

27
EUROPEAN COMMUNITY

NEWSFLASH

GREEN EUROPE

Agricultural prices 1984/1985 and rationalisation of the CAP – Council Decisions

April 1984



Published by the Agricultural Information Service of the Directorate-General for Information
European Community Commission — 200, rue de la Loi, 1049 Bruxelles

27

Rationalization of the common agricultural policy
and
adoption of agricultural prices for 1984/85

- Council Decisions -

TABLE OF CONTENTS

	<u>Page</u>
1. Introduction by Mr Poul Dalsager	1
2. Background	9
3. The Commission's proposals	12
4. The Council's decisions	14
4.1. The prices	15
4.2. Agrimonetary measures	17
4.3. Other decisions on agricultural products adopted by the Council	21
4.4. Decisions taken in response to specific situations	22
4.5. Financial consequences	23
5. Structural measures	25
6. Decisions concerning the main products	27
A. Cereals	27
B. Sugar	30
C. Olive oil and oilseeds	31
D. Wine	33
E. Fruit and vegetables	34
F. Milk and milk products	37
G. Meat	41
 Annex 1: Commission proposals pursuant to COM(83)500	
 Annex 2: Impact of Council Decisions on support prices, ECU and national currencies	
 Annex 3: Price decisions in ECU for the various agricultural products	
 Annex 4: Agrimonetary measures applicable from the beginning of 1984/85 marketing year	

Rationalization of the common agricultural policy
and
adoption of agricultural prices for 1984/85

Introduction

by Mr Poul Dalsager, Member of the Commission

- 1.1 The decisions which the Council of Ministers has adopted mark the culmination of more than three years of effort by the Commission to adapt the common agricultural policy to the new economic circumstances.

Throughout this period, and in particular since it launched its rationalization plan in July 1983, the Commission has pressed the Council to act on its advice. Had it endorsed the Commission's proposals more promptly, the solutions would have been easier. However the Council has at last achieved agreement, so that the new agricultural prices and the other measures can enter into force for the 1984/85 marketing year.

The package deal has six main points:

- the principle of the guarantee thresholds is confirmed and extended to other products;
- control of milk production through quotas;
- restoration of a single market by dismantling the monetary compensatory amounts;
- a realistic policy on prices;
- rationalization of the aids and premiums for various products;
- compliance with Community preference.

Not all the reforms proposed by the Commission were adopted by the Council. For this reason, and as a result of the delay in adoption of the Council decisions and the deterioration in the market situation, additional resources will be needed to finance the CAP in 1984. The Community must show financial solidarity with regard to its farmers in its efforts to consolidate agricultural policy on sounder economic and financial bases in coming years.

1.2. Guarantee thresholds

Three years ago, the Commission concluded, in its report on the Mandate, that "it is neither economically sensible nor financially possible to give producers a full guarantee for products in structural surplus". In its memorandum on "Guidelines for European agriculture", it again stressed the dangers attendant upon the fixing of guaranteed prices "for unlimited quantities not necessarily matching market needs".

Since then, the Council has approved the Commission's proposals for guarantee thresholds for various products (milk, cereals, rape, processed tomatoes) in addition to the similar measures already being operated (sugar, cotton). Beyond these thresholds, the farmers cannot expect the Community to provide the same guarantees for their output. Thus, the guarantees are no longer open-ended, and the objectives of this policy change has been to achieve a more consistent relationship between the guarantees and the market itself and to dovetail them into a long-term plan for rationalization of the farm sector.

In its latest decisions, the Council has not only extended the guarantee threshold system to certain other products (sunflower, durum wheat, dried grapes) but has stressed the need to apply it to the market organizations for surplus products or products liable to boost expenditure. The Council has thus underwritten the Commission's own guidelines concerning the thresholds.

1.3. Milk

With the supply of milk running far ahead of demand, this product must loom large in any plan to reform the agricultural policy.

In its July 1983 memorandum, the Commission made the alternatives clear: either a 12% reduction in milk prices or a quota system guaranteeing reasonable prices to farmers for limited quantities of milk. Recommending quotas corresponding to 1981 deliveries + 1%, the Commission was bearing in mind the need to protect farmers' incomes and at the same time the limited scope for disposal on Community markets and markets outside.

The Council has agreed to introduce for a five-year period quotas based on 1981 deliveries + 1%. The system will be operated with realism and flexibility:

- for Ireland and Italy, the quantities guaranteed will be the same as 1983 deliveries;
- a reserve has been added to enable the difficulties created by the introduction of quotas in certain Member States to be solved; for the 1984/85 marketing year, the reserve has been fixed at 300 000 tonnes to be assigned to Ireland, Northern Ireland and Luxembourg;
- to facilitate the changeover, a further quantity has been added for the 1984/85 season for all the Member States, the cost of which will be covered by a 1% increase in the coresponsibility levy paid by dairy farmers;
- well aware of the difficulties of adaptation, the Council extended by two years the Community's direct 120 million ECU aid to small dairy farmers;
- rules have been adopted to ensure flexible implementation of the system in relation with general or regional conditions, allowing quota management at dairy level or at that of the individual farm. Improvement of dairy production structures must be encouraged.

These changes represent a courageous effort on behalf of the Community to reconcile the social objectives of the CAP with real market conditions. The decisions are painful because they have been too long deferred; however, if they had not been taken, the common market in milk could well have collapsed altogether in the very short term. Its economic and financial bases have now been effectively reorganized.

1.4. Monetary compensatory amounts

The Commission proposed that existing MCAs be phased out altogether in two stages. The Council decided to dismantle the positive MCAs in three stages. By the end of the first two stages (conversion of positive MCAs into negative MCAs at the beginning of the 1984/85 marketing year; dismantlement by 5 points of the German MCAs on 1 January 1985), four-fifths of the positive MCAs will have been dismantled in less than one year; they will have disappeared altogether by the beginning of the 1987/88 marketing year at latest. In addition, the negative MCAs for Italy and Greece will be eliminated at the beginning of 1984/85 marketing year, with a small negative MCA being retained for France.

Also, technical changes in the method of calculation will have the effect of reducing the MCAs on many products, including pigmeat.

The Ministers have now adopted a new system within which future parity changes in the European Monetary System will no longer entail the creation of positive MCAs.

These decisions constitute an important step towards the restoration of single prices on the Community agricultural markets.

1.5. Prices

The Council's decisions endorse the Commission's view that the market situation requires a very cautious policy on prices. In fact, for the first time ever, the average prices in ECU adopted by the Council (- 0.5%) actually fall short of the prices proposed by the Commission (+ 0.8%). Including the agrimonetary changes (dismantlement of the positive and negative MCAs), the average increase in agricultural support prices when expressed in national currencies will be 3.3%. As the general level of inflation in the Community can be estimated at 5.5% for 1984, these decisions leave no doubt as to the Council's determination to ensure that its prices policy is restrictive.

With regard to price relativities, as expressed in ECU, for the various agricultural products, the Council broadly endorsed the "modulated" approach proposed by the Commission. For some Mediterranean products, it approved increases exceeding the Community average.

The impact of these decisions on food prices will be just over 1% for the Community taken as a whole.

The impact on farm incomes cannot be assessed without taking account of the longer term outlook and the productivity situation. If this year's decisions are seen together with those for the three preceding years, for most of the Member States the increase in agricultural support prices as expressed in their own currencies has either actually exceeded the general level of inflation or has fallen short of general inflation without the discrepancy exceeding productivity gains normally achieved in farming. In only two Member States (Italy and Ireland), has a high rate of inflation run well ahead of agricultural support prices.

1.6. Aids and premiums

Another aspect of the Commission's plan consisted in a thorough review of aids and premiums financed under the CAP. In certain cases, this expenditure is no longer fully justified and at a time when there is a serious shortage of funds, a careful review was called for.

Consequently, the Commission proposed that certain aids be changed or discontinued altogether. While not accepting all the proposals, the Council adopted major decisions concerning the following products:

- Milk. A 75% reduction in the aid to butter consumption, which does not in fact affect consumer prices, because of the parallel reduction in the butter intervention price. Extension of other aids to the disposal of butter and concentrated milk.
- Beef/veal. Retention of the suckler cow premium, the only Community scheme specifically designed to encourage beef/veal production. Diminution of the variable premium paid in the United Kingdom, and of the calf premium.
- Sheepmeat. New rules on the payment of the ewe premium.
- Cereals. Adaptation of the compensatory allowances, which will yield substantial savings.
- Proteins. Decision concerning aids to peas and field beans, soya and lupin seeds.
- Fruit and vegetables. Reduction in the aids to fruit preserved in syrup. Limitation of aids for processed tomatoes.

These measures will improve the general profile of the CAP and also its cost/efficiency ratio.

1.7. Community preference

It has always been the Commission's concern to ensure a fair share-out of the sacrifices entailed by the adjustment. This means that all those involved (farmers, consumers, processors, taxpayers, Member States and non-member countries) must accept the discipline entailed by the efforts to safeguard the agricultural policy.

In this context, it is important to remember that the Council has adopted or has undertaken to adopt, on Commission proposals, a number of decisions concerning compliance with the principle of Community preference. The products concerned are as follows:

- Cereals: adoption of a mandate for negotiation with non-member countries on the stabilization of imports of cereals substitutes.
- Milk: reduction in the quantity of butter imported from New Zealand.
- Beef/ revision downwards of the import "balance sheets" for meat from
veal: non-member countries for 1984.
- Sheep- postponement of a decision on the variable premium, pending the
meat: results of negotiations with non-member countries on a minimum import price.

With regard to exports of agricultural products, the Commission takes the view that guarantee thresholds and, in particular, involvement of producers in disposal costs, would allow of the development of exports on a sound basis. It maintains its proposal concerning long-term contracts for the supply of agricultural products to non-member countries.

- 1.8. The Council's decisions on these six points constitute a milestone in the development of the CAP. They justify the efforts made by the Commission in the last three years to promote a political consensus favouring the adaptation of the agricultural policy.

These efforts have not always been welcome to everybody, as the Commission has highlighted facts and insisted on principles which are not universally popular: it has stressed the need for joint decisions, jointly agreed rules and common objectives some of which may have seemed less attractive to the Member States than the easy road of economic nationalism. Nonetheless, the rationalization, advocated by the Commission, rather than the renationalization of the CAP has at last prevailed.

