



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

5890/81 (Presse 49)

701st meeting of the Council

- Agriculture -

Brussels, 30/31 March and 1/2 April 1981

President:

Mr Gerrit BRAKS

Minister for Agriculture
of the Kingdom of the Netherlands

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

Belgium:

Mr Albert LAVENS

Minister for Agriculture and for Small Firms and Traders

Denmark:

Mr Bjoern WESTH

Minister for Agriculture

Germany:

Mr Josef ERTL

Federal Minister for Food, Agriculture, Waterways and Forestry

Mr Hans-Jürgen ROHR

State Secretary,
Federal Ministry of Food,
Agriculture and Forestry

Greece:

Mr Athanasios CANELLOPOULOS

Minister for Agriculture

France:

Mr Pierre MEHAIGNERIE

Minister for Agriculture

Mr Michel DEBATISSE

State Secretary to the
Prime Minister, with responsibility
for the Agricultural and Food
Industries

Mr Jacques FOUCHIER

State Secretary,
Ministry of Agriculture

Ireland:

Mr Ray MacSHARRY

Minister for Agriculture

Mr Michael SMITH

Minister of State,
Ministry of Agriculture

Italy:

Mr Giuseppe BARTOLOMEI	Minister for Agriculture
Mr Mario CAMPAGNOLI	State Secretary, Ministry of Agriculture

Luxembourg:

Mr Camille NEY	Minister for Agriculture, Viticulture and Forestry
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Netherlands:

Mr Gerrit BRAKS	Minister for Agriculture
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United Kingdom:

Mr Peter WALKER	Minister for Agriculture, Fisheries and Food
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Mr Alick BUCHANAN-SMITH	Minister of State, Ministry of Agriculture, Fisheries and Food
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Commission:

Mr Gaston THORN	President
Mr Poul DALSGER	Member

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AGRICULTURAL PRICES FOR 1981/1982 AND RELATED MEASURES

After a detailed discussion the Council, bearing in mind the Opinions of the European Parliament and the Economic and Social Committee, agreed to an overall compromise on the agricultural prices for 1981/1982 and related measures. The decisions reached may be summarized as follows:

AGRI-MONETARY MEASURES

The Council made changes to the exchange rates to be applied in the agricultural sector as regards the Belgian franc, the Luxembourg franc, the Danish kroner, the French franc, the Greek drachma, the Irish punt, the Italian lira and the Netherlands guilder. The following rates will apply as from 6 April 1981:

1 ECU =	40.7985	Belgian francs/Luxembourg francs
1 ECU =	7.91917	Danish kroner
1 ECU =	5.99526	French francs
1 ECU =	61.4454	Greek drachma
1 ECU =	0.685145	Irish punt
1 ECU =	1227.00	Italian lira
1 ECU =	2.81318	Netherlands guilders.

The green rate for Germany will be adjusted at the start of the marketing year for each product in such a way that the monetary compensatory amounts are reduced by 4.3 points for milk and 3.3 points for the other products. As a result, 1 ECU will equal DM 2.65660.

Use of the ECU in the common agricultural policy

During its discussions on the fixing of the agricultural prices and related measures, the Council adopted the Regulation extending until 31 December 1981 the use of the ECU in the common agricultural policy.

MILK AND MILK PRODUCTS

The increases in the target and guide prices will take place from the start of the 1981/1982 marketing year, and not in two stages; they will be as follows:

- the target price for milk will go up to 24.26 ECU/100 kg (+ 9%).

- the increase in the intervention price for butter and skimmed milk powder will be accompanied by a similar rise in the contribution to processing costs, such that:

the intervention price for butter will rise to

317.84 ECU/100 kg (+ 9%), and

the intervention price for skimmed milk powder will rise to

132.45 ECU/100 kg (+ 9%)

- the contribution to the processing costs for Italian cheeses will rise to 12%, such that:

the intervention price for 30 to 60 day-old Grana Padano will rise to

317.20 ECU/100 kg (+ 9.52%)

the intervention price for 6 months old Grana Padano will rise to

384.27 ECU/100 kg (+ 9.83%)

the intervention price for 6 months old Parmigiana-Reggiano will rise to

418.87 ECU/100 kg (+10.01%)

Co-responsibility levy

The co-responsibility levy for 1981/1982 is set at 2.5% of the target price, under the same conditions as the current basic co-responsibility levy.

Conscious of the need to avoid an increase in milk surpluses and to ensure that the appropriations opened in the 1981 budget for milk are not exceeded, the Council has decided that it will take the necessary measures to ensure a better balance on the market so that budgetary costs can be limited.

