

EUROPEAN PARLIAMENT
CHRISTIAN-DEMOCRATIC GROUP
(Group of the European People's Party)

Secretariat

DOC/G/1143/79

March 1979

424.91
446

E U R O P E A N A G R I C U L T U R A L C O N F E R E N C E

of the Christian Democratic Group
(Group of The EPP)

on 7 and 8 March 1979

in BRUSSELS

FINAL DECLARATION

drawn up by the Working Party on Agriculture
with Mr V. VERNASCHI, vice-chairman of the
Christian-Democratic Group (Group of the
European People's Party), in the chair

1. Agriculture is an essential sector of the modern economy. Apart from its priority task as a source of foodstuffs and its importance for the economy as a whole, it plays a significant social role by peopling and conserving the countryside and protecting the environment.
2. The objective of Christian-Democratic agricultural policy is to establish an efficient and competitive agricultural industry which ensures that farmers enjoy incomes and living and working conditions comparable with those of persons employed in other sectors and that consumers are supplied with food at reasonable prices. In view of the uncertain position in regard to world food supplies, it is imperative to maintain the production potential of European agriculture, one of the Community's few natural resources.
3. Even in industrial society the family farm run on a rational basis is an essential feature of modern agriculture. It has proved its worth in the dynamic changes in economic structures. Furthermore encouragement should be given to any form of undertaking which provides a family with a permanent source of livelihood and an appropriate status in society. In view of the high level of structural unemployment, all the possibilities offered by progress in technology and management methods must be exploited to ensure the continued existence of as many viable, self-supporting farms as possible.
4. Agricultural policy is the only area so far in which the European Community has succeeded in implementing a common policy and has thus laid the foundations for the economic integration of Europe.
5. The unsatisfactory progress towards integration in other sectors, in economic, monetary, structural, regional and social policy, and the European Community's external economic policy commitments are placing constant strains on the common agricultural policy. The development of an economic and monetary union, towards which the European Monetary System is an important stepping-stone, and the establishment of a coherent trade policy are essential to the survival and further development of this policy.
6. The common agricultural policy has struck a fair balance between the interests of producers and consumers. It has ensured security and stability of food supplies for 260 million consumers in the Community at reasonable prices despite considerable fluctuations on world markets, and has made it possible to develop a modern and productive agricultural industry in many parts of the Community. However, despite considerable efforts by both the agricultural sector and the Member States of the

Community, the objectives of the EEC Treaty have not yet been fully achieved. There is still a disparity between the incomes of those employed in agriculture and those in other sectors. Even within the agricultural sector there are considerable differences in income according to region and type of production.

7. The future purpose of the agricultural policy is to eliminate these differences, employing a combination of economic, commercial, regional, social and educational policy measures with a view to ensuring that people in rural areas share fully in economic and social progress.

If agriculture is to continue to play its role, which is in the interests of society as a whole, incomes in the agricultural sector must catch up with the general level so that a reasonable standard of living is ensured for persons employed in farming and for their families.

8. The principles of the common agricultural policy evolved over two decades (unity of the market, Community preference and financial solidarity) still hold good for the Christian Democrats. The adjustments to the common organizations of the market which might prove necessary must not be allowed to undermine those principles.
9. Given the development of production costs on modern farms, price policy must allow farmers' incomes to rise at least as fast as those of persons employed in other sectors. A dynamic price policy and efficient market management must be aimed at aligning agricultural production to available outlets both within and outside the Community, with joint targets and harmonized conditions of competition in all the Member States.
10. The divergent trends of the various economies and the resulting monetary instability are increasingly hampering the operation of the common price and market policy. They have led to the application of green rates and monetary compensatory amounts. It is important that joint solutions should be found as regards the alignment of the green rates on market rates and the gradual phasing-out of monetary compensatory amounts, provided that this does not bring about a fall in agricultural prices in nominal terms or undermine farmers' incomes.
11. The imbalances on various agricultural markets must be removed by means of appropriate price, market and structural policies. The most urgent task is to restore equilibrium on the milk market. All measures contributing towards a permanent solution to this problem, such as financial co-responsibility, non-marketing and conversion premiums, the promotion of consumption, a more balanced relationship between imports and exports - particularly with respect to the USA and Japan through an opening up of their markets, particularly to Community milk products -

the extension of food aid (multiannual basis, long-term contracts etc.) are supported. The structural policy for crop-producing regions should not conflict with the market policy requirements in the milk sector.

12. The Community has taken account of the need for a better regional balance in the common agricultural policy by a series of measures in favour of the Mediterranean regions. These measures, which relate mainly to the infrastructure of rural areas, irrigation, the creation and strengthening of producers' organizations, the processing of fruit and vegetables, reafforestation and establishment of an agricultural consultancy service, are a step in the right direction. We must continue resolutely along the path we have taken towards the improvement of the agricultural structures which are in need of development. The general development of the less-favoured areas of the Mediterranean also requires regional and social policy measures.
13. The enlargement of the Community by three countries will have serious effects for the Mediterranean areas of the Community. It must be ensured that it is not the poorest areas which are hardest hit by the economic consequences of this enlargement. The Community must therefore take new, courageous and far-sighted measures in favour of its Mediterranean areas in the field of agricultural and regional structural policy. The common market organizations for Mediterranean products must also be designed so that all the Community's producers are offered equivalent guarantees but the creation of surpluses is avoided.
14. The success of the agricultural policy necessarily implies the implementation of an effective structural policy. To be consistent this policy must get to grips with both production structures and market structures. If satisfactory results are to be achieved, it is essential that the structural policy measures taken so far be intensified.
15. An agricultural and rural structural policy is acceptable only as part of an integrated regional and social economic policy implemented selectively but on a basis of solidarity. If farmers who are not able to earn a reasonable living are to transfer totally or partially on an organized basis to skilled employment with a future, the following are essential:
 - regular, sustained economic growth enabling those leaving agriculture to face the future with confidence;
 - a regional policy which provides sufficient alternative industrial jobs in rural areas and opportunities for economic development;
 - a social policy which ensures that social hardship does not occur in the process of adapting to economic and technical developments and is thus an effective instrument for the improvement of agricultural structures;

- an education policy which prepares the agricultural and rural population vocationally and sociologically for the new tasks that will be required of them.

More Community funds will have to be set aside for structural, regional and social policy.

16. At international level, attempts must be made to ensure the stability of markets, security of supply and fair incomes for all producers by specific methods suited to the conditions under which agricultural goods are produced and marketed. The correct approach is to seek international arrangements for agricultural commodities. International trade in agricultural produce must be organized in such a way as to foster a balanced development of such trade and the harmonized growth of agricultural production in the various countries.
17. The European Christian Democrats have played a major part in formulating the common agricultural policy and adapting it to changing social and economic conditions. They defend this policy against attacks from inside and outside in an awareness of its importance as an integrating element and as a factor of economic, and more particularly political, independence in the European Community.