The first chapter of this story is thus one of success. This will allow of growing integration of agriculture into the economic development of Europe, as part of the overall plan for renewal of the Community. However, other goals lie ahead. The Council is soon to review the policies concerning agricultural structures on the basis of Commission proposals that are already on its table. With regard to prices and markets, the Council, in future years, must complete the task it has started. It would be foolish to imagine that the main difficulties have now been solved.

But the decisions recently taken do show that at political level there has been a change of climate. The Commission warmly welcomes the decisions which at last have given the agricultural policy the right orientation, an orientation recommended by the Commission itself.



Paul DALSAGER

2. Background

- 2.1. At a meeting held in Stuttgart from 17 to 19 June 1983, the European Council tackled the following items, which it treated as interrelated: the future financing of the Community, the development of Community policies, the enlargement of the Community, special problems for certain Member States with regard to the Community budget and in other fields, and the need for greater budgetary discipline.

In a declaration released on 18 June 1983, the European Council stated that in the coming six months negotiations would be held under a special emergency procedure and that the results of the negotiations would go to the European Council scheduled to meet on 6 December 1983 in Athens.

The purpose of the negotiations was to review all the existing policies, with special attention for the common agricultural policy.

While confirming that the fundamental principles of the common agricultural policy would be respected, the European Council stated that the common agricultural policy must be adapted with a view to ensuring achievement of its objectives in a more coherent manner.

The Commission was asked to submit proposals by 1 August 1983.

- 2.2. The Commission therefore sent a communication - "Common Agricultural Policy: Commission Proposals" (COM(83) 500 final) - to the Council of Ministers on 28 July 1983.

- 2.3. Parliament adopted a resolution on the Commission communication on 18 November.
- 2.4. The special emergency procedure requested by the European Council was implemented within an exceptional structure:
- a special group of agricultural experts (which met on four occasions) supported by the high-level group for agriculture (which met in October and November 1983);
 - the single drafting group, manned by representatives of the Ministries of Foreign Affairs (which held seven meetings);
 - the special Council of Ministers of Foreign Affairs, Financial Affairs and Agriculture.
- This Council also held seven meetings.
- On 30 November 1983, the Presidency sent to the European Council a document pinpointing the major policy issues.
- 2.5. The European Council met on 6 December but adopted no decisions and no statement was issued.
- 2.6. On 17 January, the Commission laid before the Council its price proposals for 1984/85. It stressed that the Council should take decisions within an overall framework (i.e. not only on the list of prices but on all the problems emphasized in its memorandum of 28 July 1983) and within a tight schedule (i.e. by 31 March 1984 at the latest).
- 2.7. The Council's High-Level Agriculture Group resumed work on 18 January and held three further meetings in February. It prepared the Agriculture Council meetings within which the decisive phase of the negotiations began on 6 March. During the 11 to 13 and 16/17 March "marathons", the Agriculture Council hammered out the bases for an agreement on the Commission's proposals and communications concerning the adaptation of the common agricultural policy, the prices and related measures.

- 2.8. Parliament gave an opinion on the price proposals and other measures for adapting the CAP on 15 March.
- 2.9. The Economic and Social Committee gave its opinion on 1 March.
- 2.10. The European Council met on 19 and 20 March but failed to reach an agreement on the package as a whole.
- 2.11. The Agricultural Council met on 26/27 and 30/31 March. On the morning of 31 March it adopted the decisions bringing to a successful conclusion a long period of effort made by the Commission to adapt the common agricultural policy to the new economic circumstances.

3. The Commission's proposals

- 3.1. The Commission's proposals with regard to the rationalization of the common agricultural policy, sent to the Council in the form of document COM(83) 500 of 20 July 1983, were published as Supplement 4/83 to the Bulletin of the European Communities, entitled "Adaptation of the Common Agricultural Policy".

The Commission's proposals for the agricultural prices for 1984/85 (COM(84) 20, 17 January 1984) were summarized in No 24 of Green Europe, Newsletter.

- 3.2. The Commission's proposals to the Council implementing document COM(83) 500, concerning the main agricultural products and the agrimonetary measures, have been summarized in Annex 1 below.

The principles underlying the proposals were:

- the control of the markets for agricultural products, now overburdened by surpluses (especially for milk, cereals, swede rape, beef/veal, wine and certain processed fruit and vegetables). Outlets, both within the Community and outside on the main world markets, are limited with supply outstripping effective demand; consequently, the mechanism limiting the guarantee of disposal at common prices to given quantities had to be tightened up.
- Pursuit of a prices policy which was both restrictive for surplus products and differentiated as among the varieties sought by users and consumers;

- improvement in the quality of agricultural products;
- adaptation of commercial policy in the agricultural sector both for imports and for exports;
- control of EAGGF expenditure to ensure that the rate of growth of guarantee spending is lower than the rate at which the Community's own resources increase;
- tighter product quality controls and more rigorous application of financial provisions.

3.3. The Commission's proposals on the agricultural prices and certain related measures for 1984/85 were guided by the same principles and constitute either the practical application of the measures referred to at 3.2. or supplementing provisions.

The increase in the common prices proposed of 0.8% on average, as expressed in ECU (1984/85 proposals compared with 1983/84 decisions), was the lowest proposed by the Commission since 1979/80. Including the agrimonetary measures proposed at the same time, these proposals yielded an average decrease of 0.5% when expressed in national currencies. Presenting these proposals, the Commission was well aware of the implications for farm incomes of such a low increase in the common prices. However, given the major disequilibria on the markets, sharp price increases could be justified neither from the economic point of view nor in financial terms.

In other sectors of the economy, prices tend to fall when supply exceeds demand. And few industries enjoy outlets for their products as secure as those enjoyed by agriculture.

- 3.4. At the Agriculture Council meeting held on 30/31 March, the Commission made the following statement:

"The Commission, in order to help the Council find an agreement, has modified its initial proposal relating to COM(83)500 and prices for the 1984/85 marketing campaign.

This implies that supplementary financing will have to be provided to cover FEOGA guarantee expenditure in 1984 in excess of budget credits.

The Commission interprets the Council's acceptance of the package of modified proposals as a confirmation by the Council of the understanding reached by the European Council and the General Affairs Council that the Council will take the necessary decisions to assure the financing of the Community budget.

The Commission will at a later stage come forward with detailed proposals to the Council for covering extra financial needs in 1984."

4. The Council's decisions

Overall, the Council's decisions constitute a milestone in the development of the CAP. The adaptations made will enable the Community authority to cope with economic, social and budgetary problems. Thus the Council has adopted a policy which will remain stable in coming years, thus meeting more closely the needs of farmers and other operators against the background of the medium- and long-term political outlook. It would be quite wrong to imagine that the work is finished, but the Council's decisions have at last oriented the agricultural policy along the right lines.

Economic and social problems loomed large in the discussions:

- the prudent prices policy, the restriction of quantities guaranteed for the main items, and stricter requirements with regard to quality, should all help to restore better equilibrium on the markets;

- the Council's decisions respect the need for equilibrium between agriculture in the southern regions of the Community and in its northern regions, with their different economic conditions;
- the food consumer and the user of agricultural products will obtain greater benefit;
- once the markets have been brought under better control, the social aspects of farming can be given fuller consideration. A well-framed policy on agricultural structures should make a contribution. Consequently, the Commission has asked the Council to adopt in the near future the proposals now on its table.

The Commission also takes the view that as the years go by the budgetary objective will also be achieved.

Community agriculture, accepting certain sacrifices, is ready to contribute to the completion of the common policies in other fields.

4.1. The prices

With its Decisions of 31 March, the Council approved the guidelines suggested by the Commission in its proposals of 17 January on the prices.

As against the Commission's proposals, there is no longer an increase in prices expressed in ECU but a slight reduction (-0.5%) as compared with 1983/84.

However, in view of the agrimonetary measures (see below), the average increase in prices, when expressed in national currencies, is about 3.3% up on the 1983/84 decisions. The price alterations range from -0.6% for Germany and the United Kingdom to +17.6% for Greece. They also vary from one product to another, within a Community range of +1.2% (pigmeat) to +8.8% (olive oil). In general, Mediterranean-type products are improved more than the Community average as expressed in national currency.

However, the changes in these prices take account of differing market situations for different species (e.g. fruit and vegetables) or varieties (e.g. tobacco).

For cereals, for which the Commission had proposed alignment of Community prices towards the prices charged by the main competitors on the world market, the Council decided to reduce the prices as expressed in ECU by 1%. Also, the Commission has undertaken to narrow down further the discrepancy between the reference price for common wheat of minimum quality and the intervention price for fodder wheat by at least 2.67%.

The Commission estimates that the 1984/85 price decisions could have a maximum impact of about 1.3% on consumers' expenditure on food and of 0.2% on total private consumers' expenditure.

For all the products, detailed information with regard to the prices is given in Chapter 6 of this document and in the tables in Annexes 2 and 3.

4.2. Agrimonetary measures

One of the Council's great successes was to adopt a framework, with clear structures as to timing and substance, for the dismantling of the existing positive compensatory amounts and an arrangement avoiding the creation of new positive MCAs.

The Council's decisions differ from the Commission's original proposals, presented on 6.10.1983 and 17.1.1984, but they do incorporate a number of ideas which the Commission had discussed in its memorandum of 28 July 1983¹.

(a) Future monetary compensatory amounts

The Council adopted the provisions needed to ensure that by 1 April 1987 (beginning of the 1987/88 milk marketing year) changes in the central rates under the EMS can no longer, in any circumstances, entail the creation of fixed positive MCAs.

This will be achieved by the application of a correcting coefficient - being the highest percentage appreciation within a realignment - to the central rates used in the EMS. The MCAs would be calculated in terms of these green central rates, so that negative MCAs would be introduced or increased in all the Member States other than that the currency which had appreciated most. In this Member State, the MCA would be unchanged. The Commission has been instructed to take all necessary action to ensure that negative MCAs thus created do not lead to distortions with regard to export refunds.

The negative MCAs created in this way will be dismantled, on Commission proposals, in the light of past experience and having due regard to the need to avoid interfering with market equilibria and exacerbating inflation in the Member States concerned.

¹ COM(83) 500, points 5.6 and 5.7.

By 31 December 1986, the Commission will lay before the Council a report on the operation of this system and will submit proposals in the light of the Community's economic and monetary situation, the progress of farm incomes and experience gained.

If the Council has not adopted, before the beginning of the 1987/88 milk marketing year, decisions designed, in the light of the Commission's report, either to extend the current system or to create a different one, the arrangements applying before the 1984/85 marketing year will be reintroduced.

(b) Existing compensatory amounts

(i) With regard to the dismantlement of the existing positive MCAs, the Council approved a three-stage method.