If extra costs arise following an increase in milk supplied of more than 1% in 1981 over 1980, the Council will take steps to offset these extra costs by means of appropriate decisions (for example, levy on the increased production partial suspension of intervention, alteration of the intervention price, application of a progressive basic levy or other appropriate means).

The Council took note of a Commission statement to the effect that the Commission would study in depth the question of an additional co-responsibility levy and the proposal for applying a co-responsibility levy at a higher rate to milk supplied by farmers producing more than 15,000 kg of milk per hectare of forage area. The Council will take a decision on this matter in the light of that study and the progress made in the talks with third countries which supply additional feedingstuffs.

Aids and subsidies

The Council decided that as from 1 January 1982 the rate of the aids for butter would be adjusted as follows:

- general aid for butter (Regulation (EEC) No 1269/79): the Community contribution will not exceed 75% of the aid paid and will not exceed 40 ECU/100 kg;
- general aid for butter payable in the United Kingdom (Regulation (EEC) No 1269/79): the Community contribution will not exceed 45.94 ECU/100 kg.

The Council took note of a second statement by the Commission that as from 1 October 1981 aid for concentrated butter (Regulation (EEC) No 649/78) will be suspended.

The Council took note of a statement by the Commission to the effect that the Commission would continue to ensure rigorously that other aids and subsidies applicable to butterfat, skimmed milk powder, liquid skimmed milk and casein were set at the lowest effective level.

The Council agreed to a change in the bracket within which the Commission sets the amount of the aid for skimmed milk powder, raising it to 50 to 64 ECU instead of 52 to 64 ECU.

The Council also agreed to an adjustment of the aids for school milk following the increase in the target price for milk.

Pending the legal finalization of the texts relating to the milk sector, the Council agreed to extend the current season until 6 April 1981.

NEW ZEALAND BUTTER

The Council agreed to the Regulation on the import of New Zealand butter into the Community under special conditions. The import arrangement concerns 70,250 tonnes for the period from 1 April to 31 December 1981 (94,000 tonnes for the whole of 1981) and 92,000 tonnes for 1982.

Acting on a proposal from the Commission, the Council will determine before 1 October 1982 the quantity which the United Kingdom will be authorized to import during the 1983 calendar year, taking account among other things of trends in the situation on the Community butter market and trends in the world butter market.

Before 1 August 1983, the Council will review, on the basis of a report and a proposal from the Commission, the operation of this arrangement with a view to taking a decision on the arrangement for the import of New Zealand butter after 1 January 1984.

CEREALS

The Council agreed to the following prices and aids:

	Increase %
Common intervention price	+ 6
Target price for feed-grain	+ 8.07
Reference price for wheat of bread-making quality	
• <u>EEC of 9</u> - Average quality	+ 7.5
- Minimum quality	+ 5.5
Target price for common wheat	+ 7.73
Intervention price for rye	
• <u>EEC of 9</u>	+ 3.28
Special premium for rye of bread-making quality: 5.44 ECU/tonne	
Target price for rye (alignment on the target price for feed-grain)	+ 6.43
Intervention price for durum wheat	
• <u>EEC of 9</u>	+ 7.5
Target price for durum wheat	+ 7.73
Aid for durum wheat	
• <u>EEC of 9</u>	+ 7.50

The Council agreed in principle to the application of co-responsibility measures in the cereals sector. It decided however that any adjustment to the intervention and reference prices in the context of co-responsibility would not apply during the current marketing year but would be carried over to 1982/1983. It will review the matter in greater detail when the prices for 1982/1983 are fixed.

The Council invited the Commission to submit as soon as possible its report on durum wheat, particularly as regards the criteria for and the level of direct aid, so that it could examine these criteria in greater depth before the price decisions for 1982/1983 were taken.

The Council took note of a Commission statement to the effect that, as regards starch products, the Commission intended to submit by 1 June new proposals aimed not only at improving the economic viability of the system but also at ensuring the expenditure earmarked for this purpose in the Community budget was reduced.

The target and intervention prices for rice are fixed as follows:

target price (husked rice)	450.50 ECU/tonne (+ 10.37%)
intervention price (paddy rice)	259.42 ECU/tonne (+ 11%)

BEEF AND VEAL

The guide and intervention prices will be increased by 10%, 7.5% at the beginning of the marketing year 1981/1982 and 2.5% from 7 December.

Community grading scale

The Council signified its agreement on the Community grading scale for carcasses which will be applied to the determination of market prices and to intervention buying from a date to be decided before 31 March 1982 on the basis of a report and a proposal to be submitted before 31 December 1981.

It took note of a Commission statement that it would adjust the coefficients applicable to the buying-in prices in Belgium for the interim period before the Community scale was introduced.

