



# COMMON MARKET FARM REPORT

BELGIUM, FRANCE, GERMAN FEDERAL REPUBLIC, ITALY, LUXEMBOURG, THE NETHERLANDS

## COMMUNITY FARM IMPORTS FROM U.S. INCREASE 21.7 PER CENT IN 1964

Community agricultural imports from the United States increased \$290.5 million or 21.7 per cent in 1964 to a total of \$1,627.2 million. EEC farm exports to the United States rose \$10.2 million or 3.9 per cent to \$269.7 million.

The Community thus had a deficit of \$1,357.5 million in farm trade with the United States last year.

Figures on EEC agricultural trade in 1964 also show that total Community imports from non-member countries equalled \$10,142.9 million, an increase of 7.5 per cent over 1963. Exports were \$2,626.5 million, up 5.5 per cent from the previous year.

### RISE OF 83.1 PER CENT SINCE 1958

In 1964, the United States provided 16.0 per cent of the Community's farm imports, as compared to 12.1 per cent in 1958. Those imports in that year were \$888.8 million and increased 83.1 per cent by 1964. Total EEC farm imports increased 37.9 per cent during the same period.

EEC farm exports to the United States rose only 31.5 per cent from 1958 to 1964, whereas EEC total farm exports to non-members increased 36.7 per cent from \$1,921.1 million in 1958.

All Community countries have experienced a sharp rise in farm imports from the United States, and the largest importer remained Germany with \$612.7 million last year. Germany was also the Community's major farm import market in 1964 with a total of \$3,423.6 million.

France was the EEC country with the largest percentage increase of imports from the United States, up 116 per cent since 1958. In total farm imports France was second to Germany in 1964 with \$2,594.3 million. Italy was in third place with almost \$2 billion of agricultural imports.

### MAJOR EEC EXPORTERS IN 1964

The Netherlands and France were the major Community exporters to the United States in 1964. However, the Netherlands exports have dropped

## No Agreement Reached on Farm Financing

The EEC Council of Ministers meeting of June 28-30 ended without agreement on the Commission's proposal for financing the common agricultural policy, providing Community revenues from agricultural levies and customs tariffs, and strengthening the budgetary powers of the European Parliament.

Although the ministers agreed in principle on a number of aspects of the proposal, the session was deadlocked over the length of time during which member state contributions to the Agricultural Guidance and Guarantee Fund would continue.

At present, the Fund receives its resources from the members, partly according to a

budgetary scale provided for by the Treaty of Rome and partly according to net agricultural imports of Community countries from non-members. The Commission has proposed that proceeds from agricultural levies on imports accrue directly to the Community to finance farm policy as of July 1, 1967. (See Common Market Farm Report, No. 20, April 15, 1965)

There was agreement in principle that the customs union for industrial goods and the joint marketing organizations and common prices for agricultural products would go fully into effect on July 1, 1967. The Council also accepted in principle that agricultural levies and industrial duties should go to the Community, but no agreement was reached on the timing.

\$1.1 million since 1958, whereas those of France have risen \$30.8 million. France was the Community's largest agricultural exporter with almost 40 per cent of the EEC total.

Intra-EEC imports have increased 125.9 per cent since 1958. The major market is Germany which takes almost half the total of \$2,815.5 million. The Netherlands is the largest intra-Community exporter with \$988.2 million followed by France at \$783.2 million and Italy at \$404.4 million.

## AGRICULTURAL SELF-SUFFICIENCY

Table 2 shows Community self-sufficiency figures in certain agricultural products for the years 1958-64. With the exception of eggs and barley, the percentage of self-sufficiency has remained constant or dropped for many of the major products. Noticeable declines were evident in sugar and corn. In spite of sharp percentage increases for several crops in 1963-64, overall Community farm import figures rose strongly.

Table 2. DEGREE OF SELF-SUFFICIENCY OF ECC COUNTRIES (in %)

	Corn	Sugar	Wheat	Rye	Barley	Pigmeat	Poultry	Eggs
1958/59	65.8	112	91.3	99.0	73.9	100.1	94.0	89.6
1959/60	61.3	91	93.6	99.0	84.1	100.2	90.2	90.1
1960/61	62.9	126	89	95	99	100.2	90.4	90.2
1961/62	56.3	94	86	74	82	101.0	87.2	91.1
1962/63	44.8	86	108	86	94	100.7	91.5	95.6
1963/64	51.5	95	91	96	106	*	*	*

\* Percentages in 1963/64 were not yet available for these products.

## IRREGULAR 1965 HARVEST FORESEEN; 1964 CEREAL

The Statistical Office of the European Communities predicts irregular harvest results for 1965 in the Common Market due to cold and rainy weather in most of the member countries.