- The first stage starts at the beginning of 1984/85 marketing year for each of the products. Part of the positive MCAs of all the Member States concerned will be dismantled by application of a correcting coefficient enabling the MCAs to be converted into negative MCAs. The correcting coefficient is to be calculated so as to reduce the positive German MCAs by 3 points. The prices expressed in national currencies in all the Member States with positive MCAs will remain unaffected.

On the other hand, the method will mean, in the negative MCA or zero MCA countries, an increase in existing MCAs or the introduction of new negative MCAs. The Council decided that the additional negative MCAs created in this way should be eliminated at the beginning of the 1984/85 marketing year for all products concerned.

- The second stage begins on 1 January 1985. On this date, the positive German MCAs will be dismantled by 5 points, and in the Netherlands 0.6 points will be eliminated for milk, 0.7 points for cereals and 0.8 points for the other products, to bring the Dutch MCAs in line with the German MCAs.

A result of this process is that the prices expressed in national currencies in these two Member States will be reduced by a rate roughly equivalent to the rate of dismantlement.

To allow of compensation of this reduction in farm incomes, Germany will be authorized by the Community to pay special aids through the system for charging VAT on agricultural products¹. The aid will be 3% of the ex-VAT price paid by the purchaser of the agricultural product. The difference between the rate of dismantlement of the MCAs (5 points) and the aid (3%) is accounted for by the fact that the MCAs are not applied to all products but that the aid will be granted for all agricultural products.

The Community will contribute to the financing of this aid on a declining basis, with 120 million ECU in 1985 and 100 million ECU in 1986. A Community contribution may be made in 1987 depending on changes in the level of national compensation paid by Germany.

If, at its request, the Netherlands is authorized to adopt its own schemes matching those for Germany, it may also be supported by Community arrangements similar to those to be adopted for Germany.

¹The Council agreed that the German MCAs can be dismantled on 1 January 1985 only if the Council has previously adopted a Directive under which Germany is authorized to pay this aid.

- The third stage for the dismantlement of positive German and Dutch MCAs surviving after 1 January 1985 will be implemented at latest at the beginning of the 1987/88 marketing year for each of the agricultural products, and this will be done on the basis of the principles obtaining between the introduction of the ECU into the CAP and the 1984/85 marketing year, i.e. without reducing the prices as expressed in national currency.
- (ii) The existing negative MCAs are eliminated on Commission proposals. Thus the Council decided, for the 1984/85 marketing year, to discontinue the existing MCAs for Italy and Greece, and to reduce the French MCAs by half.

(c) Consequences for 1984/85

It is clear from the above that the Council has made definite progress towards eliminating the MCAs.¹ At the end of 1983/84, the gap between the highest positive MCA (9.8% for Germany) and the highest negative MCA (11.9% for Greece) exceeded 20 percentage points. It has been cut to less than 10 percentage points (6.8% for Germany to - 2.0% for France).

If the further reduction in the positive MCAs scheduled for 1.1.1985 is included, the gap would be reduced to about 4 points.

(d) Method of calculation of the MCAs

The Council also approved certain Commission proposals the purpose of which was adaptation of the rules for calculation of the MCAs to the working of the market and elimination of certain distortions. For example, the calculation of the MCAs for pigmeat will no longer be based on the intervention price but on the value of the grain used in pig production, that is according to the formula used for the calculation of the levies.

¹ See Table 4 annexed.

4.3. Other decisions on agricultural products adopted by the Council

(i) The essential aspect of the Council's decisions consists in limitation of price and intervention guarantees for certain products.

The main instrument used is the guarantee threshold. In a decision adopted on 31 March 1984, the Council approved guidelines on the introduction of guarantee thresholds. It stressed the need for these instruments in the market organizations where heavy surpluses had built up or were liable to build up or in which expenditure was rising rapidly. In implementing these guidelines, the Council will bear in mind the implications of certain trade concessions to non-member countries.

Since 1982/83, the guarantee threshold has been applied to cereals (except durum wheat), rape, processed tomatoes and milk.

Similar instruments are operated for sugar and cotton.¹

On 31 March 1984, the Council decided to apply, from the beginning of 1984/85 marketing year onwards, guarantee thresholds for durum wheat, sunflower and dried grapes (sultanas and raisin) as well.

However, the main change concerns milk, for which the guarantee threshold has been converted into a reference quantity (quota). The details of this scheme are explained in Chapter 6.F of this document.

Thus, the Council approved the main points of the Commission's proposal.² However, it adjusted certain implementing procedures. The Commission had proposed that the reference quantity for milk be fixed only for the dairies.

¹The guarantee threshold for cotton was increased from 450 000 t for 1983/84 to 500 000 t for 1984/85.

²See the Commission's proposals in Annex 1.

The Council has introduced into the system a transitional year (1984/85), supplemented by a reserve quantity allocated to the Commission to settle special cases. The Council's decision deviates from the Commission's proposals also in that it extends the system to direct sales to farmers (i.e. not going through dairies) of milk and milk products (see details in Chapter 6.F.).

On the other hand, it did not accept the Commission's proposals concerning a special levy on milk from intensive units and the introduction of a tax on consumption of fats other than butter. The Commission's proposals with regard to the tax are, however, still on the Council's table.

(ii) For certain other measures proposed, the Council deferred its decisions. This includes the control agency for olive oil (to be decided by 31 May 1984), procedures for the application of prices to "double zero" varieties of rape-seed, oenological practices for wine, and several provisions concerning sheepmeat. It also decided that the arrangements concerning starches would continue. It asked the Commission to propose a new starch aid scheme for implementation in the following marketing year.

(iii) With regard to external trade, and in particular the GATT negotiations on imports into the Community of grain substitutes, e.g. corn gluten feed, the Commission obtained a negotiating mandate from the Council.

4.4. Decisions taken in response to specific situations

(i) Given the special importance of beef/veal for certain Member States, the Council adopted special decisions:

- for milk, it adopted measures benefiting Ireland, Italy, Luxembourg and Northern Ireland (see detailed in Chapter 6.F.);
- for beef/veal, it agreed to renew the calf premium paid in Italy, Greece, Ireland and Northern Ireland. The variable premium paid in the United Kingdom will be maintained, subject to a ceiling. All British exports will be subject to the clawback (see details in Chapter 6.G.).

- (ii) In view of certain needs arising from economic and natural conditions on agricultural production in Greece, the Council decided that irrigation and advisory programmes will be continued in 1985, with priority EAGGF financing.

4.5 Financial consequences

- (i) In its price proposals for 1984/85, the Commission - going on the assumption that all its proposals before the Council would be adopted - had estimated the savings achievable at about 875 million ECU in 1984 and 2 062 million ECU in 1985.

The Commission also estimated that the Community's own resources of agricultural origin would decline by about 69 million ECU in 1984 and by about 286 million ECU in 1985.

- (ii) The Council's 31 March decisions mean additional expenditure, as compared with the Commission's proposals, of 892 million ECU in 1984 and 1 364 million ECU in 1985.

It should, however, be borne in mind that the Commission's estimates include revenue from the tax on fats other than butter (170 million ECU in 1984, 560 million ECU in 1985). The Council has not decided, as yet, to introduce this tax.

- (iii) The Council's delayed decision with regard, in particular, to the measures proposed by the Commission in its memorandum of 28 July 1983 and the current situation on certain agricultural markets which forced the Commission to adopt restrictive measures with regard to payments in the final months of 1983 will probably tend to boost expenditure in 1984 by an estimated 1 500 to 2 000 million ECU. It must therefore be expected that the amounts appropriated in the 1984 budget to the EAGGF Guarantee Section will not cover requirements. The Commission will review ways and means of covering the deficit and will make proposals to the Council in due course.
- (iv) With regard to budgetary and financial discipline needed for the Community policies as a whole, the Commission proposed to the European Council and the General Affairs Council the following main principles:
- the proposal to establish at the beginning of the budgetary procedure, a reference framework, i.e. the maximum total amount of expenditure to be agreed to finance Community policies in the following year;
 - a proposal to ensure that net expenditure on the agricultural markets, calculated on a three-year basis, expands less than the rate of growth of the base for the Community's own resources. This trend will be assessed on comparable bases from one year to the next. Account will be taken of exceptional circumstances, this to include the accession of Spain and Portugal.

5. Structural measures

5.1 In its memorandum of 28 July 1983, the Commission had recalled the need for decisions with regard to agricultural structures. It had referred to the introduction of integrated programmes for the Mediterranean regions (the Commission's proposals on the IMPs were sent to the Council in March and August 1983¹) and the renewal and adaptation of the main socio-structural provisions concerning agriculture.

5.2 On 10 October 1983 the Commission sent to the Council² its proposals concerning the improvement of the efficiency of structures in agriculture and alterations to the "common measure" for the improvement of the conditions in which agricultural products are processed and marketed.

The Council failed to reach agreement on the latter proposal by the date on which the relevant Directives³ ran out, i.e. 31 December 1983. On 5 March 1984, the Council agreed to extend these Directives until 30 June 1984.⁴

5.3 In Regulation (EEC) No 564/84 of 1 March 1984,⁵ the Council decided that all aids to investment concerning directly milk production would be suspended from 1 March 1984 until a date on which the Council adopted the decisions needed for the implementation of measures to restore equilibrium on the milk products market in the Community.

¹COM(83) 24 and COM(83) 495, August 1983.

²COM(83) 559.

³Directives 72/159/EEC, 72/160/EEC, 72/161/EEC of 17 April 1972, OJ L 96, 23 April 1972, Directive 75/268/EEC, 28 April 1975, OJ L 128, 19.5.1975.

⁴OJ L 72, 15 March 1984.

⁵OJ L 61, 2.3.1984.

The Council, having agreed on 31 March to introduce delivery quotas in the milk sector and related measures, adopted measures designed to establish equilibrium on the market. It decided on the same date that, under the structural policy, aids for restructuring can be paid to dairy farmers, on terms to be agreed, throughout the period during which the production control scheme is in force.

