

European Communities

446.51
+ 449(5.1)
+ 446

EUROPEAN PARLIAMENT

Working Documents

1978 - 1979

13 September 1978

DOCUMENT 305/78

REPORT

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European
Communities to the Council (Doc. 242/78) for a
regulation on the ~~development~~ of an agricultural
advisory service in Italy

Rapporteur: Mr G. VITALE

1. 2. 4.

By letter of 17 July 1978 the President of the Council of the European Communities consulted the European Parliament, pursuant to Article 43 of the EEC Treaty on the proposal from the Commission of the European Communities to the Council for a regulation on the development of an agricultural advisory service in Italy.

The President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible and to the Committee on Regional Policy, Regional Planning and Transport and the Committee on Budgets for their opinions.

At its meeting on 18/19 July 1978, the Committee on Agriculture appointed Mr G. VITALE rapporteur.

It considered this proposal at its meeting of 12 September 1978 and at the same meeting adopted the motion for a resolution and the explanatory statement by 14 votes with 3 abstentions.

Present: Mr Liogier, vice-chairman and acting chairman; Mr Vitale, rapporteur; Mr Albertini, Mr Andersen, Mr Brugger, Mr Dewulf, Mr Früh, Mr Halvgaard (deputizing for Mr Herbert), Mr Hansen, Mr Hoffman, Mr Howell, Mr Klinker, Mr Pisoni, Mr Pistillo, Mr Pucci, Mr Scott-Hopkins and Mr Tolman.

The opinions of the Committee on Regional Policy, Regional Planning and Transport and the Committee on Budgets are attached.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT	11
Opinion of the Committee on Regional Policy, Regional Planning and Transport	17
Opinion of the Committee on Budgets	18

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 regulation on the development of an agricultural advisory service in Italy

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council¹,
 - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 242/78),
 - having regard to the report of the Committee on Agriculture and the opinions of the Committee on Regional Policy, Regional Planning and Transport and the Committee on Budgets (Doc. 305/78),
1. Stresses the extreme importance and desirability of Community action to develop an agricultural advisory service in Italy with a view to implementing the structural policy, and in particular Directive No. 159, as well as the various measures provided for in the 'Mediterranean package';
 2. Approves, therefore, the Commission's proposal subject to the following reservations;
 3. Points out that at present, under Italian national law, the regions are responsible for all advisory matters, whereas the centralized administration outlined in the proposal deprives them of this responsibility;
 4. Points out that a centralized body with a rigid hierarchy and identical training courses for all is extremely ill-suited to prepare technical advisers who will have to work in widely varying situations and carry out programmes at regional and area level;

¹ OJ C 169 of 14.7.1978, p.7

5. Considers it undesirable to provide for the establishment of a completely new advisory institute which would involve pointless duplication of expenditure, decision-making centres and bureaucratic complications;
 6. Suggests therefore that, within the framework of the outline plan it is to draw up, the Italian Government should be allowed to decide which institutes, either new or already in existence, would be most suitable for implementing the Community measure;
 7. Considers that advisory work should be concentrated in the areas where it is most needed and that priority should therefore be given to the Mezzogiorno;
 8. Is of the opinion that the qualification required for admission to the courses should be specified, this being either a degree in agricultural science or a diploma from an agricultural technical institute;
 9. Considers it essential to provide for a periodic review of the programme thus leaving the way open for any changes which may prove necessary in the course of the practical implementation of the programme and for adjustments to the fixed amounts to bring them into line with increased costs;
 10. Calls upon the Commission to incorporate the following amendments in its proposal pursuant to the second paragraph of Article 149 of the EEC Treaty.
-

Proposal from the Commission of the European Communities
for a Council Regulation (EEC)
on the development of an agricultural advisory service
in Italy

Preamble, first and second recitals: unchanged

Third recital

Whereas, because of economic and budgetary constraints, Italy does not have sufficient means to establish a system comparable to those already highly developed in the other Member States;

Third recital

Whereas, because of natural, structural, economic and budgetary constraints, Italy does not have sufficient means to establish a system comparable to those already highly developed in the other Member States;

Recitals 4 to 8 and Article 1: unchanged

Article 2

1. The outline plan of agricultural advisory work shall cover:
 - the establishment of arrangements for the training of agricultural advisers by a public agricultural advisory institute, hereafter called 'institute', comprising inter-regional training centres, hereafter called 'centres';
 - the assignment of trained advisers to the task of carrying out programmes and measures for the balanced development of agriculture.