It also took note of a Commission statement that the Commission would continue, within the limits of its powers, to decide on the issue of the admission to intervention of the meat from male or female bovine animals in accordance with its assessment of the market situation.

The Council took note in addition of a Commission statement that, in view of the level of market prices for beef and veal in Ireland, it did not intend to suspend intervention for certain categories of beef and veal as long as the average market price in that Member State remained below 85% of the guide price.

Premiums

The premium for suckler cows remains at 40 ECU per suckler cow, with 20 ECU being borne by the EAGGF. The Council decided that as from the marketing year 1982/1983 the Community contribution to the premium would be limited to 75% of the expenditure relating to the basic premium. In this connection, the Council took note of a Commission statement that the Commission intended to replace the "positive" list of proposed breeds by a "negative" list of breeds which could not qualify for the premium, and to take a decision on this list in the near future.

The calving premium (Regulation (EEC) No 1667/80) is maintained in Italy at 32 ECU per calf during the marketing year 1981/1982.

On a proposal from the Commission and subject to the Opinion of the European Parliament, the Council expressed a favourable opinion on the retention of the slaughter premium (Regulation (EEC) No 1666/80) during the marketing year 1981/1982. The Council took note of a Commission statement that this premium would apply to the whole of the United Kingdom and that a separate rate would not be fixed for Northern Ireland.

Estimates and quota for frozen beef and veal

Furthermore, the Council signified its agreement on the estimate concerning 60,000 tonnes of beef and veal for processing and 230,000 head of young bovine animals.

In accordance with the undertakings entered into in the context of GATT, it also agreed on the Regulation opening a Community tariff quota of 50,000 tonnes of frozen beef and veal falling under subheading 02.01 A II b) for 1981.

PIGMEAT

The basic price of pigmeat is increased by 11%.

The Council took note of a Commission statement that it would endeavour, through instruments available in the context of market organization, to manage the pigmeat market in such a way that the increase in the approved basic price would have a corresponding effect on the market price.

SHEEPMEAT

In view of the larger increases in the support price applicable to beef and veal and pigmeat, the basic price and the central reference price will be increased by 7.5%.

The Council took note of a Commission statement that, pending decisions on the arrangements applicable to Community exports - decisions which may be taken during the 1981/1982 marketing year - it would maintain during the 1981/1982 marketing year the transitional measure whereby the "claw-back" system (recovery of the premium on exports) would not apply to exports to third countries from the Member States in which a slaughter premium was paid, subject to the same conditions relating to the observance of the traditional pattern of trade applicable to the current Regulation (Regulation (EEC) No 3191/80).

SUGAR

The Council, taking into consideration the Opinion of the European Parliament, adopted the regulations on the new common organization of the market in sugar.

This new market organization, which will be applied for a five-year period from 1 July 1981, essentially makes provision for a production quota system with modulated guarantees and financial participation by producers in the costs of reabsorbing any surpluses.

<u>Quotas</u>	(for 1,000 tonnes of white sugar)	
	Quotas A	Quotas B
Belgium/Luxembourg	680	146
Denmark	328	97
Germany	1,990	611
Greece	290	29
France/mainland	2,530	759
France/FOD	466	47
Ireland	182	18
Italy	1,320	248
Netherlands	690	182
United Kingdom	1,040	104

Administration of the quotas

The allocation and alteration of quotas are carried out by the Member States for the undertakings situated within their territory in accordance with Community criteria.

The envisaged 10% limit for the reserve quantity does not apply to either Italy or to the French overseas departments in the case of restructuring plans (such as already provided for in the present regulations); however, the transfers of quotas (A + B) from the French overseas departments to mainland France may not exceed 30,000 tonnes.

Revision of the quotas

Possibility of a revision of the A and B quotas for the marketing years 1984/1985 and 1985/1986.

Financial participation of the producers

Basic production levy (A and B sugar) with a maximum of 2%.

Levy on B sugar with a maximum of 30% (total maximum charge for B sugar: 2% + 30%). In accordance with the principle already adopted by the Council as regards the financial participation of producers and if there were a balance of financial losses not covered by the product of the levy, the levy on the B quota would be revised for the following year by an additional percentage of up to 7.5%.

National aid

National aid is maintained in the French overseas departments and in Italy. As far as Italy is concerned, aid may be applied to the quantity covered by the present maximum quota (1,568,000 tonnes). However, in Northern Italy, national aid will be reduced by an amount corresponding to 2% of the intervention price for each marketing year.

International Sugar Agreement

Adherence to the procedure laid down in the event of the Community's accession to the ISA, as proposed by the Commission, but deletion in Article 26 of the provisions proposed with a view to accession to the ISA.

