

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

451st meeting of the Council

- Agriculture -

Luxembourg, 25 and 26 April 1977

President: Mr John SILKIN,
Minister for Agriculture, Fisheries
and Food of the United Kingdom

514/77 (Presse 56)

PRESS RELEASE

Brussels, 28 April 1977
514/77 (Presse 56) Corr. 1

C O R R I G E N D U M
to Press Release
No 514/77 (Presse 56)
of 25 and 26 April 1977

Page 20:

1. Prices - third line:

Read: "+ 4.5% for cauliflowers, tomatoes, peaches and lemons
+ 3.5% for apples, pears, oranges, mandarines
+ 2.5% for tables grapes"

Page 21:

4. Marketing period for oranges - second paragraph:

Read: "The marketing premium for oranges, mandarines and
clementines will be increased by 3.5%."

Page 29:

8. Inward processing traffic:

Insert the following paragraph after the title:

"The Council agreed to extend until 31 March 1980 the
suspension of inward processing arrangements for skimmed milk
powder and butter."

26.IV.77

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Albert LAVENS Minister of Agriculture

Denmark:

Mr Poul-DALSAGER Minister of Agriculture

Mr Svend JACOBSEN Minister of Fisheries

Mr Hans-Jørgen KRISTENSEN State Secretary,
Ministry of Agriculture

Germany:

Mr Josef ERTL Federal Minister of Agriculture

Mr Hans-Jürgen ROHR State Secretary,
Ministry of Agriculture

France:

Mr Pierre MEHAIGNERIE Minister of Agriculture

Mr Jacques BLANC State Secretary in the
Ministry of Agriculture

Mr Marcel CAVAILLE State Secretary in the
Ministry of Public Investment
and Regional Development
(Transport)

Ireland:

Mr Mark CLINTON Minister of Agriculture

Italy:

Mr Giovanni MARCORA Minister of Agriculture

Mr Arcangelo LO BIANCO Deputy State Secretary,
Ministry of Agriculture

26.1V.77

Luxembourg:

Mr Jean HAMILIUS
Mr Albert BERCHEM

Minister of Agriculture
State Secretary,
Ministry of Agriculture

Netherlands:

Mr A.P.L.M.M. VAN DER STEE

Minister of Agriculture and
Fisheries

United Kingdom:

Mr John SILKIN

Minister of Agriculture,
Fisheries and Food

Mr Bruce MILLAN

Secretary of State for Scotland

Mr Gavin STRANG

Parliamentary Secretary,
Ministry of Agriculture,
Fisheries and Food

Commission:

Mr Finn Olav GUNDELACH

Vice-President

Mr Christopher TUGENDHAT

Member

o

o

o

26.IV.77

1977/1978 AGRICULTURAL PRICE REVIEW

Following discussion of the Commission's proposals on the fixing of agricultural prices and related measures for the 1977/1978 marketing year, the Council agreed on the following points:

Agri-monetary questions

The new representative rates to be applied in agriculture are as follows:

DM = 0.293033 UA
BF/LF = 0.0202640 UA (rate unchanged)
Fl.NL = 0.293884 UA (rate unchanged)
Ir.£ = 1.35190 UA
FF = 0.172995 UA
It.L = 0.0970874 UA
£ St.= 1.70463 UA
DKr = 0.122877 UA.

This gives the following reduction in MCA:

1.8 points for Germany
0 points for the Benelux
7 points for Ireland
3 points for France
8 points for Italy
4 points for the United Kingdom.

26.IV.77

These new representative rates will apply in principle from the beginning of each marketing year.

However, the new representative rates for the French franc, the Irish pound and the Italian lira have been in force for milk and milk products, beef and veal, pigmeat, dehydrated fodder, silkworms and cherries since 1 April 1977 on the basis of the decision taken by the Council at its last meeting.

The new representative rate for the pound sterling will also apply to pigmeat from 1 May 1977 in the United Kingdom.