Article 2

1. The outline plan of agricultural advisory work shall cover:
 - the establishment of arrangements for the training of agricultural advisers; (the rest to be deleted)
 - the assignment of trained advisers to the task of carrying out programmes and measures for the balanced development of agriculture.

Paragraph 2: unchanged

Article 3

The outline plan of agricultural advisory work shall contain all the information required for its assessment, including:

1. as regards the training of advisers:
 - a) the legal status and the organization, function and detailed rules of operation of the institute and the centres referred to in Article 2(1) including:
 - the composition, function and detailed rules of operation of the institute's Administrative Board,

Article 3

The outline plan of agricultural advisory work shall contain all the information required for its assessment including:

1. as regards the training of advisers:
 - a) the legal status and the organization, function and detailed rules of operation of the public institutes already in existence or to be newly established which shall be responsible for the training of advisers;
 - (delete)

¹ For full text see OJ No. C 169 of 14.7.1978, p.7

- the location of the centres taking into account the specific advisory needs of the different parts of Italy;
- the numbers and qualifications of the teaching staff planned;
- the arrangements to ensure the financing of the institute and the centres.

- their location, taking into account the specific advisory needs of the different parts of Italy;
- the numbers and qualifications of the teaching staff planned;
- the arrangements to ensure the financing of the Institutes.

Sub-paragraphs b), c), d) and paragraph 2: unchanged

Articles 4 and 5: unchanged

Article 6

1. The principal functions of the institute, including the centres, referred to in Article 2(1), shall be:

Article 6

1. The principal functions of the Institutes referred to in Article 2(1), shall be:

Sub-paragraphs a), b), c), d) and paragraph 2: unchanged

Article 7: unchanged

Article 8

The training courses referred to in Article 7 shall be open to candidates who:

- have an appropriate university degree for agricultural advisory work; and
- are otherwise suitably qualified to carry out agricultural advisory work and have adequate experience of farming problems.

Article 8

The training courses referred to in Article 7 shall be open to candidates who:

- have a degree in agricultural science or a diploma from an agricultural technical institute;
- are otherwise suitably qualified to carry out agricultural advisory work and have adequate experience of farming problems.

Article 9, 10 and 11: unchanged

Article 12

Paragraph 1: unchanged

2. The total estimated cost of the common measure to the Fund is 79 million European units of account.

Article 12

2. The total estimated cost of the common measure to the Fund is 79 million European units of account, 50% of which shall be reserved for implementation of the common measure in the Mezzogiorno.

Paragraph 3: unchanged

Article 13

Paragraph 1: unchanged

2. The Fund shall reimburse to the Italian Republic 75% of:
- the running expenses of the Institute including the centres referred to in Article 2(3) first indent, up to a maximum eligible amount of 310,000 EUA/year;
 - expenditure incurred by way of course attendance allowances or grants, up to a limit of 3,000 EUA/year per participant and a maximum eligible amount of 600,000 EUA/year;
 - expenditure incurred in the specialized training of teachers, up to a maximum eligible amount of 195,000 EUA.

Paragraphs 3 and 4: unchanged

Article 14

Paragraph 1: unchanged

2. Advances may be granted by reference to the arrangements established by the Italian Republic for the financing of the Institute and centres.

Article 14

Paragraph 1: unchanged

2. Advances may be granted by reference to the arrangements established by the Italian Republic for the financing of the Institutes.

Paragraphs 3, 4 and 5: unchanged

Article 15

Before 1 August of each year the Commission shall submit to the Parliament and to the Council a report on the progress of this common measure. The Italian government shall provide the Commission with all the documentation needed for this purpose.

Article 15

Before 1 August of every third year the Commission shall submit to the Parliament and to the Council a report on the progress of this common measure. The Italian government shall provide the Commission with all the documentation needed for this purpose.