6. Decisions concerning the main products

6.A Cereals

A.1 Prices

- The intervention prices expressed in ECU have been reduced by 1% as against 1983/84, except for durum wheat and rye, for which the intervention prices are to be the same as last year.
- However, given the adjustments to the green rates agreed at the same time, the result is an average increase in grain support prices, when expressed in national currency, of 3.5% at Community level. The increase varies from one Member State to another (see tables annexed) and from one product to another, as the table below shows:

	ECU/t	Average change EUR 10 as against previous marketing year (%)	
		ECU	national ¹ currency
<u>Common wheat</u>			
1984/85	182.73	- 1.0	+ 3.4
1983/84	184.58	+ 3.0	+ 6.5
<u>Durum wheat</u>			
1984/85	312.08	0	+ 7.8
1983/84	312.08	+ 4.0	+ 10.5
<u>Barley</u>			
1984/85	182.73	- 1.0	+ 1.6
1983/84	184.58	+ 3.0	+ 4.8
<u>Maize</u>			
1984/85	182.73	- 1.0	+ 5.4
1983/84	184.85	+ 3.0	+ 8.3
<u>Rye</u>			
1984/85	184.58	0	+ 0.7
1983/84	184.58	+ 3.0	+ 2.0

¹ Including the impact on prices of changes in green rates since the prices were last fixed.

- As the effective production threshold for 1983/84 (121 978 000 t)¹ was not exceeded, the price reduction agreed should there be an overrun is not applied.
- The aid to durum wheat is increased by 1.5% (as expressed in ECU) for Italy and France. For Greece, the increase is larger (15.5% and 38.5% depending on regions), having regard to the arrangements agreed in the Act of Accession.
- The end-of-season carryover payments will be calculated according to the usual rules; however, for wheat and rye, the number of monthly increases in future will be 5.5 (and not 11), and for maize there will be 4 (and not 11).
- The Commission's proposals concerning the "modulation" of the barley intervention price on the basis of its fodder value will be given a technical study later. The Commission will report to the Council with a view to the possible implementation of this measure in 1985/86.

A.2 Main measures

- . The Council noted the Commission's intention to implement intervention measures concerning common wheat of minimum breadmaking quality during the first three months of the 1984/85 marketing year. The Commission had already stated in its price proposals that if it had to apply such measures, it would do so at a price which would reduce at least to 7.67% the gap between the common single intervention price and the price of common wheat of minimum breadmaking quality.

¹ Threshold fixed for 1983/84:	120 560 000 t	120 560 000 t
+ surplus of imports of grain substitutes over 15 million tonnes		1 418 000 t
Actual threshold		121 978 000 t
Average production 1981/83		120 980 000 t

- . With regard to starches, the current arrangements have been renewed.
The Commission will propose a new starch aid scheme for implementation in the next marketing year.
- . The conditions set by the General Affairs Council having been met (implementation of reform of the CAP), the mandate concerning the opening of consultations and negotiations in GATT with a view to stabilizing imports of corn gluten feed and other by-products of the maize industry was adopted.

A.3 Guarantee threshold

The guarantee threshold for 1984/85 has been fixed at 121 320 000 t for all cereals except durum wheat. For durum wheat, a guarantee threshold of 4 600 000 t has been introduced for the 1984/85 marketing year.

6.B Sugar

B.1 Prices

The basic prices for sugar beet and the intervention price for white sugar have been fixed at the same level as for 1983/84. In national currencies, there will, however, as a result of the agrimonetary adjustments, be an average increase of 3.6% for the Community as a whole.

	ECU/t	Average change EUR 10 as against previous marketing year (%)	
		ECU	national ¹ currency
Basic price of sugar beet			
1984/85	40.89	0	+3.6
1983/84	40.89	+4.0	+6.2
Intervention price for white sugar			
1984/85	534.70	0	+3.6
1983/84	534.70	+4.0	+6.2

¹Including the impact on prices of changes in green rates since the prices were last fixed.

The Council also decided to renew for 1984/85 its decision to suspend the gradual reduction of aids for the northern areas of Italy, according to the same procedures as those agreed for 1983/84.

6.C. Olive oil and oilseeds

	ECU/t	Average change EUR 10 as against previous marketing year (%)	
		ECU	national currency 1
<u>Olive oil</u>			
1984/85	2 276.2	-1.0	+8.8
1983/84	2 299.2	+5.5	+14.6
<u>Rape</u>			
1984/85	472.6	-2.0	+0.9
1983/84	482.2	+4.0	+5.7

C.1. Olive oil

The prices expressed in ECU have been reduced by 1%. In national currency, as a result of the green rates, the increases will be 5.7% for Italy and 16% for Greece.

The Council agreed to adopt a decision on the proposals for regulations for the improvement of control in this area (COM(83) 480, 30.8.1983) before 31 May 1984.

C.2. Rape

The target and intervention prices for rape have been reduced by 2% in ECU but increased by 0.9%, on average, in national currencies. These changes allow for the price reduction deriving from the overrun of the guarantee threshold for 1983/84. For 1984/85, the guarantee threshold has been fixed at 2 410 000 t (2 290 000 t in 1983/84). The Commission, working closely with a group of national experts, will study the problem of varying prices by variety, and will send proposals for the 1985/86 marketing year.

1 Including the impact on the prices of changes in the green rates since the prices were last fixed.

C.3. Sunflower

The target price has been fixed at 582.2 ECU/t and the intervention price at 532.7 ECU/t. This is a 1% reduction in ECU but an increase in national currency of 4.7% in France and 5.7% in Italy.

A guarantee threshold of 1 million t is introduced for the first time for 1984/85.

6.D. Wine

D.1. Prices

The guide prices for all table wines have been reduced by 1% in ECU. The green rates will mean a price increase in national currencies of 5.4% over 1983/84.

D.2. Main measures

- New plantings of table grape vines and wine grape vines, including vines for the production of quality wines (p.s.r.), are prohibited until the beginning of the 1990/91 marketing year, barring individual exemptions granted under the control of the Commission.

Structural schemes for improving and reducing wine-growing areas will be continued.

- The rules proposed by the Commission with regard to oenological practices (in particular the ban on sucrose for wine-making) will be examined later with a view to establishing a set of measures the effect of which is to guide production towards quality and restrain plantings in areas ill-suited for quality production.

- The activating price for the intervention mechanism has been set at 92% of the guide price for all types of wine.

- To avoid, at time of distillation, any undue advantage for wines part of the alcohol of which has been obtained cheaply through chaptalization or enrichment with aid supported musts, the distillation price will be reduced by an amount corresponding to the advantage the wine has enjoyed.

- The Community aid to short-term wine storage has been discontinued. At France's request, it was also agreed that aid to private short-term wine storage could be paid from national funds.

6.E. Fruit and vegetables

E.1. Prices

As in the past, fruit and vegetables prices are varied on the basis of the market situation for the various products.

Thus, for tomatoes and apricots, the basic prices have been reduced by 1% in terms of ECU, while the prices of cauliflower, table grapes and aubergines have been increased by 2%; all the other fruit and vegetables covered by the intervention scheme have been given an ECU price increase of 0.5%. Larger increases in national currencies will result from the green rate changes agreed at the same time. Also, Greece will receive larger increases for certain products (tomatoes, peaches, mandarins and oranges) because of the gradual alignment of Greek prices on the common prices.

At Community level, including the impact of accession on the Greek prices, the average national-currency price increases for the main products are as follows :

- Tomatoes	+ 6.6%
- Cauliflowers	+ 6.8%
- Peaches	+ 9.0%
- Apples	+ 4.9%
- Oranges	+11.4%

E.2. Main measures

(a) Tomatoes

- A guarantee threshold of 4 700 000 t (raw material) has been agreed for all tomato-based processed products. Any excesses - being calculated on the basis of the average of the quantities produced in the three preceding marketing years - will lead to pro rata reductions for the following market year.

(b) Calculation of the aid for all processed products

- The aid is calculated on the basis of the raw material.
The basis used for the payment of the aid is the net finished product (but not including the tin).
Flat-rate coefficients (e.g. 6 kg of tomatoes for 1 kg of concentrate) are used for the conversion from the raw material to the net finished product.

Should the prices of products imported from non-member countries not be regarded as representative (insufficient volume of imports), a standard price would replace it, fixed according to procedures adopted by the Commission.

The coefficients for concentrates in small packings will be phased out by identical stages over three marketing years.

(c) Grapes

- The following arrangements have been made:
 - no new areas may be planted;
 - the minimum price paid to growers is maintained at its present level;
 - a guarantee threshold is introduced for currants (65 000 t) and sultanas (93 000 t). Beyond these quantities, the buying-in prices will be equal to the minimum price to the grower at the beginning of the marketing year, the maximum quantities that may be sent to intervention being equal to the guarantee thresholds thus fixed;
 - in any case, no grapes, or dried figs, may be sent to intervention during the first ten months of the marketing year;
 - the quality standards will be tightened up;
 - where the threshold is exceeded - the excess being calculated on the basis of the average of the quantities produced during the three preceding marketing years - the minimum price to the grower will be reduced during the following market year on the basis of the size of the excess;
 - a minimum import price is introduced.
- Before 31 December 1987, the Commission will present a report on the operation of this system, with proposals for any appropriate changes.

(d) Other processed fruit

In view of world market prices, the aids have been reduced as follows :

- | | |
|---------------------|--------|
| - Pears in syrup | - 5% |
| - Peaches in syrup | - 18% |
| - Cherries in syrup | - 60%. |

(e) Aid to orange processing

The change to the present arrangements means that the processor will bear a larger part of the increases in the minimum buying-in price for the raw material.

(f) Processing into juice of fruit and vegetables withdrawn from the market

This scheme has been discontinued.

6.F. Milk and milk products

F.1. Prices

The Council adopted the following decisions :

	ECU/t	Average change EUR 10 as against previous marketing year (%)	
		ECU	national currency ¹
<u>Milk</u>			
Target price			
1984/85	274.3	0	+3.0
1983/84	274.3	+2.3	+4.5
<u>Butter</u>			
Intervention price			
1984/85	3 197.0	-10.6	
1983/84	3 578.6	+2.3	
<u>Skimmed-milk powder</u>			
Intervention price			
1984/85	1 658.8	+10.9	
1983/84	1 496.4	+2.3	

The substantial changes in the prices of butter and skimmed-milk powder are the result of a change in the fat/protein ratio, which is now to be 50/50 (previously 55/45) and in the technical yield of the butter (839 g of fat per kg of butter, previously 850 g).

F.2. The main measures adopted by the Council

a) Control of the market (delivery quotas system)

- The new scheme is scheduled to last five years (1984/85 to 1988/89). The Commission will adopt a report in 1986.

¹ Including the impact on prices of green rate changes since the prices were last fixed.

- The definitive overall quantity guaranteed is 98 363 000 tonnes. For future years the size of the Community reserve will be reviewed in the light of market developments and the quantities available. It will be allocated as between Member States on the basis of the 1981 deliveries plus 1%, except for Ireland and Italy, for which the guaranteed quantity will be the 1983 deliveries.