Bad climate has slowed the planting and growth of most of the principal crops, in particular potatoes and sugar beets. The situation of grains is favorable in France and Germany, and normal in the other countries of the Community. In contrast, insufficient rainfall in Italy will result in a reduced rice crop and possibly a smaller fruit and vegetable harvest.

The outlook in each of the member countries is as follows:

**Germany** - Due to damage caused to spring cereal crops and early potatoes by humidity, harvests will be irregular. The situation of winter crops is good. A drop of about 11 per cent is expected in sugar beet acreage. Favorable weather starting in mid-May will improve chances for a good harvest.

**France** - Cold, wet weather slowed down planting of spring crops, and spring wheat acreage is down 1 per cent from 1964. The winter wheat situation, however, is satisfactory. Production of early potatoes will be down considerably from last year. Acreage of sugar beets varies from favorable to below normal, depending on the region. In some areas fruit and vegetable production will also decline.

**Italy** - Dry, cold weather in northern Italy has slowed crop growth. Most crops, in particular fruits and vegetables, have been affected. In

other regions acreage of cereals and dry vegetables is normal. Production of early potatoes will be higher than last year by 20,000 tons. Dryness and late planting forbode a low harvest for rice.

**The Netherlands** - The harvest for most crops is expected to be normal. Some reduction is foreseen for oats and beets. The effects of bad weather have been alleviated by a favorable climate since mid-May.

**Belgium and Luxembourg** - Winter grains have recuperated from unfavorable weather in April, and acreage is normal. Late frost caused damage to spring barley and early potatoes. Sowing of sugar beets was delayed by cold, wet weather, and their development is irregular.

### 7 MILLION TON WHEAT INCREASE

Recent figures for the 1964 harvest in the Community show that the best cereal harvest since the war occurred last year. Over 59 million metric tons of grains were produced, due mainly to an increase in wheat production. The jump of almost 7 million tons of wheat over the preceding year resulted from plantings on an additional 1,680,280 acres in 1964.

In contrast, the barley harvest was down 3 per cent from 1963, oats production declined 7 per cent, and corn totals were smaller by 22 per cent. These decreases were the result of a reduction in land surface used for the crops. The dry vegetable harvest was the second lowest since 1950, and potato production was the lowest since the war, due to both fewer plantings and dry weather.

**Table 1. ECC AGRICULTURAL IMPORTS AND EXPORTS** (millions of \$)

	1958	1959	1960	1961	1962	1963	1964
<u>Imports from U.S.</u>							
France	106.6	77.8	85.3	176.5	148.5	169.2	230.3
Belgium/Luxembourg	108.3	125.2	136.6	120.6	139.4	116.0	157.4
Netherlands	183.7	228.1	265.9	248.7	276.2	318.6	379.8
Germany	363.4	384.4	461.8	482.1	551.0	505.1	612.7
Italy	126.9	84.2	171.8	256.3	185.0	227.8	247.1
<b>EEC total</b>	<b>888.8</b>	<b>899.8</b>	<b>1,198.5</b>	<b>1,284.2</b>	<b>1,300.1</b>	<b>1,336.7</b>	<b>1,627.2</b>
Annual increase (%)		1.2	33.2	6.5	1.1	2.9	21.7
<u>Exports to U.S.</u>							
France	45.5	52.3	58.7	67.0	66.6	73.9	75.8
Belgium/Luxembourg	8.0	10.2	10.6	12.3	16.1	18.2	18.2
Netherlands	77.2	83.5	80.5	74.0	76.7	74.8	76.1
Germany	27.4	30.5	32.9	32.3	31.2	33.1	36.3
Italy	46.9	48.2	52.3	56.1	59.3	59.5	63.3
<b>EEC total</b>	<b>205.1</b>	<b>224.7</b>	<b>235.0</b>	<b>241.7</b>	<b>250.1</b>	<b>259.5</b>	<b>269.7</b>
Annual increase (%)		9.6	4.6	2.9	3.5	3.8	3.9
<u>EEC total imports</u>							
from non-members	7,356.0	7,379.4	8,261.1	8,250.5	8,907.8	9,438.6	10,142.9
<u>Imports from U.S. as % of total imports</u>							
	12.1	12.2	14.5	15.6	14.6	14.2	16.0
<u>EEC total exports</u>							
to non-members	1,921.1	1,900.8	2,098.5	2,223.1	2,250.4	2,488.5	2,626.5
<u>Intra-EEC imports</u>	1,246.1	1,546.2	1,785.3	1,967.3	2,220.9	2,489.8	2,815.5

## PRODUCTION WAS RECORD

Sugar beet production was up 8 per cent, the second largest harvest of postwar years, and oilseed totals were the highest since 1950 at 437 thousand tons. The tobacco harvest of 129 thousand tons confirmed a rising tendency since 1962.

Total Community harvests in major crops from 1958-64 are shown in Table 1. Table 2 gives the total cereals production in the six Community countries during the last three years.