Proposals for review of the programme to implement the common measure in the following three years may be submitted with the report; such proposals must be submitted to Parliament and approved by the Council.

Article 16

1. Where the procedure laid down in this Article is to be followed, the matter shall be referred to the Standing Committee on Agricultural Structure by the Chairman either on his own initiative or at the request of the representative of a Member State.
2. The representative of the Commission shall submit a draft of the measures to be adopted. The Standing Committee on Agricultural Structure shall deliver its Opinion on those measures within a time limit set by the Chairman according to the urgency of the matters. An opinion shall be adopted by a majority of forty one votes, the votes being weighted as laid down in Article 148(2) of the Treaty. The Chairman shall not vote.
3. The Commission shall adopt measures which shall be immediately applicable. However, if such measures are not in accordance with the Opinion delivered by the Standing Committee on Agricultural Structure, they shall at once be communicated by the Commission to the Council. In that case, the Commission may defer for not more than one month from the date of such communication, application of the measures which it has adopted.

The Council, acting by a qualified majority, may adopt a different decision within one month.

Article 16

1. unchanged
2. unchanged
3. The Commission shall adopt measures which shall be immediately applicable. However, if such measures are not in accordance with the Opinion delivered by the Standing Committee on Agricultural Structure, they shall at once be communicated by the Commission to the Council. In that case, the Commission may defer for not more than one month from the date of such communication, application of the measures which it has adopted.

The Council, acting by a qualified majority, may adopt a different decision within one month. However, if the measure has substantial financial implications, the Council shall act only in agreement with the European Parliament.

Article 17 unchanged

EXPLANATORY STATEMENT

1. The proposal for a regulation on the development of an agricultural advisory service in Italy is one of the set of measures contained in the 'Mediterranean package'. This 'package' was discussed during the Council session which examined the 1978 agricultural prices. While agreement was reached on some of the proposals, for example those concerning irrigation in the Mezzogiorno, producers' associations and special measures for the marketing of certain Mediterranean products, a final decision on two important proposals had to be postponed because of strong Italian reservations: the proposal concerning forestry which was already debated by the European Parliament during its July part-session and the proposal for an advisory service which we are considering today. Both will again be considered by the Council before 30 September next.
2. The proposal for a regulation is simple in outline: it is proposed to provide an agricultural information and guidance service for Italian farmers; for this purpose, the Community shall contribute to the implementation of an outline plan to be drawn up by the Italian Republic in accordance with the provisions laid down in the regulation. A public agricultural advisory institute comprising inter-regional training centres, each with a permanent staff of seven (a Head, four teachers, two secretaries), shall be responsible for the training of advisers. The Institute shall be managed by a central Council of Administration which shall employ a director, two administrators and two secretaries. The regulation further stipulates the length of courses (9 months); the subjects (rural psychology and sociology; farm management techniques; preparation of development plans within the meaning of structural Directive No. 159; preparation of specific programmes); the maximum number of students to benefit from the Community grant (200 per year); the apportionment of the costs among the different items (administrative costs of the Institute and the three centres, cost of the students' grants, cost of the annual premium paid to advisers assigned to specific projects). The common measure shall extend over a period of twelve years and the EAGGF shall contribute 75% of the cost, a total sum of 79 million EUA.

The outline plan which the Italian Government shall draw up for the Commission within the limits of these provisions, covers the function and the detailed rules of operation of the Institute, the conditions for admission to the courses, the specific content of the courses themselves, the location of the centres and the criteria for the assignment of the advisers. Finally, there shall be a strict annual assessment of the progress of the common measure.