- For 1984/85, the guaranteed quantity is 99 235 000 tonnes. A Community reserve of an additional 335 000 tonnes is allocated as follows : 25 000 tonnes for Luxembourg, 245 000 tonnes for Ireland, 65 000 tonnes for Northern Ireland. This concession will be financed by an additional percentage point on the linear coresponsibility levy for 1984/85, which is therefore 3%.

- When the quantities added to the reserve are distributed, Ireland will enjoy priority. The move from the 1984/85 transitional period will be administered in such a way as to ensure that the quantities available for Ireland are not reduced in future years.

- The quantities corresponding to the references of each of the Member States are broken down by regions defined according to Community criteria and a Community procedure, i.e. either between farmers or between dairies. Any excess will attract a levy of

- 75% of the milk target price for individual quotas and
- 100% of the milk target price for collective quotas.

- The system is extended to direct deliveries. Any excess beyond the quota will attract a levy of 75% of the milk target price.

- To facilitate the implementation of the super-levy scheme, it has been agreed to treat all purchasers in Greece as a single purchaser, since the production of the whole country accounts for less than 1% of Community production and the total number of purchasers in that country is very high.

- The Council adopted special provisions with regard to the management of special individual cases (new dairy farmers; farmers developing their farms; farmers having undergone substantial reduction in production because of exceptional occurrences such as disease outbreaks, etc.) and the quotas released because farmers have stopped producing milk. The Council also decided how quotas will be transferred when a dairy farm is sold or leased.

b) Aid to small dairy farmers

The Council decided to maintain the Community aid of 120 million ECU for two marketing years, the aid to go to small dairy farmers on the basis of Community criteria.

c) Other aids

- The following will qualify for Community aid enabling them to purchase butter at reduced prices :

- non-profit-making institutions and associations,
- armed forces and units ranking as such in the Member States,
- manufacturers of pastry products and ice-cream,
- manufacturers of other food products to be determined;

- The aid to the direct consumption of butter paid in the United Kingdom has been reduced by 75%, from 51 to 10 ECU/100 kg.

- Provisions concerning concentrated skimmed milk (for animals other than calves) are added to the scheme for aid to the use of milk in feed. The Council asked the Commission to propose an aid to partly skimmed-milk powder for calves.

(d) Other measures

- The Council did not accept the Commission's proposal that the fat content of the various classes of drinking milk be increased by 0.2%.
- It was agreed that butter imports from New Zealand would be reduced until the end of the May 1984.
- Inward processing traffic for butter, butteroil and skimmed-milk powder was suspended for two marketing years. The Commission will submit, before the end of the 1984/85 marketing year, a report on the butter market situation with appropriate proposals.
- The Council did not accept the Commission's proposal for temporary suspension of intervention for skimmed-milk powder.

(e) The guarantee thresholds fixed, by Member State ('000 t)

	<u>basic quantity</u> (from 1.4.1985)	<u>Quantities fixed for</u> <u>basic</u> <u>quantity</u>	<u>reserve</u>	<u>totals</u>
DEUTSCHLAND	23 248	23 487	-	23 487
FRANCE	25 325	25 585	-	25 585
ITALIA	8 323	8 323	-	8 323
NEDERLAND	11 929	12 052	-	12 052
BELGIQUE/BELGIÉ	3 106	3 138	-	3 138
LUXEMBOURG	265	268	26	293
UNITED KINGDOM	15 538	15 698	65	15 763
IRELAND	5 280	5 280	245	5 525
DANMARK	4 882	4 932	-	4 932
HELLAS	467	472	-	472
	98 363	99 235	335	99 570

6.G. Meat

6.1. Prices

The new prices for 1984/85 are shown below :

PRODUCT	ECU/t	Average percentage change as against preceding marketing year	
		ECU	national currency 1
<hr/>			
Intervention price for beef/veal for adult bovine animals			
1984/85	1 845.2	-1	+2.4
1983/84	1 863.8	+5.5	+7.6
 <u>Sheepmeat</u>			
Basic price (slaughter weight)			
1984/85	4 280.4	-1	+5.0
1983/84	4 323.6	+5.5	+9.5
 <u>Pigmeat</u>			
Basic price (slaughter weight)			
1984/85	2 033.3	-1	+1.3
1983/84	2 053.9	+5.5	+6.8

1 Including the effect on the prices of green rate changes since the prices were last fixed.

The guide and intervention prices for the live weight of bovine animals is maintained for a further three years.

From 1984/85 onwards, the Community scale for the classification of beef/veal carcasses is to be tried out for three years. The common prices will be adjusted in three stages. The Council notes the Commission's intention to fix, for the three years of transition to the full use of the scale, purchase prices for U 2 class carcasses bearing in mind the problems arising in this connection in particular for Vitelloni in Italy.

Additional measures

Beef/veal

To keep closer to real market conditions, whole and half carcasses will be bought in only during two months in the autumn, fore quarters during five months in the summer and hind quarters during five months in the winter.

All the national exemptions (for "stop and go", market preparation, etc.) have been discontinued.

The variable premium paid in the United Kingdom has been retained for a year, subject to a ceiling of 65 ECU, with application of a clawback to all British exports.

The calf premium has been kept on for one marketing year in Italy, Greece, Ireland and Northern Ireland but the EAGGF contribution has been cut from 32 ECU to 13 ECU. Italy alone has been authorized to pay a supplementary national premium not exceeding 19 ECU.

The premium for suckler cows and the additional premiums for the maintenance of suckler cows have been kept at their current level for 1984/85.

6.2. Sheepmeat

The various regional prices are to be gradually adjusted to a single common level. From 1984/85 onwards, no distinction will be made between the reference price and the basic price.

The marketing year will continue to start on the first Monday in April.

The seasonal adjustment of the basic price has been changed to allow of better adaptation of the usual seasonal changes on the Community market to production costs. The scale of the seasonal variation is 12% above and below the basic price. The minimum is in July, August and September instead of September and October, as has so far been the case.

The method of calculating the ewe premium paid to sheep farmers has been simplified. A coefficient representing the normal average level of production of lambs per ewe in the relevant region is to be applied to income losses.

The ewe premium will be fixed immediately after the end of the marketing year and will be paid to the farmer on the basis of the number of ewes raised on the farm during a minimum period. The advance payment against the ewe premium has been discontinued except for mountain areas and other less favoured areas.

Beneficiaries are defined as sheepmeat producers raising at least 10 ewes within a single Member State, except for Greece, where the minimum will be 5 ewes.

The Council noted the Commission's intention to fix, for the calculation of the ewe premium, the advance payment at 30% and the share corresponding to the production of ewe meat at 15% of total sheepmeat production.

The Council also noted the Commission's intention to continue exempting products exported from the Community from the clawback.

Annexes

Commission proposals pursuant to COM(83)500Opinion of Parliament and Council Decisions

Commission Proposal	COM	Parliament's Opinion	Council Decision
<p>A. <u>Monetary compensatory amounts (MCAs)</u></p> <p>I. <u>Newly created MCAs</u> Abolition in three stages by adjustment of the green rate</p> <p>II. <u>Existing MCAs</u> Dismantlement in two stages</p> <p>III. <u>Method of calculation of MCAs</u></p> <ul style="list-style-type: none"> - Alteration of certain calculation rules, including the "neutral margins" and the "non-cumulation rule", and the rules for calculating the pigmeat MCAs - Calculation of the levy and sluicagate price applicable to eggs and poultrymeat - Retention of the ECU under the common agricultural policy 	(83) 586 of 6.10.83	of 15.3.1984	<p>New method of calculation preventing the creation of new positive MCAs.</p> <p>Amended</p> <p>Adopted with amendments</p>
<p>B. <u>Main agricultural products</u></p> <p>I. <u>Milk and milk products</u></p> <p>1. <u>Guarantee threshold</u></p> <ul style="list-style-type: none"> - to be implemented by a quota system with a restrictive price policy 	(83) 548 of 14.9.83	of 15.3.1984	Adopted

Commission Proposal	COM	Parliament's Opinion	Council Decision
<ul style="list-style-type: none"> - on the basis of 1981 deliveries + 1%, a reference quantity (quota) has been fixed for each dairy - a further levy of 75% of the target price is applied for all quantities exceeding the quota - the additional levy is passed on to the dairy farmers whose deliveries exceed the reference quantity - special provisions to take account of changes in the structure of the dairy industry - preparation by the Commission of the measures needed to solve special cases of certain farmers 		15.3.84))))) Adopted with) amendments)))))))
2. <u>Intensive production</u> Application of a special levy of 4% of the target price to deliveries from farmers sending more than 60 000 kg of milk per year to dairies and more than 15 000 kg of milk per ha of fodder area	(83) 548 of 14.9.83	15.3.84	Rejected, withdrawn by the Commission
3. Grant of aids to the use of butter for the manufacture of certain food products (extension of the aid to other butter users)	(83) 611 of 14.9.83	15.3.84	Adopted
4. Increase in the fat content of drinking milk by 0.2%	"	15.3.84	Rejected
5. Grant of aids to enable condensed skimmed milk to be used in feed for animals other than calves and concentrated milk in calf feed	"		Adopted only for feed for animals other than calves

Commission Proposal	COM	Parliament's Opinion	Council Decision
6. The special aid to butter consumption paid in certain Member States to be discontinued	(83) 20, 24.1.84	15.3.84	Adopted in part (aid reduced by 75%)
7. Gradual reduction in the quantity of butter exported by New Zealand to the United Kingdom from 83 000 tonnes in 1984 to 75 000 tonnes in 1988	(83) 574, 10.10.83		Adopted only for 1984/85
8. Suspension of intervention for skimmed-milk powder for the part of the marketing year from 1 October to 31 March	(83) 548, 14.9.83	15.3.84	Rejected
II. <u>Cereals and rice</u>			
1. <u>Guarantee threshold</u>			
- application for all cereals (except durum wheat) proposed for the 1985/85 marketing year at 121 320 000 tonnes	(84) 20, 24.1.84	17.2.84	Adopted
- introduction of the guarantee threshold for durum wheat	(83) 604, 14.10.83	17.1.84	Adopted
2. Prompt and effective restriction of imports of grain substitutes other than manioc and brans	(83) 500, 28.7.83	18.11.83 and 15.3.84	Mandate adopted
3. Reduction of the gap between the Community prices and those charged by the main competitors on the world markets	(84) 20, 24.1.84	15.3.84	Adopted
4. Reduction of the gap between the intervention price for breadmaking wheat of inferior quality and that for fodder wheat (from 10% to 5%)	(84) 20, 24.1.84	18.11.83	Decision to be executed by the Commission

Commission Proposal	COM	Parliament's Opinion	Council Decision
5. Application of the same system of intervention to durum wheat as for breadmaking wheat	(83) 604, 14.10.83	17.2.84	Rejected, withdrawn by the Commission
6. Rice: proposal for a price policy varied according to varieties	(84) 20 24.1.84	15.3.84	Adopted
III. <u>Beef/veal</u>			
1. <u>Guarantee threshold</u>			
The Commission stated that it might propose a guarantee threshold in due course	(83) 500, 28.7.84	18.11.83	For review
2. <u>Intervention measures</u>			
(a) Limit buying of whole and half carcasses to two months in the autumn; limit buying of forequarters to five months in the summer and buying of hindquarters to five months in the winter	(83) 500, 28.7.84		Decisions to be executed by the Commission
(b) Apply carcase classification scale to buying from 1.1.1984 onwards	(84) 20, 17.1.84	15.3.83	Adopted with amendments (3 year transitional period)
(c) Terminate all national exemptions			Decisions to be executed by the Commission
3. <u>Premiums</u>			
(a) Non-renewal of calf premiums	(83) 500, 28.7.84	18.11.83	Reduction of the aid. Italy is authorized to pay an additional national subsidy.

