

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

4935/92 (Presse 29)

1559th Council meeting

- AGRICULTURE -

Brussels, 2 and 3 March 1992

President: Mr Arlindo CUNHA,

Minister for Agriculture of  
the Portuguese Republic

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

Belgium:

Mr Paul de KEERSMAEKER                      State Secretary for European Affairs  
and Agriculture

Denmark:

Mr Laurits TOERNAES                      Minister for Agriculture

Mr Nils BERNSTEIN                      State Secretary for Agriculture

Germany:

Mr Ignaz KIECHLE                      Federal Minister for Food, Agriculture  
and Forestry

Mr Walter KITTEL                      State Secretary, Federal Ministry of  
Food, Agriculture and Forestry

Greece:

Mr Sotirios HATZIGAKIS                      Minister for Agriculture

Spain:

Mr Pedro SOLBES MIRA                      Minister for Agriculture

France:

Mr Louis MERMAZ                      Minister for Agriculture

Ireland:

Mr Joe WALSH                      Minister for Agriculture

Italy:

Mr Giovanni GORIA

Minister for Agriculture

Luxembourg:

Mr René STEICHEN

Minister for Agriculture and  
Viticulture

Netherlands:

Mr Piet BUKMAN

Minister for Agriculture,  
Nature Conservation and  
Fisheries

Portugal:

Mr Arlindo CUNHA

Minister for Agriculture

Mr Alvaro AMARO

State Secretary, Ministry of Agriculture

United Kingdom:

Mr John GUMMER

Minister for Agriculture, Fisheries and Food

Mr David CURRY

Parliamentary Secretary, Agriculture

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Commission:

Mr Ray MAC SHARRY

Member

DEVELOPMENT AND FUTURE OF THE COMMON AGRICULTURAL POLICY

The Council continued its discussions on the reform of the common agricultural policy, based on a new document from the Presidency which enabled delegations to express their views on the various general and specific issues arising in the context of the reform.

In conclusion, the Council instructed the High-level Working Party to examine in further detail certain concrete aspects which emerged during these discussions to enable it to continue its proceedings at its next meeting.

URUGUAY ROUND - AGRICULTURAL ASPECTS

The assessment of the state of play in the Uruguay Round, and particularly the examination of the lists to be deposited in Geneva, took place in a framework bringing together the Ministers for Agriculture and for External Trade. The conclusions are contained in the Press Release - General Affairs Council - of 2.III.92 (4934/92 Presse 28).

OTHER DECISIONS IN THE SPHERE OF AGRICULTURE

The Council adopted:

- the Regulation amending Regulation No 2262/84 laying down special measures in respect of olive oil. The purpose of this Regulation is, firstly, to improve the operation of the monitoring agencies in this sector and, secondly, to adopt the method for financing those agencies for a further five-year period, as from the 1992/1993 marketing year;
- the Regulation amending Regulation No 206/91 concerning the exclusion of milk products from inward processing arrangements and of recourse to certain usual forms of handling. This Regulation is intended, firstly, to confirm in legal terms the situation existing on 31 December 1991 as regards inward processing arrangements in the milk sector and, secondly, to extend to certain modified wheys the list of products which are exceptionally eligible for the inward processing arrangements, since milk products in general are excluded from those arrangements;
- the Decision extending the period of application of Decision 82/530/EEC authorizing the United Kingdom to permit the Isle of Man authorities to apply a system of special import licences to sheepmeat and beef and veal so as not to disrupt domestic production.

MISCELLANEOUS DECISIONS

Fisheries

The Council adopted:

- the Decision authorizing the Portuguese Republic to extend until 7 March 1993 the agreement on mutual fishery relations with the Republic of South Africa;
- the Decision authorizing Spain to extend until 7 March 1993 the agreement on mutual fishery relations with the Republic of South Africa.

Internal market

Further to the common position adopted on 18 December 1991, the Council definitively adopted the Directive amending Directive 89/396/EEC on indications or marks identifying the lot to which a foodstuff belongs.

Bruxelles, le 28 février 1992

NOTE BIO (92) 46 AUX BUREAUX NATIONAUX  
 CC.: AUX MEMBRES DU SERVICE DU PORTE PAROLE

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H's of Sectors

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Conseil Agriculture (Bruxelles, les 2 et 3 et éventuellement le 4 mars 1992) (Gerard Kleiy)

Le Conseil des Communautés Européennes tiendra sa 1559ème session - Agriculture - le lundi 2 mars à partir de 15h00 et le mardi 3 mars 1992 (et éventuellement le mercredi 4 mars 1992) au bâtiment Charlemagne à Bruxelles, sous la présidence de Mr. Arlindo Marques da Cunha, Ministre de l'Agriculture du Portugal.