As regards milk and milk products:

- in the Federal Republic of Germany, the new representative rate will apply with effect from 1 May 1977;
- in the United Kingdom, half of the adjustment will be made on 16 September 1977 and the remainder on 1 April 1978; the representative rate will therefore be £1 = 1.75560 UA until 15 September 1977 inclusive and £1 = 1.73013 UA from 16 September 1977 until 31 March 1978.

26.1V.77

Prices (sector by sector)

CEREALS

The Council agreed on the following prices:

Commodity	UA/t
<u>COMMON WHEAT</u>	
Common single intervention price:	
- in Denmark	118.10 (1)
- in Ireland	118.63 (1)
- in the United Kingdom	111.55 (1)
- in the other Member States	120.06
Reference Price bread wheat:	
- in Denmark	133.58 (1)
- in Ireland	132.07 (1)
- in the United Kingdom	125.44 (1)
- in the other Member States	135.59 (2)
Target Price	158.08
<u>RYE</u>	
Single intervention price	128.96 (3)
Target price	155.12

- (1) From 1 January 1978, the Community intervention price and the reference price for common wheat of bread-making quality valid in other Member States will apply in Denmark, Ireland and the United Kingdom.
- (2) Common wheat of bread-making quality meeting only minimum requirements for bread-making.
- (3) A special bonus of 3.11 UA/t is proposed for rye of bread-making quality with an amylographic index of 200 or more.

26.IV.77

UA/t	
Commodity	1977/1978
<u>BARLEY</u>	
Common single intervention price	
- in Denmark	118.21 ⁽¹⁾
- in Ireland	116.88 ⁽¹⁾
- in the United Kingdom	111.01 ⁽¹⁾
- in the other Member States	120.06
Target price	144.97
<u>MAIZE</u>	
Single intervention price	118.03
Target price	144.97
<u>DURUM WHEAT</u>	
Single intervention price	203.01
Target price	224.27

⁽¹⁾ As from 1 January 1978, the Community intervention price and the reference price for common wheat of breadmaking quality valid in the other Member States will apply in Denmark, Ireland and the United Kingdom.

26.IV.77

Reference price for common wheat of breadmaking quality

The Council took note of the following statement by the Commission on the defence of the reference price for common wheat of breadmaking quality:

"1977/78 will be the first marketing year in which the new rules on the organization of the market in cereals will be fully operational and therefore it will be a period during which experience of the system will have to be gained.

The Commission undertakes to take all measures necessary for the support of the bread wheat market at the reference price level during the whole of the marketing year.

Moreover, since there is concern about the market situation at the beginning and end of the marketing year, the Commission is already envisaging:

- applying special intervention measures for at least three months from 1 August 1977 (and if necessary for three months from 1 May 1978); these will take the form of purchase at the reference price of any common wheat offered to the intervention agencies and meeting the minimum requirements for breadmaking;
- submitting to the Management Committee, during the spring of 1978, measures which may be applied up to the end of the marketing year in order to support the price of common wheat of breadmaking quality;
- pursuing an active export policy aimed at supporting the market for common wheat of breadmaking quality.

26.IV.77

The Commission also proposes that the Council undertake to reserve up to 400,000 tonnes of common wheat of breadmaking quality for possible transfer to Italy, insofar as a sufficient quantity is available in intervention stocks."

Aid for durum wheat

The aid is 60 UA/ha; it will be limited to the Italian Zone "A" plus the Marches, Latium and Tuscany, plus all mountainous areas in Italy covered by Directive 268/75.

Transfer from intervention stocks.

The Council agreed to transfer an additional 200,000 t. of wheat to Italy from German intervention stocks before the end of the current marketing year, if necessary.

Abatement for maize in Italy

An abatement of 3 UA/tonne in the levy on maize will apply in Italy during the 1977/1978 marketing year.