Commission Proposal	COM	Parliament's Opinion	Council Decision
(b) From the beginning of the 1984/85 marketing year, the variable premiums paid in the United Kingdom to be discontinued			Rejected; the Community financial contribution is reduced
(c) Maintenance of the suckler cow premium	and (84) 20, 17.1.84		Adopted
4. <u>External trade</u>	(83) 500, 28.7.83		
(a) Import concessions for beef/veal must be adapted in the light of the Community market situation and requirements	and (84) 49, 1.2.84		Adopted
IV. <u>Fruit and vegetables</u>			
1. <u>Guarantee thresholds</u>			
- In force for certain tomato-based processed products	(83) 500, 28.7.83		Adopted with amendments. (All processed tomatoes under threshold)
- Proposed for dried grapes	(83) 92 final, 23.3.83		Adopted with amendments
2. <u>Restrictive prices policy</u>	(84) 20, 24.1.84	15.3.84	Adopted
3. <u>Aids and premiums</u>	(83) 596, 14.10.83	15.3.84	Adopted
(a) Revised method of calculation of processing aids for certain varieties of oranges			

Commission Proposal	COM	Parliament's Opinion	Council Decision
(b) Aid to processing, in particular into juice, of fruit and vegetables withdrawn from the market discontinued			Adopted
(c) aids to cherries preserved in syrup discontinued			Amended. (reduction of aids for three fruits in syrup).
V. <u>Oilseeds</u>			
1. <u>Guarantee thresholds</u>			
For rape and sunflower	(83) 601, 13.10.83	17.2.84	Adopted
2. Reduction of prices of other varieties of rape as compared with "double zero" variety	(83) 500, 28.7.83		Deferred to 1985/86
VI. <u>Olive oil</u>			
1. Increase in the gap between the target price and the intervention price; conditions required for intervention tightened up	(84) 20, 24.1.84		Rejected
2. General rules relating to the aid to olive oil production	(83) 480, 30.8.83	15.3.84	Already adopted by the Commission Deferred to end May 1984
3. Special procedures for granting of aid to very small oil producing holdings	(84) 20, 24.1.84	15.3.84	Adopted

Commission Proposal	COM	Parliament's Opinion	Council Decision
VII. Taxes on consumption of fats other than butter	(83) 562	15.3.84	Rejected but remains on the Council's table
VIII. <u>Wine</u>			
1. Limitation of plantings: Member States reminded to ensure carefully proper compliance with requirements	(83) 500, 28.7.84		Adopted with amendments. (New plantings prohibited)
2. Prudent prices policy	(84) 20, 24.1.84		Adopted
3. Increase in minimum natural wine strength	(83) 639, 25.11.83		Deferred
4. Use of sugar from 16.3.89 onwards prohibited, to be replaced by use of concentrated must	(83) 639, 5.11.83		Deferred
5. <u>Intervention measures</u>			
(a) Aid for short term wine storage discontinued			Adopted
(b) Percentage for compulsory distillation of by-products of wine-making raised from 8% to 10%			Deferred
(c) Aid to preventive distillation of wine			Adopted

Annex 2

Impact of Council Decisions on support prices,
ECU and national currencies

- The products listed in the attached tables are those which represent at least 1% of the value of final production of products covered by common prices.

1984/85 SUPPORT PRICES COMPARED WITH
1983/84 PRICES (%)

	Change in prices expressed in ECU ¹	Price changes in national currencies		
		Resulting from 1984/85 price decisions ²	Resulting from agri-monetary adjustments since 1983/84 price decisions ³	Total
Deutschland	- 0,6	- 0,6	-	- 0,6
France	- 0,6	+ 5,0	-	+ 5,0
Italia	- 0,4	+ 6,4	-	+ 6,4
Nederland	- 0,5	- 0,5	-	- 0,5
Belgique/België	- 0,6	+ 2,7	+ 1,2	+ 3,9
Luxembourg	- 0,5	+ 2,8	+ 1,2	+ 4,0
United Kingdom	- 0,6	- 0,6	-	- 0,6
Ireland	- 0,6	+ 2,7	+ 1,2	+ 3,9
Danmark	- 0,7	+ 1,5	-	+ 1,5
Hellas ⁴	+ 0,4	+ 17,6	-	+ 17,6
Community average	- 0,5	+ 3,2	+ 0,1	+ 3,3

¹ Common prices in ECU (intervention price or equivalent) weighted by agricultural production.

² Common prices in ECU converted into national currencies at green rates resulting from 1984/85 decisions, not taking account, in the case of Germany and the Netherlands, of the dismantlements of positive MCAs to take place on 1 January 1985.

³ Incidence on the prices expressed in national currencies of devaluations of certain green currencies on 20 June 1983.

⁴ Including incidence of the adjustment of the Greek prices on the common prices following measures connected with the accession.

EUR 10

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

Products	Change of prices in ECU	Change of prices in national currency	
		Total ¹	Resulting from 84/85 price decisions
Common wheat	- 1,0	+ 3,4	+ 3,4
Durum wheat	0	+ 7,8	+ 7,8
Barley	- 1,0	+ 1,6	+ 1,6
Maize	- 1,0	+ 5,4	+ 5,4
Beet	0	+ 3,6	+ 3,5
Olive oil	- 1,0	+ 8,8	+ 8,8
Table wine	- 1,0	+ 5,4	+ 5,4
Apples	+ 0,5	+ 5,0	+ 4,9
Tomatoes	- 1,0	+ 6,7	+ 6,6
Milk	0	+ 3,0	+ 2,9
Beef/veal	- 1,0	+ 2,4	+ 2,3
Pigmeat	- 1,0	+ 1,3	+ 1,2
Sheepmeat	- 1,0	+ 5,0	+ 5,0
Average all products	- 0,5	+ 3,3	+ 3,2

¹ Including the incidence on the prices of the devaluations of the green rates since the 1983/84 price decisions.

DEUTSCHLAND

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

Products	%	
	Change in prices in ECU	Change in prices in national currency ¹
Common wheat	- 1,0	- 1,0
Barley	- 1,0	- 1,0
Rye	0	0
Beet	0	0
Apples	+ 0,5	+ 0,5
Milk	0	0
Beef/veal	- 1,0	- 1,0
Pigmeat	- 1,0	- 1,0
Average all products	- 0,6	- 0,6

¹ Not including the dismantlements of the positive MCAs to take place on 1 January 1985.

FRANCE

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

%		
Products	Change in prices in ECU	Change in prices in national currency
Common wheat	- 1,0	+ 4,7
Barley	- 1,0	+ 4,7
Maize	- 1,0	+ 4,7
Beet	0	+ 5,8
Rape	- 2,0	+ 3,7
Table wine	- 1,0	+ 3,9
Apples	+ 0,5	+ 6,3
Tomatoes	- 1,0	+ 4,7
Milk	0	+ 5,8
Beef/veal	- 1,0	+ 4,7
Pigmeat	- 1,0	+ 3,9
Sheepmeat	- 1,0	+ 4,7
Average all products	- 0,6	+ 5,0

ITALIA

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

Products	Change in prices in ECU	Change in prices in national currency %
Common wheat	- 1,0	+ 5,7
Durum wheat	0	+ 6,8
Maize	- 1,0	+ 5,7
Rice	+ 2,5	+ 9,5
Beet	0	+ 6,8
Olive oil	- 1,0	+ 5,7
Table wine	- 1,0	+ 5,7
Tobacco	+ 1,5	+ 8,4
Oranges	+ 0,5	+ 7,3
Lemons	+ 0,5	+ 7,3
Table grapes	+ 2,0	+ 8,9
Apples	+ 0,5	+ 7,3
Peaches	+ 0,5	+ 7,3
Tomatoes	- 1,0	+ 5,7
Milk	0	+ 6,8
Beef/veal	- 1,0	+ 5,7
Pigmeat	- 1,0	+ 5,7
Sheepmeat	- 1,0	+ 5,7
Average all products	- 0,4	+ 6,4

NEDERLAND

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

%

Products	Change in prices in ECU	Change in prices in national currency ¹
Common wheat	- 1,0	- 1,0
Beet	0	0
Apples	+ 0,5	+ 0,5
Tomatoes	- 1,0	- 1,0
Milk	0	0
Beef/veal	- 1,0	- 1,0
Pigmeat	- 1,0	- 1,0
Sheepmeat	- 1,0	- 1,0
Average all products	- 0,5	- 0,5

¹ Not including dismantlements of positive MCAs due to take place on
1 January 1985.

BELGIQUE/BELGIE

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

%

Products	Change of prices in ECU	Change of prices in national currency	
		Total ¹	Resulting from 84/85 price decisions
Common wheat	- 1,0	+ 3,5	+ 2,3
Barley	- 1,0	+ 3,5	+ 2,3
Beet	0	+ 4,6	+ 3,4
Apples	+ 0,5	+ 5,1	+ 3,9
Tomatoes	- 1,0	+ 3,5	+ 2,3
Milk	0	+ 4,6	+ 3,4
Beef/veal	- 1,0	+ 3,5	+ 2,3
Pigmeat	- 1,0	+ 3,5	+ 2,3
Average all products	- 0,6	+ 3,9	+ 2,7

¹ Including the impact on prices of the devaluation of the green franc on 20 June 1983.