Regionalization - Storage costs - Differential levy

- Continuing regionalization for deficit regions.
- Retention of the present arrangements for refunding storage costs but the amount for 1981/1982 will be determined on the basis of an interest rate of at least 13%.
- Maintenance of the differential levy for 1981/1982 at its 1980/1981 level. Reduction by one-third for each of the following three marketing years by comparison with the 1981/1982 level. For 1981/1982 and the following marketing years, the Commission is prepared to propose that a quantity of up to 150,000 tonnes be exempted from the differential levy.

1981/1982 prices

The main prices have been fixed as follows:

- basic price for sugar beet : 35.91 ECU/tonne
(+ 8.5%)
- intervention price for white sugar: 46.95 ECU/100 kg
(+ 8.5%)

HONEY

The Council signified its agreement on the introduction of a system of aid for beekeeping for the marketing years 1981/1982 to 1983/1984. The aid, which is fixed at 1 ECU per hive in production and per marketing year, may be used through recognized associations of beekeepers for the purchase of reduced-price feed sugar or for general programmes for the improvement of honey production, technology and marketing.

WINE AND SPIRITUOUS BEVERAGES

Wine prices

The Council signified its agreement on a 10% increase in the guide price for table wines, with the exception of the guide price for white wines of the AI type for which the increase is fixed at 8.5%.

Procedures for applying the minimum price

Continuing its discussions of 16 March 1981, the Council also agreed on the Regulation laying down general rules for applying the minimum price to table wine.

These general rules, which will apply temporarily for one marketing year until 15 December 1981, govern the mechanisms for monitoring and the measures for limiting the marketing of wines the price of which is below the minimum price; these rules also determine all the procedures concerning distillation and the mechanism for the termination of the application of the minimum price.

The Special Committee on Agriculture was instructed to draw up the definitive Regulation to apply until 30 June 1984.

Whisky

The Council signified its agreement on the basic features of regulations for the encouragement of the use of Community cereals in the manufacture of exported spirituous beverages, and in particular whisky. This agreement constitutes the implementation of Protocol No 19 of the Act of Accession of the United Kingdom to the European Communities; it concerns

- an amendment of the basic cereals Regulation which provides the legal basis for the payment of refunds for Community cereals used in this way;
- general rules concerning the granting of such refunds, in particular their scope, the annual relationship between the quantities of beverages exported and the total quantities marketed, the monitoring procedures and the rights and obligations of operators.

FLAX AND HEMP

The Council agreed on an increase of 12% in the flat-rate aid per hectare by fixing the level for flax at 296.48 ECU (59.30 ECU for Greece) and that for hemp at 269.26 ECU (53.85 ECU for Greece).

SILK WORMS

The Council agreed on an increase in aid which it fixed at 85.00 ECU per box (64.03 ECU for Greece).

SOYA BEANS, LINSEED AND CASTOR SEEDS

The Council agreed on an increase in the guide price for soya to 46.26 ECU/100 kg (+ 10%) and on the fixing of the minimum price at 41.63 ECU/100 kg (90% of the guide price rather than 92% as in 1980/1981).

The Council also agreed on an increase of 10% in the guide price for linseed which is fixed at 46.40 ECU/100 kg.

The Council further agreed on increases of 10% in the guide price and the minimum price for castor seeds which it fixed at 59.81 and 56.96 ECU/100 kg respectively.

OLIVE OIL

The Council agreed on an increase of 9% in the intervention price for olive oil. When fixing that price the Council did not set an upper limit for guaranteed production, originally planned at 700,000 tonnes, nor did it accept the Commission's original proposals concerning co-responsibility for regional promotion measures in this sector.

COLZA AND RAPE SEEDS

The Council agreed on increases of 10% in the target price and of 8% in the intervention price. It also agreed on eight monthly increases (instead of seven) and on retention of the daily aid provisions for the 1981/1982 marketing year.

It also approved the application of a special subsidy to the price of type 00 seeds offered for intervention buying.

SEEDS

The Council agreed on the differential increases of 8, 10 and 15% proposed by the Commission for the three major groups of seeds with the exception of the phleum pratense variety (+ 10% instead of + 15%) and vicia faba (no increase).

The Council noted a Commission statement to the effect that the Commission planned to propose the addition of Triticum spelta to the list of seeds eligible for aid and to propose an appropriate figure.

COTTON

The Council agreed to study the Commission proposal regarding cotton in greater detail and to act on it at the earliest opportunity.

PEAS AND FIELD BEANS

The Council agreed on an increase of 8% in the minimum price (244.70 ECU/tonne) and 11% in the activating price (418.30 ECU/tonne).