3. There can be no doubt that the creation of an advisory service in Italy is of interest for the Community as a whole. The limited success to date of the structural policy, including Directive No. 159, is due to the absence of agricultural advisory facilities; moreover, Italian farmers do not possess the wide-ranging information and technical knowledge needed in both the production and marketing fields to make the 'Mediterranean package' effective. For example, following the adoption of the irrigation measures by the Council, the Italian farmer is expected to make some highly innovative decisions without having the necessary basic knowledge to make an accurate assessment of the technical aspects and implications of the situation. The Community measures in favour of the most disadvantaged Mediterranean areas, including the Italian Mezzogiorno, are thus rendered less effective. In a structurally complex situation such as that prevailing in Italy which calls for far-reaching technological innovations and involves a higher margin of risk than elsewhere, investment to improve human knowledge and understanding proves highly effective in obtaining maximum yields from material incentives. There is a close correlation between material and intellectual investment: the greater the intellectual investment, the more productive is the material one.

4. This brings us to another point: the shortcomings of the Italian advisory service are not caused solely by 'economic and budgetary constraints' as the third recital of the draft regulation would have it. They are also the result of well-known structural features: the extreme fragmentation of the land; the predominance of farms in hill and mountain areas; concentrated rainfall in autumn and winter and drought in summer; the high percentage of the population employed in agriculture; and poor infrastructures so that many rural areas are difficult to reach. It is obvious that if Italy's advisory service is to achieve practical results, it must take account of this special situation: there must be a large number of centres; the advisers must live on the spot in direct contact with those they are assisting, becoming part of the microcosm formed by the village or group of villages in a particular valley; their function must not only be to give information but also active guidance. It is a mistake to think that the adviser should simply answer 'queries'; he is the one who must identify the problems and help to resolve them, he must encourage individual farmers to improve their techniques, help to set up a cooperative or producers' association, explain area plans and regional development programmes and see that they are put into operation and act as mediator between the farmers and the public authorities. It is clear from this that the advisers will need special training since a general, uniform kind of training will not prepare them to deal with extremely varied economic and social situations.

Italian law has good reason for giving the regions exclusive responsibility for technical assistance and professional training. Each individual region needs advisers trained to adapt to the particular situation there and not only able to provide technical information about production targets and market prospects but even more important, capable of judging the best way to give assistance, the type of rapport to establish with the farmers, the particular kind of producers' organization, to encourage the relationship which should exist between the town and country areas, and of relating the technological problems of each community to human and cultural factors.

5. The above points will explain why the rapporteur has doubts about some aspects of this proposal for a regulation.

Before committing itself to the financing of an agricultural advisory service in Italy, the Community has quite rightly laid down certain conditions and general guidelines to ensure that the expenditure is put to optimum use. For example, since this is a common measure within the meaning of Article 6 of EEC Regulation No. 729/70, it has specified the limits within which the expenditure must be contained, the conditions under which it is offered and the general objectives to be pursued. However, the regulation goes much further than this. For example, it also stipulates (Article 2) the organizational plan which must be followed: a public institute at national level, inter-regional centres, a central Council of Administration with exclusive responsibility for administration, etc. In the rapporteur's opinion, the sharp criticism of this plan made by regional representatives during a recent meeting at the Ministry for Agriculture was perfectly justified for two reasons: firstly, under Italian national law, the regions hold exclusive responsibility for all advisory matters whereas the centralized system of administration outlined in the Community regulation deprives the regions of this responsibility; secondly, a centralized institution with fixed conditions and identical courses for all is extremely ill-suited to prepare technical advisers who will have to work in widely diverging situations and carry out programmes at regional and area level.

Furthermore, if responsibility for the advisory service must be given to a public structure, why set up an ad hoc institute involving pointless duplication of expenses, decision-making centres and bureaucratic trappings instead of using the institutes which are already established within the Italian institutional system and have regional links? For example, FORMEZ, the specialized institute for the Cassa per il Mezzogiorno, could also be responsible for the Mezzogiorno advisory service. Since the

Cassa per il Mezzogiorno is administered by the Regions under the supervision of the Regional Committee, general expenses would be reduced so that the funds could be put to the best possible use and the problem of regional intervention and control would also be resolved. The Cassa per il Mezzogiorno could draw up and put into operation a 'special plan' for the implementation of the EEC regulation and submit its own report and separate accounts.