26.IV.77

RICE

The Council agreed on the following prices:

UA/t

	1977/1978
Intervention price at Vercelli (paddy rice)	171.55
Market component (including ACP/OCT preference of 1.5 UA/t)	18.87
Husking costs for paddy rice	25.96
Price of husked rice at Vercelli (coeff. 1.25)	270.48
Transport costs (Vercelli-Duisburg)	24.90
Target price for husked rice at Duisburg	295.38

26.IV.77

SUGAR AND ISOGLUCOSE

The Council agreed on the following prices:

	UA
	1977/1978
Minimum price per ton of beet	25.43
a) Intervention price per 100 kg of white sugar	32.83
b) Storage costs levy	1.77
c) Total a + b	34.60
d) Target price per 100 kg of white sugar	34.56
e) Storage costs levy	1.77
f) Total d + e	36.33
g) Intervention price per 100 kg of raw sugar	27.25
h) Storage costs levy	1.63
i) Total g + h	28.88
Threshold price per 100 kg of white sugar	39.72
Refund of storage costs for white sugar (ql/month)	0.30
Coefficient for fixing the maximum quota	1.35

Quality premium:

The Commission will examine the possibility of a premium on the intervention price for raw sugar in areas where subsequent re-sale enables a quality premium to be secured from the market.

"B" quota

The Council agrees that, if the present prospects for the Community and world sugar market continue, there will be a reduction in the maximum sugar quota with effect from the 1978/79 sugar year.

This reduction will be taken into account when fixing the special maximum quota for the Member States applying the mixed price system.

National aid authorized in Italy (Article 38 of Regulation (EEC) No 3330/74)

The amount of this aid is maintained for the 1977/78 marketing year at the level decided for the 1976/77 marketing year (9.9 UA/tonne) for "A" quota sugar increased by 170,000 tonnes. If total production exceeds 1.4 mio tonnes, the aid may be applied over the whole production within the total permitted limit of 106.62 mio UA.

26.IV.77

Isoglucose

The Commission proposes subjecting production of isoglucose in the Community to common provisions including in particular:

- the introduction, for a two-year period, together with the quota system applicable to sugar, of a levy on the production of isoglucose to cover part of the export refunds; this levy should be the same as that for sugar produced within the limits of the maximum quota;
- the setting up of an appropriate trading system with third countries which takes account of existing arrangements applicable in the sugar sector (import levies, export refunds, safeguard clause).

It also intends to submit proposals at a later date to abolish barriers to the use of the product and to harmonize tax arrangements in this sector.

For the 1977/1978 marketing year, the maximum amount of the production levy paid by isoglucose producers is to be 5 UA per 100 kg of dry matter.

Article 27 of Regulation (EEC) No 3330/74 (basic Regulation on sugar) has been amended to take account of income from the isoglucose levy before calculating the production levy for "B" sugar.

26.IV.77

OILS AND FATS OF VEGETABLE ORIGIN

The Council agreed on the following prices for oilseeds:

Product	UA/100 kg 1977/1978
<u>Colza and rape seeds</u>	
- Target price	28.53
- Intervention price	27.71
<u>Sunflower seed</u>	
- Target price	30.78
- Intervention price	29.89
<u>Soya seed</u>	
- Guide price	30.64
<u>Flax + seed</u>	
- Guide price	31.18

Colza and rape seeds

The Council took note of the Commission's intention to adopt the measures necessary to accept for intervention as from 1 July 1977 only those colza and rape seeds whose erucic acid content is lower than 10%.

26.IV.77

The Council and the Commission expressed their intention of limiting the granting of aid as regards colza and rape seeds harvested as from the 1978/1979 marketing year, to seeds with a low erucic acid content and to the quantities of other seeds used in the chemical industry.

The Commission will be embarking on discussions with the Italian Government in the very near future to give impetus to the use of oilseeds in Italy with the help of a programme based on Regulation No 355/77 or by other means.

Soya and castor beans

The Council took note of the Commission's undertaking:

- to examine the development of soya production in the Community and whether existing arrangements for market organization are sufficient to achieve the aims referred to in Regulation (EEC) No 1900/74;
- to examine the desirability of developing the production of rape seeds in the Community;
- to report on these topics before 1 July 1977, and if necessary to make suitable proposals.