L'ordre du jour du Conseil comportera les points suivants:

**Approbation de la liste des points "A"**

**Evolution et avenir de la politique agricole commune (doc. COM(91)258)**

Lors du précédent Conseil Agricole (10 et 11 janvier 1992) un tour de table portant sur les principaux secteurs concernés par la réforme et repris dans un document de la Présidence - cultures arables, tabac, lait et produits laitiers, viande bovine, mesures d'accompagnement et mesures de contrôle - avait permis de connaître la réaction et les préoccupations des différentes délégations qui ont précisé leurs positions.

Un nouveau document de travail plus affiné - comportant entre autre des propositions sur deux points clés:

- concept de la surface de base
- le système de prime dans le secteur de la viande bovine

sera présenté lundi 2 mars 1992 par la Présidence et des réunions bilatérales ne sont pas exclues.

La Présidence espère faire des progrès substantiels sur la "Reforme de la PAC" avant que la Commission ne présente ses propositions prix pour 1992/1993.

**Uruguay Round - Volet Agricole.**

Le Conseil sera informé par la Commissaire M. Mac Sharry de l'état des négociations dans le cadre de l'Uruguay Round et des discussions bilatérales avec la délégation américaine

Les Ministres pourront éventuellement saisir l'opportunité pour discuter des propositions que la Commission doit présenter en réponse aux propositions Dunkel.

- 2 -

Adoption du règlement du Conseil modifiant le règlement CEE/206/91 relatif à l'exclusion du recours au régime de trafic de perfectionnement actif et à certaines manipulations usuelles pour les produits laitiers (doc. COM(92)59)

Le règlement (CEE) No 206/91 du Conseil a prévu des exemptions à l'exclusion du recours au régime de trafic de perfectionnement pour les produits laitiers, notamment pour le lactosérum non modifié. Un élargissement limité des codes NC, définissant les produits compensateurs éligibles, afin d'y inclure également certains lactosérums modifiés, permettra d'étendre la gamme des ingrédients dont a besoin l'industrie alimentaire de la Communauté pour ses exportations.

#### DIVERS

a) Communication de la Présidence concernant la réunion ministérielle (Agriculture) dans le cadre de l'OCDE - Paris, les 26 et 27 mars 1992

b) Organisation des travaux futurs

Amitiés,

C. Stathopoulos



Brussels, 3 March 1992

NOTE BIO (92) 46 (suite 1) AUX BUREAUX NATIONAUX  
CC.: AUX MEMBRES DU SERICE DU PORTE PAROLE

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Council of Ministers of Agriculture  
Brussels, 2 March 1992 (Gerard Klely)

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Ministers of Trade and Agriculture held a five hour informal discussion on Monday (2 March) on GATT. The main point of discussion was the GATT schedules which the Commission are due to present to GATT. On agriculture the schedules are largely of a statistical nature indicating the situation in the Community as far as support etc is concerned today and hence the basis upon which any future commitments would be based. During the discussion which took place, a number of Ministers expressed some reservations on the schedules on the basis that by providing certain statistical information it could be interpreted that the Community is willing to enter into certain commitments.

It was agreed that the 113 Committee would discuss the matter further on Tuesday (3 March) with a view to finalising the preparation of the schedules before submission to GATT.

#### CAP Reform:

The Presidency presented a "Presidency Paper" on CAP reform which contained some modifications to the Commission's proposals and introduced some elements of flexibility in certain areas.

In presenting the paper the Presidency said that this would be the final paper at least from a substantive point of view i.e. any further changes during the ensuing discussion would not change the substance of either the Commission's proposals or the Presidency's suggestions. The Council should now enter into the final stage of the negotiations with a view to reaching conclusions after the European Parliament has given its opinion (next week). Mr Mac Sharry reserved his detailed position on the Presidency paper until the start of the discussion on Tuesday. He has however indicated that certain objectives of the Commission's proposals are sacrosanct in

- substantial price reductions which would improve the competitiveness of Community Agricultural products both internally and externally
- compensation for producers and modulation of support
- production control measures, aimed particularly at intensive production
- greater respect for the environment

The Council will commence its CAP reform discussion on Tuesday morning and may continue on Wednesday.