Finally, the rapporteur suggests that it should be left to the Italian Republic to specify in its outline plan the organizational arrangements for the implementation of the common measure on an agricultural advisory service. This would in any case be the most diplomatic course to adopt since there is disagreement between the Government and the Regions over the question of responsibility and it is not for the Community to take sides. The Italian State would still be answerable to the Community for the implementation of the measure; moreover, the proposals put forward by the Italian Government in its outline plan would be subject to approval by the Commission.

6. As we have seen, it is important that there should be a decentralized training system for advisers and that the advisers should reach as many areas as possible. However, since the appropriation is relatively small and the advisers are few, it is clearly desirable that advisory work should be concentrated in the areas where it is most needed. The rapporteur feels therefore that priority should be given to the Mezzogiorno. Provision could be made for the allocation of a portion of the expenditure (for example 50%) to the training centres already in existence (or to be newly established) in the Mezzogiorno. This is the area where the need is greatest since it has much lost ground to make good and must implement within a short space of time all the measures contained in the 'Mediterranean package' which were recently approved at Community level. Another indication of the need in this area is the simple fact that of the 14,000 university students studying agricultural science during the 1974/75 academic year, only 4,000 or 28% were attending universities in the Mezzogiorno and the islands.

7. Regarding the qualification required for admission to the courses, the regulation states that candidates must have 'an appropriate university degree for agricultural advisory work'. In the rapporteur's opinion, the only degree which provides the background knowledge necessary for agricultural advisers is a degree in agricultural science and the regulation should therefore refer specifically to this degree. Although less well qualified academically, holders of a diploma from an agricultural technical institute should also be admitted since, through their background (many of

them come from small farming families) and their training (the agricultural technical institutes are usually located in medium or small agricultural communes), they often have greater practical experience, are better acquainted with specific situations and have personal and family ties with the peasant world in which they grew up. As stated above, the agricultural adviser should not only be a 'man of learning' but also a man capable of organizing and winning the trust of hundreds of small producers and the regulation should therefore be amended to take account of this.

8. The first point concerns the period envisaged for the common measure and the extent of the Community contribution.

The EAGGF contribution of 75% is exceptional. In the rapporteur's view, it implies recognition of the urgent need for special action in this field. In other cases where material incentives are necessary, there would be no justification for covering as much as three-quarters of the expenditure and this particular case can in no way be considered a 'precedent' for other kinds of joint action. This contribution is different in that its aim is not only to increase productivity which of course is understood, but also to promote human and social development and gradually remove the disparities between the different regions. In fact, although the contribution is to be made by the EAGGF, its aims are similar to those of the Regional and Social Funds. This does not mean that the Community is taking the place of the Italian State. The total community contribution is so modest that it represents only a small portion of the amount which the Italian State has to provide in its efforts to resolve the regional problem as a whole.

Since the common measure extends over a period of 12 years, it seems advisable for the programme to be reviewed every three or four years. This would leave the way open for any amendments which might prove necessary in the course of the practical implementation of the programme and for adjustments to the fixed amounts in relation to the Italian rate of inflation which, although partly counterbalanced by devaluations of the green lira, could after a number of years reduce the value of the contribution to such an extent that in practice, the measure would be worthless. A clause could be added stipulating that at three-yearly intervals the programme should be reviewed and a report submitted to Parliament and the Council: a three-yearly report including any proposals for review would probably be more relevant and more effective than the annual report proposed in Article 15 of the proposal for a regulation.

9. Notwithstanding the above observations and proposals for amendment, the rapporteur considers that the proposal for a regulation is praiseworthy not only because of its significance for Italy but more important, because it shows that progress is being made, however slowly, towards a more flexible agricultural policy which will give greater attention to structural problems and be sufficiently versatile in content and application to take account of regional differences. The rapporteur hopes therefore that Parliament will give its approval to this proposal with the appropriate changes and amendments.

OPINION OF THE COMMITTEE ON REGIONAL POLICY, REGIONAL PLANNING AND TRANSPORT

Letter from the chairman of the committee to the chairman of the Committee on Agriculture

Luxembourg, 12 September 1978

- Subject: (a) proposal for a Council regulation on the development of an agricultural advisory service in Italy (Doc. 242/78),
(b) proposal for a Council directive concerning the flooding in the Hérault valley (Doc. 265/78),
(c) proposal for a Council directive for collective irrigation works in Corsica (Doc. 266/78).