26.IV.77

Linseed

The Council agreed in principle to maintain for one marketing year the arrangements involving a minimum aid level, fixed at 105 UA/ha, and to include the following statement in the Council minutes:

"The Council

- agrees to extend the minimum guaranteed aid for linseed beyond the 1977/1978 marketing year;
- takes note of the Commission's intention
 - = to follow trends in the cultivation of linseed in the Community's growing regions where this crop is of economic importance;
 - = to take account of these trends when submitting the proposals for the fixing of prices in the 1978/1979 marketing year."

Cotton seed

Agreement in principle on the Commission proposal (annual aid at 104 UA/ha).

Fibre flax

The Council agreed in principle to increase the aid to 194.74 UA/ha (in the United Kingdom 163.72 UA/ha).

26.IV.77

Hemp

The Council agreed in principle to annual aid of 176.87 UA/ha under the Commission proposal.

Dehydrated fodder

The Council agreed in principle to the Commission proposal (production aid = 9.55 UA/t).

Silkworms

The Council agreed in principle to

- the Commission proposal (annual aid = 40.20 UA per box of silkworm eggs used)
- the Commission proposal on the understanding that the additional aid be fixed at 14.07 UA.

Olive oil

The Council agreed to the following prices:

	<u>UA/100 kg</u>
	<u>1977/78</u>
Target production price	187.78
Target market price	141.91
Intervention price	134.62

26.IV.77

Seeds

The Council agreed to the following prices:

CCT heading No	Description of goods	Amount of aid UA/100 kg
ex 12.01 A	Linum usitatissimum L. partim (fibre flax) Linum usitatissimum L. partim (lin seed) Cannabis sativa (L. monoica)	13 10 9
ex 12.03 C	1. GRAMINEAE Arrhenatherum elatius (L)J. and C. Presl. Dactylis glomerata L. Festuca arundinacea Schreb. Festuca ovina L. Festuca pratensis Huds. Festuca rubra L. Lolium multiflorum Lam. Lolium perenne L. - of high persistence, late or medium late - new varieties and others - of low persistence, medium late, medium early or early Lolium x Lybridum Hausskn. Phleum pratense L. Poa nemoralis L. Poa pratensis L. Poa trivialis L.	31 27 27 19 21 18 11 17 13 10 11 33 19 19 19
ex 07.05 A I ex 07.05 A III	2. LEGUMINOSAE Pisum arvense L. Vicia faba L. ssp. faba var. equina Pers. Vicia faba L. var. minor (Peterm.) bull	4 4 4
ex 12.03 C	Medicago sativa (ecotypes) Medicago sativa L. (varieties) Trifolium pratense L. Trifolium repens L. Trifolium repens L. var. giganteum Vicia sativa L.	8 13 22 24 25 14

26.IV.77

The Council noted that in view of the wide fluctuations on the Community seed market over the past three years the Commission intended to report to the Council on the reasons for these fluctuations by 1.7.1977 and, if appropriate, to propose adjustments to the basic Regulation.

26.IV.77

FRUIT AND VEGETABLES

1. Prices

The prices currently paid to producers in the event of intervention are increased as follows:

- + 4% for cauliflowers, tomatoes, peaches and lemons
- + 3% for apples, pears, oranges, mandarines
- + 2% for table grapes.

2. Marketing premium for lemons

The marketing premium for lemons remains in force for the duration of the marketing year; to it is added the full percentage increase in the basic price and the buying-in price for this product, while the reference price remains unchanged.

3. Marketing premium for citrus fruit, sale of blood oranges to the processing industry and system of processing aids for lemons

(a) The Commission undertakes to examine

- the method of calculating the reference prices in the relevant Management Committee
- as regards citrus fruit, the link between the trend of basic and buying-in prices, reference prices and marketing premiums; following this examination an appropriate proposal could, if necessary, be submitted to the Council.

26.IV.77

- (b) Confining the period of validity of the marketing and processing premiums to
- a single marketing year (as regards extension of the marketing premium for lemons);
 - three years
- = for the measure providing for the sale to the processing industry of blood oranges withdrawn from the market;
- = for the system of processing aids to be introduced for lemons.