In addition the Council noted the Commission's intention of urgently seeking measures to remedy the difficulty of marketing pease intended for human consumption and possibly submitting appropriate proposals to the Council.

DRIED FODDER

The Council agreed on

- an increase of 8% in the flat-rate aid (7.03 ECU/tonne);
- an increase of 10% in the guide price (148.08 ECU/tonne);
- an increase in the difference between the guide price and the world market price, which difference fixes the variable supplementary aid at
 - = 80% for dehydrated fodder and protein concentrates,
 - = 45% for fodder dried by other means;
- the fixing of aid of 13.41 ECU/tonne (+ 8%) for dehydrated potatoes for the 1981/1982 marketing year.

In addition the Council agreed to resume its examination of the proposal for a Regulation on the common organization of the markets in potatoes before 30 September 1981 with a view to reaching a conclusion before 31 December 1981.

FRUIT AND VEGETABLES

The basic and buying-in prices for cauliflowers, peaches, lemons, pears, table grapes, mandarins and sweet oranges are increased by 11%, those for tomatoes by 8% and those for apples by 9%.

The marketing premiums for oranges, mandarins, clementines and lemons were increased by similar amounts.

The Council noted a statement to the effect that when the 1981/1982 aids were fixed for processed fruit and vegetables in accordance with basic Regulation (EEC) No 516/77, the Commission would apply the criteria laid down in these rules in such a way as to achieve economies equivalent to those which would result from applying the proposals it had submitted.

TOBACCO

The Council agreed on the following prices and premiums:

Norm price, intervention price and premiums for leaf tobacco of the 1981 harvest

Derived intervention prices for baled tobaccos of the 1981 harvest

Serial number	Variety	Norm price	Intervention price	Amount of Premium	Derived intervention price
1	Badischer Gauderheimer	3,165	2,849	2,219	4,160
2	Badischer Burley E	3,783	3,405	2,384	4,734
3	Virgin D	3,690	3,321	2,243	4,331
4	a) Paraguay et ses hybrides b) Dragon vert et ses hybrides, Philippin, Petit Grammont (Flobecq), Semois, Appelterre	2,993	2,694	1,979	-
5	Sijkark	2,915	2,624	1,818	-
6	a) Missioners et ses hybrides b) Rio Grande et ses hybrides	2,717	2,445	1,892	-
7	Bright	3,247	2,922	1,885	3,976
8	Burley I	2,387	2,148	1,331	3,084
9	Maryland	2,722	2,450	1,479	3,427
10	a) Kentucky et ses hybrides b) Moro di Cori c) Salento	2,339	1,871	1,373	2,650
11	a) Forcheimer Havana II C b) Mostrano del Brenta c) Resistente 142 d) Cojano	3,139	2,822	2,157	4,127
12	a) Beneventano b) Brasile Selvaggio et variétés similaires	1,693	1,524	1,218	2,205

Serial number	Variety	Norm price	Inter-vention price	Amount of premium	Derived inter-vention price
13	Xanti-Yakà	3,184	2,547	2,220	4,015
14	a) Perastitza b) Samsun	3,016 3,016	2,413 2,714	2,114 2,114	3,514 3,859
15	Erzegovina et variétés similaires.	2,708	2,166	1,904	3,166
16	a) Round Tip b) Scafati c) Sumatra I	14,200	12,780	8,122	18,831
17	Basmas	4,036 (+ 6%)	3,633	1,911	5,008
18	Katerini et Variétés similaires	3,532 (+ 6%)	3,179	1,719	4,684
19	Kaba Koulak classic	3,137 (+ 6%)	2,824	1,502	4,077
20	a) Kaba Koulak non classic b) Elassona, Myrodata Swayne, Trapezous et PHI 1	2,654	2,389	1,099	3,588
21	Myrodata Agrinion	3,422	3,080	1,760	4,308
22	Zichomyrodata	3,246 (+ 6%)	2,921	1,611	4,186
23	Tsebelia	3,663	3,297	2,887	4,607
24	Kavra	3,575	3,218	2,251	4,519
25	Burley GR	1,729	1,556	0,797	2,480
26	Virginia Gr	2,783	2,505	1,421	3,508

The Commission proposal for a general reduction in the intervention price to 85% of the norm price will not be applied to the 1981 harvest.

On the basis of Article 13 of Regulation (EEC) No 727/70 a reduction in the intervention price to 80% of the norm price for oriental and Kentucky varieties will be applied starting with the 1981 harvest.

