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EUROPEAN PARLIAMENT

# Working Documents

1982-1983

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7 May 1982

DOCUMENT 1-184/82

REPORT

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (Doc. 1-1089/81 - COM(82) 12 final) for a Council directive amending Directives 72/159/EEC, 72/160/EEC and 72/161/EEC in relation to agricultural structures

Rapporteur: Mr J. DALSASS



By letter of 1 March 1982 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities for a Council directive amending Directives 72/159/EEC, 72/160/EEC and 72/161/EEC in relation to agricultural structures.

On 5 March 1982 the President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for its opinion.

The Committee on Agriculture appointed Mr Joachim DALSSASS rapporteur.

It considered the Commission proposal and the draft report at its meetings of 31 March/1 April 1982 and 27/28 April 1982 and at the latter meeting decided to recommend Parliament to approve the Commission proposal. The committee then unanimously adopted the motion for a resolution.

The following took part in the vote: Mr DELATTE, vice-chairman and acting chairman; Mr FRÜH, vice-chairman; Mr DALSSASS, rapporteur; Mr BARBAGLI (deputizing for Mr LIGIOS), Mrs CASTLE, Mr CURRY, Mr DIANA, Mr GATTO, Mr GAUTIER, Mrs HERKLOTZ, Mr HORD, Mr KALOYANNIS, Mr NIELSEN, Mrs PERY (deputizing for Mr EYRAUD), Mr PROVAN, Ms QUIN, Mr STELLA (deputizing for Mr CLINTON), Mr THAREAU, Mr VGENOPOULOS, Mr WETTIG and Mr WOLTJER.

The opinion of the Committee on Budgets is attached.

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A

The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a directive amending Directives 72/159/EEC, 72/160/EEC and 72/161/EEC in relation to agricultural structures.

The European Parliament,

- A) having regard to the proposal from the Commission of the European Communities to the Council (COM)(82) 12 final)<sup>1</sup>,
  - B) having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 1-1089/81),
  - C) having regard to the report of the Committee on Agriculture and the opinion of the Committee on Budgets (Doc. 1-184/82),
  - D) having regard to its resolution on the proposals from the Commission of the European Communities to the Council on the agricultural structures policy<sup>2</sup>,
  - E) whereas there will continue to be a need to take and promote measures in relation to agricultural structures in certain areas,
1. Approves the Commission proposal on extending the deadline for implementing the measures for structural improvements to 31 December 1983;

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<sup>1</sup> OJ NO. C 48, 23 February 1982, p. 10

<sup>2</sup> OJ No. C 85 of 8 April 1980, pp. 57 et seq.

2. Requests the Council and the Commission, in the discussions on the reform of the Common Agricultural Policy, to bear in mind the importance of structural measures in agriculture in view of their effects on the productivity of farms and the income of those employed in agriculture;
3. Considers that any future revised form of the directives on structures must provide greater incentives for cooperation between agricultural undertakings, such cooperation to include not only partnerships between individual farms but also broad-based forms of integration such as producer associations.
4. Expects the structural improvements, in particular those at regional level, to be concentrated to a greater degree on the mountain areas and the less-favoured areas, and the financial resources available to be concentrated on those areas as a matter of priority;
5. Calls on the Commission and the Council to ensure that the modernization of farms is not affected by restrictions on investment aids in certain production sectors;
6. Considers that young farmers must be given greater assistance when taking over farms;
7. Points out that the low incomes occasioned by unfavourable local conditions and adverse structures, of farmers in mountain areas must be increased by means of higher compensatory allowances so that, inter alia, the countryside in these areas continues to be adequately preserved;
8. Considers that, when drawing up new structural measures more attention should be paid to the improvement of vocational training and further training for heads of farm businesses;
9. Considers that increased monitoring of national aid measures and resolute action against unlawful aid measures are necessary;

10. Is opposed to the retention of the existing development target as a criterion for assessing the development capacity of agricultural undertakings and/or their suitability for assistance, as it imposes too tight a restriction on assistance to individual farms; the development target should therefore be replaced by more appropriate and more practical assessment criteria;
  
11. Urgently requests both the Council and the Commission to draw up and submit to Parliament in the time now available a properly balanced series of measures for future improvements to agricultural structures.

EXPLANATORY STATEMENT

1. The Council Directive of 17 April 1972 on the modernization of farms (72/159/EEC)<sup>1</sup> provides for assistance for farms which lack the structural conditions necessary to provide a fair income and living conditions for those working thereon comparable with those of other occupations.

The incentives are mainly for farms which are suitable for development in view of the professional ability of the farmer, the profitability of the farms and the working conditions of the persons employed there.

The directive also provides for special aids for farms in certain areas where the maintenance of farming is essential for the conservation of the countryside.