The minimum price for lemons for processing is determined on the basis of the price of lemons of quality grade III, plus 15% of the basic price.

4. Marketing period for oranges

The marketing period for oranges is extended until May 1978, the price for the month of April being applicable.

The marketing premium for oranges, mandarines and clementines will be increased by 3%.

The possibility of selling products withdrawn from the market to the processing industry will stand.

26.IV.77

TOBACCO

(a) Norm price

The Council agreed to the Commission proposal to increase the norm price by an amount of between 0% and 4% according to the variety.

(b) Premiums

Having made certain changes to the rates of increase in premiums proposed for certain varieties under Nos 10-19, the Council agreed on the following rates of increase:

No	Variety	% premium increase
1	Badischer Geudertheimer	4.5
2	Badischer Burley	4.5
3	Virgin D	8
4	Paraguay	5
5	Nijkerk	3
6	Burley (B + B)	3
7	Misionero	5
8	Philippin	6
9	Semois	6
10	Bright	4
11a	Burley I	2.5
11b	Maryland	4
12	Kentucky	4
13	Nostrano	0
14	Beneventano	0
15	Xanti Yakà	1
16	Perustitza	2
17	Erzegovina	1
18	Round Tip	2
19	Brasile	8

26.IV.77

WINE

The Council agreed on the following:

Type of wine	1977/1978
R I (UA/°/hl)	2.03
R II (UA/°/hl)	2.03
R III (UA/°/hl)	31.65
A I (UA/°/hl)	1.90
A II (UA/°/hl)	42.18
A III (UA/°/hl)	48.16

The conversion premiums (Regulation No 1163/76) are extended to the 1977/1978 and 1978/1979 marketing years at the rates applicable for the 1976/1977 marketing year, i.e. a basic premium of 1,500 UA/hl.

26.IV.77

BEEF AND VEAL

The Council agreed to the following prices:

	1977/1978	
	Ireland and the United Kingdom	Other Member States and from 1 January 1978 all Member States
Guide price for beef animals (liveweight)	118.27 UA/100 kg	122.90 UA/100 kg
Intervention price for beef animals (liveweight)	106.44 UA/100 kg	110/61 UA/100 kg

The amendments proposed to the intervention or premiums systems following the examination by and report from the Commission will be applicable as from the beginning of the 1978/79 marketing year.

The Council agreed in principle to maintaining existing arrangements concerning the slaughter premium for certain adult bovine animals for slaughter during the 1977/78 marketing year.

The system of calving premiums and the conditions for its application laid down in Regulation (EEC) No 620/76 is extended until the 1977/78 marketing year; the premium is 35 UA per calf.

26.IV.77

The Council notes that the Commission intends to propose reductions in some of the weightings applicable to the buying-in prices.

PIGMEAT

The Council agreed to the following price:

	1977/1978
Basic price (pig carcasses)	120.20 UA/100 kg (as from 1.11.1977)

MILK PRODUCTS

The Council agreed to the following price:

	1977/1978
	UA/100 kg on 1 May 1977
Target price for milk	17.35
Intervention price:	
Butter	
- in Ireland	226.96
- in the United Kingdom	205.45
- in the other Member States and from the 1 January 1978 in all Member States	230.95
Skimmed milk powder	94.09
Grana Padano cheeses	
- aged from 30 to 60 days	223.72
- aged over 6 months	269.34
Parmigiano-Reggiano cheese aged over 6 months	292.57

26.IV.77

The Council approved the Commission proposals for the action programme in the milk sector, subject to the following amendments:

1. Co-responsibility levy:

The amount of the co-responsibility levy is set at 1.5% from 16 September 1977 until the end of the 1977/1978 milk year. Before the levy is introduced on 16 September 1977 the Commission will study the administrative difficulties involved in applying the levy in Italy and will report to the Council.

2. Additional measures to boost butter consumption

The Council approved the Commission's intention of introducing additional measures to boost butter consumption on 16 September 1977, instead of the tax on oils and fats of vegetable origin. These measures will not be applicable in the United Kingdom. The Commission will accordingly make the necessary adjustments to a Section of its preliminary draft supplementary and rectifying budget concerning the Guarantee Section of the EAGGF.

