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Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (doc. 167/73) for a directive on the organization of an intermediate survey as part of a programme of surveys on the structure of agricultural holdings

Rapporteur : Mr C. LABAN

By letter of 24 September 1973 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 to the Council for a directive on the organization of an intermediate survey as part of the programme of surveys on the structure of agricultural holdings.

On 4 October 1973 the President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible and the Committee on Budgets as the committee asked for its opinion.

The Committee on Agriculture appointed Mr Laban rapporteur on 26 September 1973.

It considered this proposal at its meeting of 1 March 1974.

At the same meeting the committee unanimously adopted the motion for a resolution and the explanatory statement.

The following were present: Mr Vetrone, vice-chairman and acting chairman; Mr Laban, rapporteur, Mr Aigner (deputizing for Mr Lücker), Mr Brugger, Mr Della Briotta (deputizing for Mr Cifarelli), Mr Frehsee, Mr Harmegnies (deputizing for Miss Lulling), Mr De Koning, Mr Liogios, Mr Liogier, Mr Martens, Mr Premoli (deputizing for Mr Houdet), Mr Radoux (deputizing for Mr Vals).

The opinion of the Committee on Budgets is attached.

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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 on the organization of an intermediate survey as part of the programme of surveys on the structure of agricultural holdings

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council,¹
 - having been consulted by the Council pursuant to Articles 43 and 209 of the Treaty establishing the EEC (Doc. 167/73),
 - having regard to the report of the Committee on Agriculture and the opinion of the Committee on Budgets (Doc. 400/73),
1. approves the scheme, as now clearly set out in the Commission's proposal, to hold certain random surveys in the EEC between the FAO censuses of all agricultural holdings held every ten years, and to put the results of both statistical activities to Community use;
 2. is therefore emphatically of the opinion that a decision of such a fundamental and lasting nature should not be cast in the form of a directive but, as in 1966, in the form of a regulation;
 3. states its belief that the implementation of the common agricultural policy depends in large measure on the availability of recent statistical data and therefore urges the Commission to ensure, by strict application of the provisions now proposed, that, otherwise than was the case with the first programme, the data collected in the Member States be immediately passed on in future to the competent Community authorities;
 4. avails itself of this opportunity to urgently request the Council and Commission to take the necessary steps to ensure that statistical information is transmitted in a standardized form in all sections of community activity.
 5. urges, for the same reason, that the entire proposed programme now be actually carried out;
 6. subscribes to the views presented in the opinion of the Committee on Budgets attached to this report;
 7. gives its approval, subject to the remarks made above, the Commission's proposal and therefore requests the Commission to make the changes indicated below to its original proposal, pursuant to

¹ OJ No. C92, 31.10.1973, p.22

Article 149 of the Treaty establishing the EEC;

8. instructs its President to forward this resolution to the Council and Commission of the European Communities

Commission Proposal¹

Proposal for a Council directive on the organization of an intermediate survey as part of the programme of surveys on the structure of agricultural holdings

Amended Text

Proposal for a regulation on the organization of an intermediate survey as part of the programme of surveys on the structure of agricultural holdings

Recitals unchanged

Articles 1 to 12 unchanged

Article 13

This Directive is addressed to the Member States.

Article 13

This Regulation shall enter into force

This Regulation shall be binding in its entirety and directly applicable in all Member States.

¹For full text, see OJ No.C92, 31.10.1973, p.22

EXPLANATORY STATEMENTI. Background to the proposal

1. The following remarks may be added to what the European Commission has already said in the official explanatory memorandum to its proposal:

Between 1966 and 1970, after one of the first regulations on the establishment of a common agricultural policy, namely the first regulation on the financing of this policy,¹ had laid the foundations for a common structural policy, an initial series of statistical surveys was carried out to obtain data on the six Member States².

A series of interconnected surveys of this kind is referred to in this context as a programme. The first programme consisted of:

- a basic survey to obtain an overall impression of agricultural structure at that time. To this end about 1,325,000 holdings were investigated between November 1966 and January 1968³. The intention was to conduct a basic survey of this kind every ten years.
- a number of specific surveys for which the Council was to adopt ad hoc implementing measures (regulation 70/66, Articles 14 and 15).

It should be noted that the information gathered from the first basic survey was still not available in its entirety in November 1973.

The specific surveys provided for in this programme have still not been carried out.

2. The first programme was later extended, by Directive 69/400 of 28 October 1969⁴, to cover the FAO's 1970 ten-year census. To be more precise, the Member States were asked to place the data collected for the FAO census at the disposal of the Community institutions.