**Table 2. ECC CEREAL PRODUCTION 1962-64**

	('000 metric tons)		
	1962	1963	1964
Germany	15,227	15,434	16,550
France	25,267	25,331	25,394
Italy	14,300	13,212	13,846
Netherlands	2,005	1,800	1,989
Belgium	1,918	1,796	1,964
Luxembourg	114	127	98

**Table 1. COMMUNITY HARVESTS OF MAJOR CROPS 1958-64** ('000 metric tons)

	1958	1959	1960	1961	1962	1963	1964
Winter wheat	23,447	24,814	23,328	20,453	27,345	20,775	27,210
Summer wheat	932	1,071	873	2,723	2,287	3,807	1,858
Rye	4,928	5,030	4,963	3,382	3,875	4,117	4,585
Barley	7,258	8,736	9,860	9,227	10,985	12,116	11,726
Oats	6,301	6,173	6,221	6,004	6,487	6,608	5,882
Corn	5,363	5,720	6,648	6,433	5,174	7,613	5,944
Rice	698	702	573	659	625	537	594
<b>Total cereals</b>	<b>50,494</b>	<b>53,760</b>	<b>54,285</b>	<b>50,574</b>	<b>58,831</b>	<b>57,700</b>	<b>59,841</b>
Dry vegetables	1,258	1,221	1,207	1,084	1,085	1,199	1,071
Potatoes	45,076	43,683	49,427	45,356	47,975	51,653	42,683
Sugar beets	38,513	31,955	46,903	36,117	33,191	39,152	42,409
Forage beets	77,544	46,170	81,832	67,138	57,863	70,224	57,410
<b>Total root and tuber plants</b>	<b>186,552</b>	<b>140,826</b>	<b>203,412</b>	<b>171,882</b>	<b>159,006</b>	<b>185,310</b>	--
Oil seed plants	334	256	234	276	377	346	437

## Fishing Industry Statistics Completed

The Statistical Office of the European Communities has published for the first time figures showing the trends in the EEC fishing industry.

These statistics show that total catch of fish in recent years has dropped slightly whereas harvests of crustaceans and mollusks have almost doubled since 1954.

The following figures indicate this trend:

### TOTAL LANDINGS

('000 metric tons)	1954	1959	1963
Fish	1,435	1,448	1,327
Shellfish	198	307	337

The study also indicates that per capita consumption of fish in the EEC has increased slightly, although there have been slight declines in Germany and the Benelux countries. The degree of self-sufficiency in fish of the Community has decreased. (See Tables 1 and 2.) This decline is due to the smaller catches and the rising population.

**Table 1. ANNUAL CONSUMPTION OF FISH PER CAPITA (lbs.)**

	Ger.	Fr.	It.	Neth.	BLEU* EEC
1959/60	25.1	27.9	19.1	19.4	25.5 23.8
1960/61	23.8	28.8	19.6	19.8	24.6 23.8
1961/62	24.4	29.5	19.1	19.1	24.9 24.0
1962/63	24.0	30.6	22.0	19.6	22.0 24.9

**Table 2. DEGREE OF SELF-SUFFICIENCY (%)**

	Ger.	Fr.	It.	Neth.	BLEU* EEC
1959/60	90	100	41	169	56 86
1960/61	85	97	42	188	57 84
1961/62	83	95	42	194	53 83
1962/63	84	90	37	168	58 78

\* Belgium-Luxembourg Economic Union

## Farm Incomes Data To Be Assembled

The EEC Council of Ministers has agreed to a Commission proposal for an accounting system for farm incomes and conduct of farm business in the Community.

The information obtained from the surveys will be published annually in a report on the situation of agriculture and agricultural markets in the Community. Such incomes data are necessary as the basis for many decisions in the common agricultural policy, in particular common prices, social questions, and improvement of agricultural structures.

At first, 10,000 farms of 12 acres or more will be included in the accounting system, although this number will be increased to 30,000 after a few years. Participation of farmers in the surveys will be voluntary.

A similar accounting system for farm incomes exists at present in only two member countries, Germany and the Netherlands.

The Commission has also proposed to the Council a program of surveys on EEC farm structures. A basic survey, beginning this year, would cover one-fourth of the Community's seven million farms and would cost about \$14 million.

Its chief object would be to obtain information on farm production, conditions, and location of agricultural undertakings. Included in the categories of the survey would be land utilization, types of husbandry, farm labor, agricultural advisory services, membership of agricultural cooperatives, and use of machinery.

Special surveys would be undertaken from 1966-70 for agricultural labor, financing and credit, land tenure, crop-growing and stock-raising conditions, cooperatives and mechanization.

At present, statistics on farm structures are available only on a national basis and are often not comparable due to different methods of computation in the member states.

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