26.IV.77

The Council gave its agreement in principle on a general butter subsidy in respect of which the Community contribution will be as follows:

- (a) for subsidy levels up to 20 UA/100 kg, the Community contribution will be 25%, and
- (b) for subsidy levels between 20 and 56 UA/100 kg, the Community contribution will be 50%.

3. Consumer subsidy for butter in the United Kingdom

As regards the United Kingdom, the subsidy will be 33 UA per 100 kg with effect from 1 May 1977 until 31 March 1978 to be financed 100% by the EAGGF, in respect of Community butter only. This subsidy will be gradually reduced as from 1 April 1978 so as to cease completely on 31 December 1978.

4. Non-marketing subsidy and conversion premium

The EAGGF financial contribution will be 100% (60% from the "Guarantee" Section and 40% from the "Guidance" Section).

26.IV.77

The amounts of the non-marketing subsidy are as follows: up to 30,000 kg, 95%, from 30 to 50,000 kg, 90% and from 50 to 120,000 kg, 75%, of the target price. The conversion premium is to be 90% of the target price for up to 120,000 kg.

5. Premium for the cessation of dairy activities

The Council agreed to consider the Commission proposal on this matter as part of the revision of existing Directives on agricultural structures.

6. Amendments to Regulations (EEC) Nos 804/68 and 1014/68 (marketing of liquid skimmed milk)

The Council will examine the Commission proposal later.

7. General rules on the granting of aid for skimmed milk and skimmed milk powder intended for use as feedingstuffs

The Council agreed to

- grant supplementary aid for liquid skimmed milk used by pig farmers and for skimmed milk powder used in the manufacture of compound feedingstuffs for pigs or poultry (including fresh powder),
- set a maximum for the water content of skimmed milk powder in respect of which aid may be granted.

26.IV.77

To ensure smooth transition to the new system of aid for liquid skimmed milk the Council agreed to extend application of Regulation (EEC) No 1807/76 until 31 May 1977.

The Council noted that the Commission does not intend to introduce aid for fresh dried milk until 1 June 1977 at the earliest.

8. Inward processing traffic

The Council noted that the Commission intends to follow a policy of refunds for butteroil to permit competitive exports.

9. General rules concerning the marketing of milk products and Article 27a of Regulation (EEC) No 804/68

The Council will try to reach agreement on the Commission's proposals by 1 June 1977.

26.IV.77

10. State aid

The Council noted that the Commission intends to use the powers conferred upon it by Article 93 of the Treaty and to submit to the Member States proposals for any appropriate measures required by the functioning of the common market, taking into account special situations which could, in certain cases, justify derogations from these general rules where it is proved that the forms of aid in question are not incompatible with the common market within the meaning of Article 92 (1).

The Commission will also take account, where necessary, of certain special problems concerning Ireland which must be taken into consideration, as was acknowledged by the High Contracting Parties (see Protocol No 30 to the Act of Accession).

11. Investment aid

The Council noted that the Commission intends:

- (a) to grant aid under Regulations (EEC) Nos 17/64 and 355/77 from the Guidance Section of the EAGGF for investment projects contributing to the resale of liquid skimmed milk to farms by dairies and in particular collective investment projects to create storage facilities in pig farms;
- (b) to speed up the procedure for examining projects in this sector.

26.IV.77

12. Community actions for the eradication of brucellosis, tuberculosis and leukosis in cattle

The Council adopted the Commission proposal, and fixed the date for adopting the criteria at 1.8.1977. The Council noted the Commission statement on the criteria for speeding up eradication.

13. School milk

The Council adopted the Commission proposal and decided it would be implemented in the near future. The scheme involves partial Community financing for at least five years of the Member States' programmes for supplying milk and certain milk products at reduced prices to pupils in educational establishments.

14. Intervention prices for Italian cheeses

The intervention prices for Grana and Parmesan cheese have been fixed so as to take account of a 10% increase in manufacturing margins.