STRUCTURES POLICY

The Council adopted a series of measures concerning structures, comprising:

- an amendment of Directive 72/159/EEC on the modernization of farms;
- special aid for young farmers;
- a common measure to adapt and modernize beef and veal, sheepmeat and goat meat production structures in Italy;
- integrated development programmes for the Western Isles (Scotland), the Department of Lozère and South-East Belgium;
- an amendment of Directive 72/161/EEC on socio-economic information and the professional qualification of those employed in agriculture;
- the acceleration of agricultural development in the less-favoured areas of Northern Ireland;
- a common measure to improve processing and marketing conditions in the animal feedingstuffs sector in Northern Ireland;
- agricultural development in the French Overseas Departments;
- a common measure to accelerate infrastructure improvement in certain less-favoured agricultural areas of Germany;
- the extension until 31 December 1981 of Decision 76/402/EEC on the amount of the interest-rate subsidy provided for by Directive 72/159/EEC on the modernization of farms, to be applied in Italy.

In addition the Council agreed in principle on the Commission's proposals for the improvement of agriculture in Ireland and in Northern Ireland (development aid for the production of beef cattle; financial aid for pre-movement tuberculin testing and brucellosis blood-sampling of cattle; an additional premium for maintaining suckler cows) and it agreed to take a decision as soon as it had received the Opinion of the European Parliament.

SPECIAL PROBLEMS OF AGRICULTURE IN IRELAND

The Council expressed its intention of approving the Commission's proposals for aiding the farming industry in Ireland and

- noted the Commission's statement that it would consider other methods of helping to resolve the social difficulties and other problems resulting from the reduction of income in the farming industry which was of particular importance to the Irish economy, and
- invited the Commission to study methods of mitigating further the serious income problems being experienced by the Irish farming industry at present, in particular the cattle breeding sector, and to submit proposals so that the Council could take decisions before 15 July 1981.

Investment aid

Investment aid in pigmeat production is forbidden except for that granted towards the amount of investment required to create 550 pig places per farm.

The Commission may authorize a Member State to alter the number fixed in the preceding paragraph as part of a farm development plan in specific cases where 550 pig places do not ensure comparable income for 1.5 MPU. Even in those cases, however, no aid may be granted for the part of the investment increasing the number of pig places over 1,000.

The Council agreed to ban investment aid for milk production with the exception of that granted to farmers carrying out development plans under Directive 72/159/EEC or farm improvement plans under common measures. In connection with a development plan aid will be limited to that part of the investment making it possible to achieve the comparable level of income defined in Article 4(2) of Directive 72/159/EEC for a maximum number of 1.5 MPU per farm, and made subject to the condition that that part of the investment must not increase the number of cows to more than 40 per MPU on completion of the plan.

As regards farms with more than 1.5 MPU, however, aid will be restricted to that part of the investment making it possible to increase by up to 15% the dairy herd on completion of the plan.

The Member States are authorized to grant investment aid to farmers who do not submit development plans provided that the investments involved do not increase the number of dairy cows to more than 40 per farm.

Aids and other measures

The Council took note of a Commission statement to the effect that the Commission would make a study of the cost effectiveness of certain aids and other measures, including:

- aids not directly linked to the actual organization of markets
- possible new measures to make intervention more flexible and to link it more directly to market requirements

and would submit this report to the Council.

BUDGETARY IMPLICATIONS

The Commission estimated the additional expenditure resulting from the agricultural price-fixing decisions and the related measures at 1.096 million ECU over twelve months, including 343 million ECU in 1981.

The Council took note of the Commission's statement that the cost of the decisions on price increases and economy measures could be financed within the existing FEOGA appropriations in the 1981 budget, thereby avoiding the need for a supplementary budget due to agricultural expenditure. For 1982 the Council took note that, on present provisions and without taking into account the possible cost in 1982 of the 1982/1983 prices and related measures proposals, the decisions were consistent with ensuring that the rate of increase of agricultural expenditure remain close to or, if possible, below the rate of increase in the Community's own resources. The Council undertook to adopt in good time any further measures that might be needed to this end. The Commission stated that in this way it would be possible to keep the 1982 budget within the present own resources ceiling applied by the Community while permitting the development of non-agricultural policies.

