

European Communities

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EUROPEAN PARLIAMENT

# Working Documents

1977 - 1978

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8 June 1977

DOCUMENT 128/77

## Report

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drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the  
Council (Doc. 73/77) for a regulation amending Regulation (EEC) No. 2727/75  
on the ~~common~~ organization of the market in cereals

Rapporteur: Mr J. de KONING

12.1

PE 48.923/fin.

English Edition



By letter of 6 May 1977, the President of the Council of the European Communities requested the European Parliament, pursuant to Articles 43 and 227 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 2727/75 on the common organization of the market in cereals.

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 de Koning rapporteur.

It considered this proposal at its meeting of 23 and 24 May 1977.

The committee adopted the motion for a resolution by 15 votes to none with 2 abstentions.

Present: Mr Laban, vice-chairman and acting chairman; Mr Ligios, vice-chairman; Mr de Koning, rapporteur; Mr Bourdellès, Mr Corrie, Mr Creed, Mr F. Hansen, Mr O. Hansen, Mr Hoffmann, Mr Kofoed, Mr Martens, Mr Mitchell, Mr Ney, Mr Pucci, Mr Radoux (deputizing for Mrs Dunwoody), Mr Schwabe and Mr Scott-Hopkins.

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 regulation amending Regulation (EEC) No. 2727/75 on the common organization of the market in cereals

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council<sup>1</sup>,
- having been consulted by the Council pursuant to Articles 43 and 227 of the EEC Treaty (Doc. 73/77),
- having regard to the report of the Committee on Agriculture and the opinion of the Committee on Budgets (Doc. 128/77),

Approves the Commission's proposal.

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<sup>1</sup> OJ No. C 102, 26.4.1977, p. 3

EXPLANATORY STATEMENT

This proposal aims at enabling the provisions concerning the EAGGF Guarantee Section to be applied in respect of cereals to the French overseas departments. To achieve this, the basic regulation on cereals must be supplemented, and it is on this matter that the European Parliament is now being consulted.

All the market regulations of the common agricultural policy except the provisions concerning the EAGGF are applicable to the French overseas departments (Réunion, Guadeloupe, Martinique and French Guiana). Because of this exceptional provision, embodied in the Treaty of Rome, refund and intervention costs are borne by France, although levies, which are regarded as own resources, are paid to the Community.

In view of the recent construction of a number of mills on Réunion and Guadeloupe, it is now considered desirable to provide this small-scale processing industry with Community finance in order to encourage the export of soft wheat and bran to third countries in line with the principles of Council Regulation (EEC) No. 729/70 of 21 April 1970 on the financing of the common agricultural policy<sup>1</sup>.

The real aim is to assist the processing industry, especially on Réunion and Guadeloupe, which is primarily supplied with French cereals, by increasing their opportunities of exporting wheat and bran with the aid of subsidies charged to the Community budget. It may also be possible to provide for the Community financing of compensatory payments which could be granted for any quantities remaining at the end of the marketing year. It should also be noted that the financial statement estimates the charge on the Community budget at a relatively modest figure, less than 3 m u.a.

Given the importance of the processing industry for the economic development of the overseas departments involved, it is quite proper that from now on the financial implications of the common organization of the market in cereals, which is already applicable in these areas, should also be borne by the Community.

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<sup>1</sup> OJ No. L 94, 28.4.1970, p.13

Opinion of the Committee on Budgets

Letter from the chairman of the committee to Mr Houdet, chairman of the Committee on Agriculture

Luxembourg, 1 June 1977

Dear Mr Houdet,

Subject: Opinion of the Committee on Budgets on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 2727/75 on the common organization of the market in cereals

At its meeting of 25 May 1977 the Committee on Budgets considered the Commission proposal, having been informed that the Committee on Agriculture, as the committee responsible, had expressed its approval of the draft regulation.

The Committee on Budgets delivered a favourable opinion, subject, however, to the following observations :

- the Committee on Budgets will not be able to deliver a favourable opinion unless the appropriations provided for in the financial statement for the proposals under consideration have been entered in the annual budget;
- the Committee on Budgets will not give its agreement to any proposal by the Commission that the financial implications of Community acts be reflected in token budgetary entries except in the case of the financial implications of new Community policies;
- the Committee on Budgets will not give its approval when presented with incomplete financial statements with insufficient justification.

I should like to draw your attention to these points in view of the fact that these observations were made during the discussion of this proposal for a regulation.

Yours sincerely,

Erwin LANGE

Present: Mr Lange, chairman; Lord Bruce of Donington, Mr Clerfaÿt, Mr Hamilton, Mr Maigaard, Mr Martens, Mr Schreiber, Mr Spinelli, Mr Shaw and Mr Würtz.