**A.O.B.**

**Pigmeat:**

The Danish Minister with the support of the Dutch Minister raised the question of the recent management committee decision to reduce export refunds on frozen pigmeat and request that they be increased in the event of a deterioration of the market situation. In reply Mr Mac Sharry said that the objective was to maintain stability on the market and to avoid an increase in production based on short term signals from the market.

**Wine:**

The Italian Minister informed the Council of new measures which had been introduced to avoid fraud and to assure consumers of the high quality of Italian wine. All Italian wine exporters must now provide an analysis certificate and also submit a sample of wine to the authority to verify the authenticity of the certificates contents. Mr Mac Sharry welcomed this decision.

Council resumes on Tuesday at 9.30 a.m.

**Amitiés,**



**C. Stathopoulos**

Brussels, 4 March 1992

**NOTE BIO (92)46 (suite 2) AUX BUREAUX NATIONAUX  
CC. AUX MEMBRES DU SERVICE DU PORTE PAROLE**

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**Council of Agricultural Ministers,  
Brussels, 3 March 1992 (Gerard Klely)**

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#### **CAP REFORM**

The Council resumed on Tuesday with a discussion on the Presidency's paper in conjunction with the Commission's proposals. Commenting on the Presidency paper Mr Mac Sharry said that the essential requirements of the Commission's proposals must be respected i.e. competitiveness, production control, compensation and modulation of support and greater respect for the environment. He reserved the Commission's position in regard to the budgetary implications. He also had some reservations with the lower cereal price reduction, the level of exemptions from stocking rate criteria and the changes to the proposals on the tobacco regime.

Ministers' reactions to the paper were mixed, with most Ministers welcoming the proposed modifications as a step in the right direction, in particular the "base area" idea for cereals, and the extension on set-aside payments.

However a number of Ministers felt that the Council was not at the stage where they could engage in discussions on detail suggesting that the Council should first decide on the principles and objectives of reform. Some Ministers argued against a cut in milk quota as in their view the market was in balance - some are also opposed to the introduction of a dairy cow premium to compensate for the 10% price cut - while others insist on it or else will reject the price cut.

On sheepmeat the main issue is the maximum number of ewes eligible for premia in non less favoured regions while on beef there are still many views as to how the regime should be changed although the Presidency's proposals were seen as a step forward.

Responding to the discussion Mr Mac Sharry wondered what Council had been doing for the last year, given that some Ministers want to go back to discussing principles and reminded the Council of the Presidency's conclusions of November 1991 which outlined the general agreement of Council on the principles of price cuts, compensation, production reduction and respect of the environment.

He also pointed out that we have had stabilisers since 1988 and yet expenditure on cereals and oilseeds amounts to 10.2 billion ECU, 18 m tonnes of cereals are now in intervention and will probably rise to 25 by the end of the year (10 million tonnes in 1990) and the present set-aside regimes are having no appreciable impact.

He also questioned the logic of some arguments that the milk market is in balance, citing stocks at 650,000 tonnes, expenditure at 5.6 billion ECU and the fact that about 25% of production is subsidised in one way or another (2.3 billion on export refunds, 1.1 billion on SMP subsidies for calf feed and 1 billion ECU on subsidies for butter use in pastry and ice cream.

On beef he informed the Council that last week alone the Commission received tender offers for intervention of 260,000 tonnes (nearly 1 million cattle) even though only three years ago an objective of total annual purchases of 220,000 tonnes was established.

On the basis of the above he questioned how Ministers could possibly justify discussing principles when radical and urgent action is needed. The option he said was to take important decisions on the basis of well thought out balanced proposals or have action forced upon Council by a further deterioration in the market and farm income situation.

It was decided that the best approach would be to have a number of high level group meetings and resume the discussion at the next Council.

**GATT:-**

On the question of submitting the GATT schedules Mr Mac Sharry said that while he and Vice President Andriessen would consider the views expressed in the 113 Committee the schedules must now be sent to GATT.

**A.O.B.:**

**Soya Panel:**

Mr Mac Sharry informed the Council that the findings of the recommenced members of the soya panel should be available soon.

**Hormones:**

Mr Mac Sharry said that the Commission services had carried out a detailed survey of the application of the hormone ban throughout the Community and were at present evaluating the results. He emphasised that Member States had a responsibility to ensure that the ban was effectively implemented.

Antiés,

  
C. Stathopoulos