LUXEMBOURG

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

%

Products	Change of prices in ECU	Change of prices in national currency	
		Total ¹	Resulting from 84/85 price decisions
Common wheat	- 1,0	+ 3,5	+ 2,3
Barley	- 1,0	+ 3,5	+ 2,3
Beet	0	+ 4,6	+ 3,4
Table wine	- 1,0	+ 5,1	+ 2,3
Applies	+ 0,5	+ 3,5	+ 3,9
Milk	0	+ 4,6	+ 3,4
Beef/veal	- 1,0	+ 3,5	+ 2,3
Pigmeat	- 1,0	+ 3,5	+ 2,3
Average all products	- 0,5	+ 4,0	+ 2,8

¹ Including the incidence on prices of the devaluation of the green franc on 20 June 1983.

UNITED KINGDOM

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

%

Products	Change in prices in ECU	Change in prices in national currency
Common wheat	- 1,0	- 1,0
Barley	- 1,0	- 1,0
Beet	0	0
Milk	0	0
Beef/veal	- 1,0	- 1,0
Pigmeat	- 1,0	- 1,0
Sheepmeat	- 1,0	- 1,0
Average all products	- 0,6	- 0,6

IRELAND

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

Products	Change of prices in ECU	%	
		Change of prices in national currency	
		Total ¹	Resulting from 84/85 price decisions
Common wheat	- 1,0	+ 3,5	+ 2,3
Barley	- 1,0	+ 3,5	+ 2,3
Beet	0	+ 4,6	+ 3,4
Milk	0	+ 4,6	+ 3,4
Beef/veal	- 1,0	+ 3,5	+ 2,3
Pigmeat	- 1,0	+ 3,5	+ 2,3
Sheepmeat	- 1,0	+ 3,5	+ 2,3
Average all products	- 0,6	+ 3,9	+ 2,7

¹ Including the incidence on the prices of the devaluation of the green pound on 20 June 1983.

DANMARK

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

Products	Change in prices in ECU	% Change in prices in national currency
Common wheat	- 1,0	+ 1,2
Barley	- 1,0	+ 1,2
Beet	0	+ 2,2
Rape	- 2,0	+ 0,2
Milk	0	+ 2,2
Beef/veal	- 1,0	+ 1,2
Pigmeat	- 1,0	+ 1,2
Average all products	- 0,7	+ 1,5

ELLAS

INCIDENCE ON PRICES EXPRESSED IN ECU AND IN NATIONAL CURRENCIES
FOR THE MAIN PRODUCTS

%

Products	Change in prices in ECU	Change in prices in national currency
Common wheat	- 1,0	+ 16,0
Durum wheat	0	+ 17,2
Barley	- 1,0	+ 16,0
Maize	- 1,0	+ 16,0
Beet	0	+ 17,2
Olive oil	- 1,0	+ 16,0
Table wine	- 1,0	+ 16,0
Tobacco	+ 1,0	+ 18,4
Oranges	+ 8,0	+ 26,6
Lemons	+ 0,5	+ 17,8
Table grapes	+ 2,0	+ 19,5
Apples	+ 0,5	+ 17,8
Pears	+ 0,5	+ 17,8
Peaches	+ 6,5	+ 24,8
Tomatoes	+ 6,4	+ 24,7
Milk	0	+ 17,2
Beef/veal	- 1,0	+ 16,0
Pigmeat	- 1,0	+ 16,0
Sheepmeat	- 1,0	+ 16,0
Average all products	+ 0,4	+ 17,6

Average increase in common agricultural prices compared with previous years

	1982/83			1983/84			1984/85		
	Common prices in ECU ¹	national currency ²	Inflation 1982 ³	Common prices in ECU ¹	national currency ²	Inflation 1982 ³	Common prices in ECU ¹	national currency ²	Inflation 1982 ³
Germany	10,3	6,9	4,7	4,1	2,0	3,1	- 0,6	- 0,6	2,8
France	10,1	13,8	12,5	4,0	9,4	9,8	- 0,6	+ 5,0	7,1
Italy	10,5	16,1	17,5	4,5	8,7	15,1	- 0,4	+ 6,4	11,0
Netherlands	10,5	8,2	5,7	4,0	2,6	1,6	- 0,5	- 0,5	2,0
Belgium	10,4	16,3	7,0	4,4	7,7	7,1	- 0,6	+ 3,6	5,5
Luxembourg	10,4	16,5	7,9	3,9	7,2	8,2	- 0,5	+ 4,0	7,4
United Kingdom	10,1	10,1	7,2	4,1	4,1	4,9	- 0,6	- 0,6	5,3
Ireland	10,5	10,5	16,0	4,2	9,0	10,6	- 0,6	+ 3,9	7,8
Denmark	10,2	13,7	10,5	4,0	4,7	7,4	- 0,7	+ 1,5	4,9
Greece ⁴	13,4	19,7	23,8	5,6	25,8	19,7	+ 0,4	+ 17,6	19,8
EUR 10	10,4	12,2	9,0	4,2	6,9	6,3	- 0,5	+ 3,3	5,1

¹ Common prices in ECU (intervention price or equivalent prices (weighted by national agricultural production)).

² Common prices in ECU converted into national currency at the green rate including all adjustments of green rates included in the price decisions or adopted since the price decisions of the preceding marketing year.

³ Rate of inflation for the whole economy on the basis of the GDP deflator for the relevant calendar year.

⁴ Includes alignment of the Greek prices on the common prices following accession agreements.

Annex 3

Price decisions in ECU for the various agricultural products

	Type of price or amount	1983/84		1984/85 decisions		Period of application	Greece (a)	
		Amount (ECU/t)	Increase (%)	Amount (ECU/t)	Increase (%)		Amount fixed 1983/84 (ECU/t)	1984/85 decisions (ECU/t)
1	2	3	4	5	6	7	8	9
Common wheat	Target price	261.41	4.3	259.08	- 0.9		CP	CP
	Common single intervention price	184.58	3.0	182.73	- 1.0	1.8.84 - 31.7.85	CP	CP
	Reference price for bread wheat - average quality							
		215.29	3.0	213.14	- 1.0		CP	CP
Durum wheat	Target price	355.42	4.8	357.70	0.6		CP	CP
	Intervention price	312.08	4.6	312.08	0.0	1.7.84 - 30.6.85	CP	CP
	Aid	99.81	5.5	101.31	1.5		77.36(e)	89.34(e)
Barley	Target price	238.17	4.3	236.30	- 0.8		CP	CP
	Common single intervention price	184.58	3.0	182.73	- 1.0	1.8.84 - 31.7.85	CP	CP
Rye	Target price	238.17	4.3	238.37	+ 0.1	1.8.84 - 31.7.85	CP	CP
	Intervention price	184.58	3.0	184.58	0.0		CEP	CP
Maize	Target price	238.17	4.3	236.30	- 0.8		CP	CP
	Common single intervention price	184.58	3.0	182.73	- 1.0	1.8.84 - 31.7.85	CP	CP
Rice	Target price - husked rice	523.16	5.3	539.49	3.1	1.9.84 - 31.8.85	CP	CP
	Intervention price - paddy rice							
		306.53	5.5	314.19	2.5		CP	CP
Sugar	Basic price for sugarbeet	40.89	4.0	40.89	0	1.7.84 - 30.6.85	CP	CP
	Intervention price for white sugar							
		534.70	4.0	534.70	0		CP	CP

	Type of price or amount	1983/84		1984/85 decisions		Period of application	Greece (a)	
		Amount (ECU/t)	Increase (%)	Amount (ECU/t)	Increase (%)		Amount fixed 1983/84 (ECU/t)	1984/85 decisions (ECU/t)
1	2	3	4	5	6	7	8	9
Olive oil	Production target price	3 194.2	5.5	3 162.3	- 1.0		CP	CP
	Intervention price	2 299.2	5.5	2 276.2	- 1.0	1.11.84-31.10.85	CP	CP
	Production aid	702.6	5.5	695.6	- 1.0		405.20	550.4
Oilseeds	Target price							
	- Swede and turnip rape	482.20	4.0	472.6	- 2.0	1.7.84-30.6.85	CP	CP
	- Sunflower seed	577.10	6.0	582.2	- 1.0 (1)	1.9.84-31.8.85	CP	CP
	Basic intervention price							
	- Swede and turnip rape	438.0	4.0	429.2	- 2.0	1.7.84-30.6.85	CP	CP
	- Sunflower seed	527.1	6.0	532.7	- 1.0 (1)	1.9.84-31.8.85	CP	CP
	Norm price							
	- Soya beans	561.7	6.5	570.1	1.5	1.9.84-31.8.85	CP	CP
Dried fodder	- Flax seed	545.9	6.0	548.6	0.5	1.8.84-31.7.85	CP	CP
	Minimum price soya beans	494.3	6.5	501.7	1.5	1.9.84-30.8.85	CP	CP
Dried fodder	Fixed-rate aid	8.49	6.0	8.41	- 1.0	19.5.84-31.3.85	CP	CP
	Guide price	178.94	6.0	177.15	- 1.0	1.7.84-30.6.85	CP	CP
Peas and beans	Activating price	517.6	8.7	512.4	- 1.0	1.7.84-30.6.85	CP	CP
	Guide price	334.4	6.5	331.1	- 1.0			
	Minimum price	291.9	6.5	289.0	- 1.0			
Lupins	Activating price	-	-	478.2	-	1.7.84-30.6.85	CP	CP
	Minimum price	-	-	317.9	-			
Flax and hemp	Fixed-rate aid (per ha)							
	- Fibre flax	355.12	6.0	351.57	- 1.0	1.8.84-31.7.85	118.37	277.72
	- Hemp	322.52	6.0	319.29	- 1.0		107.51	252.22

¹ Taking account of the proposal that the standard quality should have an oil content of 42% (previously 40%).