Dear Mr Chairman,

The Committee on Regional Policy, Regional Planning and Transport has already considered the above matters on several occasions, notably in an opinion which it sent to your committee on the problems of Mediterranean agriculture (PE 49.903 - Hoffmann opinion), and in an opinion sent to the Political Affairs Committee on the prospects for enlargement of the European Community (PE 53.043 - Hoffmann opinion).

In the opinions by Mr Hoffmann, more particularly in the first of them, the Committee on Regional Policy, Regional Planning and Transport expressed its support for any structural measure aimed at effectively improving the situation and the incomes of the farming population of these regions in which Community aid should be concentrated.

At the same time, our committee was in favour of aid to the development of an agricultural advisory service which was already included among the other forms of aid proposed by the Commission and on which the Council had taken a decision.

I would therefore ask you to treat this favourable opinion as referring to the three proposals at present under consideration by your committee.

.....

(sgd) Lord BRUCE of DONINGTON

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to the chairman of the Committee on Agriculture

Luxembourg, 12 September 1978

Subject: Proposal for a Council Regulation (EEC) on the development of an agricultural advisory service in Italy (COM(78) 281 final)

Dear Mr Chairman,

At its meeting on 11 September 1978, the Committee on Budgets considered a proposal for a regulation on the development of an agricultural advisory service in Italy (COM(78) 281 final).

The committee found the total amount and detailed justification shown in the financial statement attached to the proposal acceptable. On the question of annual premiums to be paid to advisers, the Committee on Budgets heard oral explanations from a representative of the Commission, which it found satisfactory.

However, the Committee on Budgets has found it necessary to submit a draft amendment to the Commission's text with regard to the management committee procedure. Our committee has always felt, in fact, that where there is a difference of opinion between the Commission and the management committee on important financial points, the final decision should rest not with the Council alone but with the budgetary authority.

Please find attached the text of the amendment adopted by the Committee on Budgets.

.....

(sgd) Erwin LANGE

Present: Mr Lange, chairman; Mr Aigner, vice-chairman; Mr Shaw, draftsman; Lord Bruce of Donington, Mr Dalyell, Mr Hamilton, Mr Notenboom, Mr Ripamonti and Mr Spinelli.

ANNEX

Proposal for a Council Regulation (EEC) on the development
of an agricultural advisory service in Italy

Commission's proposal

Amendments proposed by the
Committee on Budgets

Introduction, preambles and Articles 1 to 15 unchanged

Article 16

- | | | |
|----|--|---|
| 1. | Where the procedure laid down in this Article is to be followed, the matter shall be referred to the Standing Committee on Agricultural Structure by the Chairman either on his own initiative or at the request of the representative of a Member State. | 1. unchanged |
| 2. | The representative of the Commission shall submit a draft of the measures to be adopted. The standing Committee on Agricultural Structure shall deliver its Opinion on those measures within a time limit set by the Chairman according to the urgency of the matters. An opinion shall be adopted by a majority of forty one votes, the votes being weighted as laid down in Article 148(2) of the Treaty. The Chairman shall not vote. | 2. unchanged |
| 3. | The Commission shall adopt measures which shall be immediately applicable. However, if such measures are not in accordance with the Opinion delivered by the Standing Committee on Agricultural Structure, they shall at once be communicated by the Commission to the Council. In that case, the Commission may defer for not more than one month from the date of such communication, application of the measures which it has adopted.

The Council, acting by a qualified majority, may adopt a different decision within one month. | The Commission shall adopt measures which shall be immediately applicable. However, if such measures are not in accordance with the Opinion delivered by the Standing Committee on Agricultural Structure, they shall at once be communicated by the Commission to the Council. In that case, the Commission may defer for not more than one month from the date of such communication, application of the measures which it has adopted.

The Council, acting by a qualified majority, may adopt a different decision within one month. <u>However, if the measure has substantial financial implications, the Council shall act only in agreement with the European Parliament.</u> |

Article 17 unchanged

