in March 1992	No clear indication	MGQ : the same as for 1991/92
Wine	Compulsory distillation : Price based on the quantity covered by the compulsory distillation scheme, as follows : 50% of the guide price for the equivalent of 10% of the volume used; 7.5% of that price for the remainder	Quantity covered by the compulsory distillation scheme: 15.600.000hl	Yes : average price reduction for compulsory distillation : about 28%	



	1991/92			1992/93
	Quota or MGQ applicable	Market situation	Overrun	Quota or quantity applicable/proposed
Tobacco	Overall MGQ EUR 12 : 390,000 t of leaf tobacco. Allocated by variety	Anticipated overall production : EUR 12 : ±450,000 t	Overrun in the case of cer- tain varieties	Overall quota : EUR 12:340,000 t allocated by variety and group of varieties, proposed to the Council
Cotton	MGQ : 752,000 t (EUR-12)	Estimated production: EUR-12 : 888,912 t	Reduction of aid by 6,710 ECU/100 kg	MGQ : EUR 12 701.00 t (the same as last year but adapt to take account of the change in the standard quantity)
Fresh tomatoes	Intervention threshold EUR-12 : 599,300 t	Withdrawals : 52,218 (provisional)	No overrun	Intervention thresholds : the same as for 1991/92
Cauli- flowers	Intervention threshold EUR-12 : 57,300 t	Withdrawals : 26,350 (provisional)	No overrun	3% of the average quantity produced for consumption, not including pro- ducts for proces- sing, in the last five years
Nectarin- es	Intervention threshold EUR-12 : 62,400 t	Withdrawals : 79,043 (provisional)	Overrun anticipated. (price reduction of 5%)	10 % of average quantity produced same basis as for cauliflowers
Peaches	Intervention threshold EUR-12 : 269,700 t	Withdrawals : 422,688 (provisional)	Overrun anticipated. (price reduction of 6%)	12 % of average quantity produced same basis as for cauliflowers
Apples	Intervention threshold EUR-12 : 240,300 t	Marketing year under way		the same as in 1991/92
Oranges	Intervention threshold EUR-12 : 1,181,800 t	Marketing year under way		10 % of average quantity produced in the last five years plus 752,392 t
Lemons	Intervention threshold EUR-12 : 369,400 t	Marketing year under way		10 % of average quantity produced in the last five years plus 250,993 t
Satsumas	Intervention threshold EUR-12 : 34,500 t	Marketing year under way		10 % of average quantity produced in the last five years
Clémen- tines	Intervention threshold EUR-12 : 133,900 t	Marketing year under way		10 % of average quantity produced in the last five years
Mandari- nes	Intervention threshold EUR-12 : 35,800 t	Marketing year under way		10 % of average quantity produced in the last five years

	1991/92			1992/93
	Quota or MGQs applicable	Market situation	Overrun	Quota or quantity applicable/proposed
Processed tomatoes	Guarantee thresholds Concentrate : EUR-11 : 4,283,699 t Germany : 33,700 t  Peeled : EUR-12 : 1,543,228 t  Other EUR-11 : 734,920 t Germany : 1,300 t		No clear indication  No clear indication  No clear indication	
Dried grapes	Guarantee threshold Currants : 68,000 t Sultanas : 93,000 t Moscatel : 4,000 t		No overrun	Same thresholds as in 1991/92
Williams pears	Guarantee threshold EUR 12 : 102,805 t		No overrun	Same thresholds as in 1991/92
Peaches in syrup	Guarantee threshold EUR-12 : 582,000 t		No overrun	Same thresholds as in 1991/92
Milk	Overall guaranteed quantity (including Community reserve and temporary suspension of 4.5 %) EUR 11 : 98,802,551 t (without Portugal)		Small overrun expected, on the fat basis content ( $\pm 0.5\%$ )	Proposed in the context of the CAP reform :  2% cut + of which 1% redistribution
Sheepmeat	Maximum guaranteed level for ewe flock 63,400,000 head 18,100,000 for Great Britain and 45,300,000 for EUR-11 and Northern Ireland	Estimated 1991 flock: 48,360,000 head for EUR-11 and Northern Ireland and 19,775,000 for Great Britain	Estimated overrun of 9% for EUR-11 and Northern Ireland and 6% for Great Britain, reductions in the basic prices of 6.45% and 8.1% respectively (with effect from 7 jan 1991)	A proposal made in the context of CAP reform: - individual limit per producer - freeze if the reduction in the basic price, of 7%

Trends in economic indicators from 1980 to 1990 in real terms  
- EUR 12 -

Index based on 1980 = 100

Years	Expenditure EAGGF-Guarantee (1)(3)	GNP total (2)	Final agricult. output (2)	Employment in agric. in AWU	Final agric. output per pers. empl. (2)	NVA agric. (1)	NVA per AMU (1)
1980	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1981	89.0	100.1	99.1	95.0	104.4	97.2	102.3
1982	91.7	101.0	104.5	91.8	113.8	104.0	113.3
1983	110.4	102.7	104.9	89.5	117.2	98.4	109.9
1984	121.0	105.1	108.0	87.3	123.8	99.5	114.0
1985	125.5	107.6	107.9	85.9	125.7	93.9	109.4
1986	136.9	110.5	110.1	83.2	132.3	92.1	110.6
1987	138.4	113.8	110.0	80.9	135.9	88.1	108.8
1988	160.6	118.3	112.1	75.3	143.1	87.3	111.5
1989	142.5	122.2	113.3	75.0	151.1	92.9	123.9
1990	131.9	125.5	113.7	72.8	156.1	86.2	118.4

(1) In real terms (GDP deflator)

(2) In constant prices

(3) Budget "1987" : from 1 January to 31 October 1987

Budget "1988" : from 1 November 1987 to 15 October 1988

Budget "1989" : from 16 October 1988 to 15 October 1989

Budget "1990" : from 16 October 1989 to 15 October 1990

GDP : Gross Domestic Product at market price

NVA : Net Value Added at factor cost

AWU : Annual Work Unit

Source : Eurostat - DG VI



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