	Type of price or amount	1983/84		1984/85 decisions		Period of application	Greece (a)	
		Amount (ECU/t)	Increase (%)	Amount (ECU/t)	Increase (%)		Amount fixed 1983/84 (ECU/t)	1984/85 decisions (ECU/t)
1	2	3	4	5	6	7	8	9
Cotton	Norm (guide) price	927.5	8.0	941.4	1.5	1.9.84 - 31.8.85	CP	CP
	Minimum price	881.2	8.0	894.4	1.5		CP	CP
Table wine								
Type RI	Guide price (per degree/hl or per hl, according to type)	3.45	5.5	3.42	1.0	1.9.84-31.8.85	CP	CP
RII		3.45	5.5	3.42	- 1.0		CP	CP
RIII		53.84	5.5	53.30	- 1.0		CP	CP
AI		3.20	6.0	3.17	- 1.0		CP	CP
AII		71.74	5.5	71.02	- 1.0		CP	CP
AIII		81.93	5.5	81.11	- 1.0		CP	CP
Raw tobacco	Norm price (x)		4-7.5		-3 - +2	1984	CP	CP
	Intervention price (x)		5-8.5		-3 - +2			
Fruit and vegetables	Basic price		3.5-6.5		-1 - +2	1984 - 1985	(d)	(d)
			(d)					

	Type of price or amount	1983/84		1984/85 decisions		Period of application	Greece (a)	
		Amount (ECU/t)	Increase (%)	Amount (ECU/t)	Increase (%)		Amount fixed 1983/84 (ECU/t)	1984/85 decisions (ECU/t)
1	2	3	4	5	6	7	8	9
Milk	Target price for milk	274.3	2.3	274.3	0.0	2.4.84 - 31.3.85		
	Intervention price							
	- for butter	3 578.6	2.3	3 197.0	- 10.6			
	- for skimmed-milk powder	1 496.4	2.3	1 658.8	10.9			
	- for cheese							
	. Grana Padano 30-60 days	3 612.8	2.3	3 817.5	5.7		CP	CP
	. Grana Padano 6 months	4 395.3	2.3	4 727.5	7.6			
	. Parmigiano-Reggiano 6 months							
		4 802.6	2.3	5 216.1	8.6			
Beef/veal	Guide price for adult bovines	2 070.9	5.5	2 050.2	- 1.0	2.4.84 - 1.4.85		
	Intervention price for adult bovines	1863.8	5.5	1 845.2	- 1.0		CP	CP
Sheepmeat	Basic price (carcase weight)	4 323.6	5.5	4 280.4	- 1.0	2.4.84 - 31.3.85	CP	CP
Pigmeat	Basic price (carcase weight)	2 053.87	5.5	2 033.30	- 1.0	1.11.84-31.10.85	CP	CP
Silk worms	Aid per box of silkseed	106.00	6.0	107.59	1.5	2.4.84-31.3.85	84.01	95.80

Footnotes

- (a) Prices for Greece are shown only where they differ from the common prices (CP).
- (b) Where appropriate, account has been taken of the effect of activating the guarantee threshold.
- (c) For the regions of Greece which received no national aid before Greece joined, Community aid is 57.26 ECU/ha for 1983/84 and will be 79.79 ECU/ha for 1984/85.
- (d) Products listed in Annex II to Council Regulation (EEC) No 1035/72 of 18 May 1972 (% increase and periods of application).

	1983/84	1984/85	Greece 1984/85	
Cauliflowers	6.5 %	2.0 %	CP	01.05.1984 to 30.04.1985
Tomatoes	3.5 %	- 1.0 %	6.4 %	11.06.1984 to 30.11.1984
Peaches	6.5 %	0.5 %	6.5 %	01.06.1984 to 30.09.1984
Lemons	6.5 %	0.5 %	CP	01.06.1984 to 31.05.1985
Pears	3.5 %	0.5 %	CP	01.07.1984 to 30.04.1985
Table grapes	6.5 %	2.0 %	CP	01.08.1984 to 31.10.1984
Apples	3.5 %	0.5 %	CP	01.08.1984 to 30.06.1985
Mandarins	5.5 %	0.5 %	4.6 %	16.11.1984 to 28.02.1985
Sweet oranges	6.5 %	0.5 %	8.0 %	01.12.1984 to 31.05.1985
Apricots	6.5 %	- 1.0 %	CP	01.06.1984 to 31.07.1984
Aubergines	6.5 %	2.0 %	CP	01.07.1984 to 31.10.1984

For Greece, lower prices have to be fixed for tomatoes, peaches, mandarins and oranges (price alignment and increase included).

Common prices are applicable for cauliflowers, lemons, pears, table grapes, apples, apricots and aubergines.

(x) Increases in 1984/85 in norm prices and premiums for tobacco varieties

Variety	Norm price (xx)	Premium
Mavra, Tsebelia	- 2	- 2
Forchheimer Havanna, Beneventano	- 3	- 3
Badischer Geudertheimer, Kentucky, Paraguay, Nijkerk, Missionero, Round-Tip, Xanti-Yaka, Perustitza, Erzegovina, Kaba Koulak (non- classic), Myrodata Agrinion	0	0
Badischer Burley, Virgin D, Bright, Burley I, Burley GR, Maryland, Virginia GR, Basmas Katerini, Kaba Koulak (classic), Zichomyrodata	2	2

(xx) The figures for Greek varieties are further increased by the incorporation of the third 25% of national aid).

Annex 4

(a) Agri-monetary measures applicable from the beginning of 1984/85 marketing year

Country	Product	Present situation			Incidence of conversion of positive MCAs into negative MCAs		Dismantlement of MCAs			New situation at beginning of 1984/85 marketing year				
		Green rate	Monetary gap		Green central rate ³	Monetary gap on the basis of green central rate	Results of conversion	Further to dismantlement of MCAs created by conversion	From stock of MCAs existing before conversion	Green rate	Devaluation %	Incidence prices (%)	Monetary gap	
			real	applied									real	applied
D	Milk	: 2,54273	: +11,833	: + 10,8	: 2,31728	: + 8,866	: 2,9	: -	: -	: 2,54273	-	-	: + 8,866	: + 7,9
	Cereals	: 2,52875	: +11,346	: + 10,3	:	: + 8,363	: 2,9	: -	: -	: 2,52875	-	-	: + 8,363	: + 7,4
	Other	: 2,51457	: +10,846	: + 9,8	:	: + 7,846	: 3,0	: -	: -	: 2,51457	-	-	: + 7,846	: + 6,8
NL	Milk	: 2,73327	: + 7,583	: + 6,6	: 2,61093	: + 4,475	: 3,1	: -	: -	: 2,73327	-	-	: + 4,475	: + 3,5
	Cereals	: 2,72149	: + 7,183	: + 6,2	:	: + 4,062	: 3,1	: -	: -	: 2,72149	-	-	: + 4,062	: + 3,1
	Other	: 2,70981	: + 6,785	: + 5,8	:	: + 3,648	: 3,2	: -	: -	: 2,70981	-	-	: + 3,648	: + 2,6
BLEU		: 44,9008	: 0,0	: 0	: 46,4118	: - 3,365	-	: 3,365	: -	: 46,4118	: - 3,255	: + 3,365	: 0,0	: 0
		:	:	:	:	:	:	:	:	:	:	:	:	:
F	Other	: 6,49211	: - 5,891	: - 4,4	: 7,10590	: - 9,454	-	: 3,363	: 2,437	: 6,86856	: - 5,482	: + 3,800	: - 3,454	: - 2,0
	Milk	: 6,53400	: - 4,891	: - 3,4	:	: - 8,421	-	: 3,530	: 2,470	: 6,93793	: - 5,534	: + 3,858	: - 2,421	: - 1,0
	Pigmeat/wine	: 6,77297	: - 1,500	: 0	:	: - 4,915	:	: 3,415	: 1,500	: 7,10590	: - 4,685	: + 4,916	: 0	: 0
DK	All products	: 8,23400	: + 1,129	: + 1,0	: 8,41499	: - 2,198	: 1,129	: 2,198	: -	: 8,41499	: - 2,151	: + 2,198	: 0,0	: 0
		:	:	:	:	:	:	:	:	:	:	:	:	:
IRL	All products	: 0,725690	: 0,0	: 0	: 0,750110	: - 3,365	-	: 3,365	: -	: 0,750110	: - 3,255	: + 3,365	: 0,0	: 0
		:	:	:	:	:	:	:	:	:	:	:	:	:
UK ¹	All products	: 0,618653	: + 4,658	: + 3,7	: 0,609652	: + 1,430	: 3,208	: -	: -	: 0,618653	-	-	: + 1,430	: 0
		:	:	:	:	:	:	:	:	:	:	:	:	:
I ²	All products	: 1341,00	: - 3,337	: - 1,8	: 1432,30	: - 6,814	-	: 3,477	: 3,337	: 1432,00	: - 6,355	: + 6,786	: 0	: 0
		:	:	:	:	:	:	:	:	:	:	:	:	:
DRA ¹	All products	: 77,2479	: -13,382	: - 11,9	: 90,5281	: -17,198	-	: 3,816	: 13,382	: 90,5281	: -14,670	: +17,192	: 0	: 0
		:	:	:	:	:	:	:	:	:	:	:	:	:

¹ Reference period from 7.3.1984 to 13.3.1984.

² Reference period from 29.2.1984 to 6.3.1984.

³ Correcting coefficient: 1.033651.

Annex 4

(b) Agri-monetary measures applicable from 1 January 1985
(Incidence of the dismantlement of the German and Netherlands MCAs due on 1.1.1985)

Country	Product	Central rate		Current green rate	Monetary gap		Dismantlement	New green rate	Revaluation	Incidence prices	New monetary gap	
		actual	corrected		real	applied					real	applied
D	Milk	2,24184	2,31728	1,54273	+ 8,866	+ 7,9	5	2,41047	+ 5,487	- 3,202	+ 3,866	+ 2,9
	Cereals			1,52875	+ 8,363	+ 7,4	5	2,39792	+ 5,456	- 3,174	+ 3,363	+ 2,4
	Other			1,51457	+ 7,846	+ 6,8	5	2,38516	+ 5,426	- 3,146	+ 2,846	+ 1,8
NL	Milk	2,52595	2,61095	1,73327	+ 4,475	+ 3,5	0,6	2,71620	+ 0,628	- 0,625	+ 3,875	+ 2,9
	Cereals			1,72149	+ 4,062	+ 3,1	0,7	2,70178	+ 0,730	- 0,724	+ 3,362	+ 2,4
	Other			1,70981	+ 3,648	+ 2,6	0,8	2,68749	+ 0,831	- 0,824	+ 2,848	+ 1,8

EUROPEAN COMMUNITY

NEWSFLASH

GREEN EUROPE



OFFICE FOR OFFICIAL PUBLICATIONS OF THE EUROPEAN COMMUNITIES

Boîte postale 1003 — Luxembourg