Bruxelles, le 30 mars 1981
Note BIO(81)130 aux Bureaux Nationaux
c.c. aux membres du Groupe du Porte-Parole

PREPARATION CONSEIL AGRICOLE (M. Vasey)

4/33

Le Conseil Agricole va tenter de se mettre d'accord pour le 1er avril sur les prix agricoles pour la campagne 1981/82 et les mesures connexes, conformément à l'engagement politique pris par les Chefs d'Etats et les Gouvernements à Maastricht. Les propositions de la Commission comportent un ensemble équilibré portant sur les prix (augmentation moyenne de 7,8 %), les MCA's positifs (réduction supplémentaire) et les mesures connexes (généralisation du principe de la co-responsabilité). Ces propositions restent valables, étant entendu que la Commission pourra se réunir à tout moment à la demande de M. Dalsager pour revoir en cas de besoin sa position. Parallèlement à l'adoption des prix agricoles, on s'attend à ce que le Conseil se prononce sur le mini-paquet (toujours bloqué par l'Italie), sur l'adaptation des taux verts pour éviter l'introduction de MCA's négatifs dans certains Etats membres à la suite de la dévaluation de la lire et la réévaluation de l'ECU (voir BIO COM 115 du 23 mars 1981) et sur les mesures en faveur de l'Irlande (sous réserve de l'avis à rendre par le Parlement Européen).

Autres questions à l'ordre du jour de la présente session :

- VIN : adoption des règles générales d'application du prix minimal pour le vin de table.
- CEREALES : Adoption des règles pour l'octroi des restitutions à l'exportation pour certaines boissons spiritueuses à base de céréales, conformément à la décision politique prise par le Conseil lors de l'adoption des prix agricoles pour 1981/82.

Amitiés

M. SANTARELLI, Cœur



Bruxelles, le 30 mars 1981

NOTE BIO (81) 130 (Suite 1) AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU GROUPE

CONSEIL AGRICOLE DES 30/31 MARS ET 1 AVRIL (M.VASEY)

Le Conseil Agricole a commence ses travaux a 15.00. Il s'est d'abord transforme en Conference des representants des Etats Membres pour proceder a la nomination d'un nouveau juge a la Cour de Justice en la personne de M. Fernand Grevisse (FR), Conseiller d'Etat, et d'un nouvel Avocat General, en la personne de M. P. Verloren van Themaat (NL), ancien Directeur general pour la concurrence a la Commission.

Le Conseil s'est ensuite reuni en restreinte pour une discussion politique sur le niveau des prix en liaison avec les ajustements monetaires et compte tenu des implications budgetaires. L'intention de la Presidence neerlandaise est de degager les orientations politiques pour permettre a la Commission de revoir ses propositions demain en vue de permettre aux Ministres d'engager la veritable negociation demain soir.

En ce qui concerne les ajustements monetaires, M. Dalsager a indique que la Commission deposera ses propositions formelles en vue de la devaluation des monnaies vertes lorsque les Etats Membres concernes auront fait connaitre leur desiderata.

Amities,

M. SANTARELLI COMEUR



Bruxelles, le 31 mars 1981
Note BIO(81)130 (suite 2) aux Bureaux Nationaux
c.c. aux membres du groupe du Porte-Parole

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CONSEIL AGRICOLE (M. Vasey)

Le Conseil a consacré sa séance de lundi soir à un examen des principales questions à régler : le niveau des prix, les ajustements monétaires, les mesures de coresponsabilité et les économies possibles. Les discussions ont révélé une volonté générale d'aboutir pour le 1^{er} avril, aucune délégation n'ayant pris une position susceptible de bloquer toute possibilité d'accord.

Selon le scénario arrêté par la Présidence, la Commission se réunit ce matin depuis 9 H pour discuter d'une proposition de compromis global et donner mandat à M. Dalsager pour la présenter au Conseil. Le Conseil reprendra ses travaux à 14 H 30 pour examiner les propositions révisées par la Commission.

Pendant la réunion, un millier de paysans essentiellement venus du Nord de la France, manifestaient à l'entrée du Batiment du Conseil, alors que le COPA tenait une assemblée pour réclamer une augmentation des prix de 15,3 %. La manifestation a connu une fin tragique lorsque l'un des manifestants a été renversé et tué accidentellement par une voiture.

A suivre

Amitiés

P. CERF - COMEUR

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Bruxelles, le 31 mars 1981
Note BIO(81)130 (suite 3) aux Bureaux Nationaux
c.c. aux membres du groupe du Porte-Parole

CONSEIL AGRICOLE (M. Vasey)

En presentant ses propositions de compromis au Conseil, M. Dalsager indique que la Commission a voulu mettre le Conseil en etat de prendre une decision sur les prix agricoles et mesures connexes avant l'echeance du 1er avril, conformement a ce qui avait ete decide par le Conseil Europeen de Maastricht.