26.IV.77

15. Temporary suspension of aid for the purchase of dairy cows

The Council approved this suspension which will remain in effect until 31 December 1979.

Products not listed in Annex II

The Council asked the Commission representative to inform the Commission that the representatives of the Member States on the Management Committees will vote in favour of introducing monetary compensatory amounts for a limited number of products not listed in Annex II.

Financial aspects

The Council noted the following statement by the Commission representative concerning the financial aspects:

"In submitting the 1977/1978 price proposals and in adjusting appropriations as a result of developments in the agricultural and monetary situation the Commission stated that additional appropriations of 475.8 MUA will be needed for the Guarantee Section of the EAGGF in the budgetary year 1977, 82.8 MUA of which will be for agricultural prices and connected measures. The Commission has adopted a preliminary draft supplementary and rectifying budget taking account of the consequences of this situation and it will be forwarded to the budget authority very shortly.

26.IV.77

This compromise would seem inevitably to involve further expenditure in the 1977 financial year of some 210 to 220 MUA. Consequently, a letter rectifying the preliminary draft supplementary and rectifying budget will be submitted by the Commission to the budget authority.

This assessment is subject to the usual unknown factors consequent on agricultural and monetary economic trends. This compromise will not affect EAGGF (Guidance) appropriations for the 1977 financial year.

26.IV.77

PRICE OF ACP SUGAR

The Council has adopted the Commission's brief for the annual negotiation of the guaranteed price for deliveries of sugar from the ACP States to be made during 1977/1978 pursuant to Protocol No 3 to the Lomé Convention; these negotiations will begin on Thursday 28 April in Brussels between the Commission and the Group of sugar-producing ACP States.

26.IV.77

WINE

After hearing statements by the Italian delegation on certain problems concerning the sale of Italian wines to France, and by the French delegation on the general state of the wine market, the Council noted the information provided by the Commission on the measures it intends either to introduce itself or to propose to the Council in its communication on Mediterranean agriculture.

The Council instructed the Special Committee on Agriculture to examine these proposals as soon as they are received, in preparation for Council decisions which could be implemented at the start of the next marketing year.

26.IV.77

AMENDMENT OF THE COMMON ORGANIZATION OF THE MARKET IN HOPS

The Council agreed to the broad lines of an amendment to the Regulation on the common organization of the market in hops.

The amendments have been made in response to the profound changes which have occurred in the hop market over the last few years both at world and at Community level. In order to redress the imbalance between supply and demand - and the resulting slump in prices - the Regulation provides for amendments to certain instruments set up by the Community rules of July 1971.

In order to help make the market more stable the Regulation is intended to promote a policy of quality by fixing minimum quality characteristics and by applying a certification system covering the place of production, the year of harvest, the variety of hops and the products derived therefrom. Products without a certificate will be banned from the market. Imported products must meet equivalent minimum quality requirements.

The Regulation assigns an important role to producer groups in the attempt to balance supply and demand and thus to stabilize prices and incomes; this role involves marketing their members' production and allocating the production aid.

26.IV.77

In order to make it easier to set up producer groups, the Member States may grant degressive aid for the running of such groups; over a three-year period.

The Regulation includes provisions ensuring that in cases where producer groups do not as yet exist, the producers benefit directly from the same advantages as those granted through producer groups.

Also, in order to remedy the acute current imbalance on the hop market, the Regulation forbids until 31 December 1978 any increase in the area of land planted with hops. Special aids are envisaged for switches to new varieties and the restructuring of hop gardens.

FISHERIES

The Council decided to extend the Regulation banning fishing for herring in the North Sea until 31 May.

At its meeting on 16 and 17 May the Council will make a general examination of the problem of conserving herring stocks in the various fishing zones.

Several delegations stressed that they regarded establishment of the internal fisheries arrangements as a matter of urgency and the Commission confirmed that it would shortly be forwarding to the Council suggestions which will enable progress to be made in examining this question.

o

o

o

The other items on the agenda were deferred until the next meeting of the Council on 16 and 17 May.