The Council Directive of 28 April 1975 on mountain and hill farming and farming in certain less favoured areas (75/268/EEC)<sup>2</sup> refers to the provisions of the Council Directive of 17 April 1972 on the modernization of farms (72/159/EEC) with regard to the implementation period. It takes into account the fact that the conservation of the countryside in mountain areas and in certain other less-favoured areas must be safeguarded in the future and that the farmers fulfil an important role in this respect. It provides for an annual compensatory allowance to be paid to the farmers concerned to maintain a fair income and aids for joint investment schemes in respect of fodder production and for the improvement of pasture and hill grazing.

2. The objective of Council Directive of 17 April 1972 concerning measures to encourage the cessation of farming and the reallocation of utilized agricultural area for the purposes of structural improvement (72/160/EEC)<sup>3</sup> - the formation of farms of appropriate size and structure to improve agricultural incomes - is to supplement Directive 72/159/EEC.

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<sup>1</sup>OJ No. L 96 of 23 April 1972, pp. 1 et seq.

<sup>2</sup>OJ No. L 128 of 19 May 1975 pp. 1 et seq.

<sup>3</sup>OJ No. L 96 of 23 April 1972 pp. 9 et seq.



It provides aids for persons ceasing farming and making available, for the purposes of structural improvement, the land which they have previously farmed.

3. The Council Directive of 17 April 1972 concerning the provision of socio-economic guidance for and the acquisition of occupational skills by persons engaged in agriculture (72/161/EEC)<sup>1</sup> takes into account the fact that agricultural structures can only be improved if the level of training of the agricultural working population is raised, in respect of management, production and marketing. The directive provides for better socio-economic guidance for persons employed in agriculture so that they are better able to take decisions on their future occupations; vocational training and advanced vocational training will be organized in the Member States on the basis of certain minimum requirements.

Persons leaving agriculture and wishing to obtain new vocational qualifications are guaranteed income aids during retraining.

4. These directives assume that the structural measures could be completed within ten years. This period expires on 19 April 1982.

On 24 June 1980 and 30 June 1981 the Council modified the conditions for individual measures by amending Directives 75/268/EEC, 72/159/EEC and 72/161/EEC and called on the Member States to comply with these new provisions by 31 December 1981.<sup>2</sup>

In its communication to the Council on the 'Guidelines for European agriculture' in relation to the mandate of 30 May 1980<sup>3</sup> the Commission stated that the efforts to achieve structural improvements in agriculture must be continued, in particular for deficient farms and in less-favoured agricultural areas. However, decisions could only be made on the basis of an assessment of the results of the measures recently instituted or recently completed.

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<sup>1</sup>OJ No. L 96 of 23 April 1972 pp. 15 et seq.

<sup>2</sup>OJ No. L 180 of 14 July 1980 pp. 34 et seq. and L 197 of 20 July 1980 pp. 41 et seq. and 44 et seq.

<sup>3</sup>COM(81) 608 final

5. The aims of the directives on agricultural structures have not yet been fully realized. It would therefore seem appropriate to extend the deadlines for implementation of the various measures (up to 31 December 1983) and thereby give both the Council and the Commission the opportunity, during the discussions on the reform of the Common Agricultural Policy, to find the best method of continuing the measures to improve agricultural structures.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the committee chairman to Sir Henry PLUMB, chairman  
of the Committee on Agriculture

Luxembourg, 24 March 1982

Subject: Proposal from the Commission to the Council for a directive  
amending Directives 72/159/EEC, 72/160/EEC and 72/161/EEC  
in relation to agricultural structures (Doc. 1-1089/81)

Dear Mr Chairman

The Committee on Budgets considered the above Commission proposal at its meeting of 17/18 March 1982. It found the Commission proposal unacceptable for reasons of budget policy and budgetary law. The committee unanimously took the view that extending the various directives as proposed by the Commission at a time when intensive discussions were taking place in the Community on amending the structure of the budget and reforming the agricultural policy was unacceptable and that the awaited proposals for amending and strengthening Community legislation in the field of agricultural structural policy should have been submitted long ago. A minority on the committee was strongly opposed to extending the period of application of the directives.

This opinion was adopted by 7 votes to 4 with 2 abstentions.

Yours sincerely,

(sgd) Erwin LANGE

Present:

Mr LANGE, chairman; Mr NOTENBOOM and Mr BARBARELLA, vice-chairmen;  
Mr ADAM (deputizing for Mr CLUSKEY), Mr ARNDT, Mrs BOSERUP, Mr CROUX,  
Mr GOUTHIER, Mr NEWTON DUNN, Mr PRICE, Mr van ROMPUY (deputizing for  
Mr LEGA), Mr SABY and Mr SIMONNET.