En ce qui concerne le niveau des prix, la Commission constate qu'une majorite s'est degagee tant au niveau du Parlement qu'a celui du Conseil en faveur d'une augmentation plus importante des prix que celle proposee initialement par la Commission. Ceci pourrait etre partiellement atteint au moyen de la devaluation des monnaies vertes dans 5 Etats membres a la suite de la devaluation de la lire, mais la Commission estime qu'il faudrait un relevement supplementaire modeste des prix proposes. Le relevement supplementaire des prix s'applique essentiellement aux productions animales : lait 9 % immediatement (primitivement 8 % en 2 etapes), viande bovine 10 % en 2 etapes (9%), viande porcine 10 % (9%), viande ovine 7,5 % (6%). On prevoit egalement un relevement de 8,5% pour le sucre (7,5%) et de 8% pour l'huile d'olive (6%). Aucun changement pour les cereales a part une legere reduction des prix indicatifs. Pour le riz on propose 11% (10%) ainsi qu'un relevement supplementaire de 1 % pour certains fruits et legumes.

En ce qui concerne la co-responsabilite, la Commission maintient ses propositions pour les cereales a l'exception du ble dur (retire), du sucre, de la viande bovine et les fruits et legumes transformes, a ceci pres que le plafonnement des aides a la production pour ces derniers sera base sur la moyenne des annees 1978 a 1980 comme la Commission l'avait promis.

En ce qui concerne le secteur laitier le prelevement de base sera fixe a 2,5 % (2%) mais le super prelevement sera supprime : les prix a l'intervention seront reduits de 1 % a partir du debut de la campagne 1982/83 si les livraisons aux laiteries augmentent de plus de 1 % et de 2 % si elles augmentent de plus de 2 %. La Commission continuera d'examiner la possibilite d'appliquer un prelevement de base plus eleve au lait en provenance d'exploitations dont les livraisons depassent 15000 kg/ha de cultures fourrageres.

La Commission repousse d'un an les mesures de co-responsabilite pour le secteur du tabac (reduction du prix d'intervention a 85 % du prix indicatif) et retire ses propositions de co-responsabilite en ce qui concerne l'huile de colza et l'huile d'olive en attendant l'examen global du secteur des huiles vegetales.

En ce qui concerne les aides, la Commission propose de maintenir sans augmentation les differentes primes dans le secteur de la viande bovine (naissances veaux, abattage, vaches allaitantes) ainsi que les aides a la consommation du beurre, mais avec reduction de la contribution communautaire dans certains cas a partir de l'annee prochaine. La Commission va entreprendre une etude de l'efficacite d'un certain nombre de primes et autres mesures.

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La Commission propose en outre, une reduction des MCA's positifs en Allemagne et au Royaume-Uni. Le cout des nouvelles propositions de la Commission par rapport a ses propositions initiales serait de 100 millions d'ECU pour 1981 et de 180 millions d'ECU pour 1982. Les propositions initiales de compromis de la Commission ont ete presentees au Conseil comme un ensemble qui couvre egalement le mini-paquet ainsi que les autres points a l'ordre du jour de la presente session du Conseil (restitutions a l'exportation pour le whisky, regles d'application pour les prix minimum du vin de table, repartition du contingent GATT pour la viande congelee et ajustement des taux verts a la suite de la devaluation de la lire).

Enfin, la Commission propose que le Conseil approuve en principe les actions specifiques en faveur de l'Irlande en attendant l'avis du Parlement.

A suivre

Amities

M. SANTARELLI

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a stylized, somewhat abstract shape, likely representing the name Santarelli.

Bruxelles, le 1 avril 1981

Note BIO(81)130 (suite 4) aux Bureaux Nationaux
c.c. aux membres du groupe du Porte-Parole

CONSEIL AGRICOLE (M. Vasey)

Les Ministres se sont separees vers 7H30 ce matin sans etre parvenus a un accord. Ils reprendront leurs travaux a 17 H ce soir pour essayer de degager un nouveau compromis.

En effet, le compromis presente par la Commission (voir BIO precedente) et amende par elle dans le courant de la nuit a ete accepte par six delegations, mais a ete juge inacceptable pour des raisons differentes par les delegations britannique, irlandaise, italienne et grecque. L'accord parait acquis au niveau des prix avec 1 % de plus pour le ble, la viande porcine et l'huile d'olive. Le probleme des MCM positifs pourrait aussi etre regle (-4/-3% pour la RFA avec eventuellement une reduction symbolique pour le R.U.). Les difficultes se situent au niveau des mesures de co-responsabilite et d'economies, par exemple l'aide a la consommation de beurre pour le R.U., octroi de la prime a la naissance des veaux pour l'Irlande, etc..

Le President a refuse de dissocier le probleme des taux verts du paquet global, de sorte que les MCM restent inchanges.

A suivre

Amities

M. SANTARELLI, Coteur.