However, this attempt to obtain additional interim data after the basic survey of 1966 also failed to meet with complete success.

The first programme therefore did not yield the expected data. This failure was due not to fundamental errors but to a number of material and technical difficulties.

To begin with, the Statistics Departments of some Member States were not

¹ Regulation 25/62, Articles 3 (1d) and 5 (2).

² Regulations 70/66 and 35/67.

³ Regulation 35/67.

⁴ OJ L 288/69, page 1.

able to collect the data within the time limit set¹. In some cases the information was not communicated to the Community institutions until it had been prepared for national publication. Under these circumstances the EEC Statistical Office found it difficult to make arrangements for processing the data. It should also be noted that the Member States were themselves required to convert the data from the FAO census into the required form, causing additional delays. (The results of the EEC surveys were forwarded to the office in Luxembourg before being processed².)

Your committee would like to take this opportunity of throwing some light on statistical activities at Community level.

3. The aim of the present proposals is to implement, between 1975 and 1980, when the next ten-year FAO census is due to be held, a second Community programme, this time consisting of:

- an intermediate structural survey, in which some 460,000 holdings (about 30% of the figure for the basic survey of 1966) are to be investigated between 1975 and 1976³;
- a second survey to be carried out in 1977, i.e. shortly after the first, covering only about one sixth of the holdings investigated in the 75-76 survey, but yielding precise information about development trends ('longitudinal survey'). The implementing measures for this survey have not been included in the present proposal;
- the 1980 ten-year census to be organized by the FAO. Since no implementing measures have as yet been specified for this census either, Article 1 (3 b and c) of the proposal amounts in other words simply to a general decision which in its present form cannot yet be implemented.

By way of clarification, it may be added that the proposed second programme would really amount to the (very late) implementation of the specific surveys already provided for in the first programme.

II. General Considerations

4. First and foremost, your committee believes that in considering the present proposal Parliament should concentrate on its political aspects and should not go into technical details or wording.

It is obvious that for the implementation of the agricultural policy the Community must have access to the most up-to-date and complete statistical data available. This applies both to market policy, in particular the report

¹ Regulation 35/67 with reference to France and Italy.

² Regulation 70/66, Article 10, Directive 69/400, Article 6.

³ Idem.

on the situation in the agricultural sector which the European Commission submits annually, in respect of its price proposals¹, before the discussion of the memorandum on the adjustments to be made to present market organizations², and to the continuation and intensification of the Community structural policy.

It should, of course, be added that it has now become possible for the first time to collect the relevant data in EEC form from the new Member States.

5. Parliament should also support the European Commission's plan, which is at present taking shape, to use for internal Community purposes the results of the FAO's ten-year world census covering all holdings, and in the meantime to conduct specific investigations in the EEC.

It is therefore right that Article 1 of the proposal should have been made into a separate chapter, whereby it has assumed, more strongly than in 1966, the more urgent character of a declaration of principle.

It should be remembered, however, that the submission of data has so far been unsatisfactory. Since the present proposal contains no new procedural measures for the forwarding of national data to the Commission - and quite apart from the point mentioned in section 6 of this report - your committee feels that the Commission should pay more attention to this aspect in the future.

A strict interpretation of Articles 3 and 9 of the present proposal (implementation period and financing), which are not contained in Regulation 70/66, would perhaps offer distinct possibilities in this connection. In any event, the formation of bad habits in this field must be avoided at all costs, especially since the Community urgently requires the information and considerable sums of money are being spent on obtaining it.

6. In this connection it should also be pointed out that the forwarding by Member States of statistical and similar information to the institutions of the Community is open to improvement, and not only in the agricultural sector; one reason is that the technical presentation of the information is not the same in all the Member States.

The Committee on Agriculture therefore proposes to Parliament that this more general point also be brought to the attention of the Council and Commission in the resolution.

III. Legal and Institutional aspects

7. The choice of the legal instrument used to establish the second programme of surveys is directly connected with the above.

¹ e.g. COM(73) 1850 Ann.

² COM(73) 1850 fin. of 31.10.1973

The first programme took the form of a regulation. The present proposal relates only to the adoption of a directive which, in practice, is a much less powerful legal instrument and which takes much longer to come into effect insofar as national legislative action is required to make it binding.

Your committee is extremely surprised at this aspect of the proposal. It cannot understand why, when regulations were chosen for the first programme the present proposal, which relates to a field in which it is proving far from easy to obtain the full and whole-hearted cooperation of the Member States, has been put forward in the form of a directive.

8. The setting up of a specific committee on a proposal from the European Commission has in the past always aroused the interest of Parliament in connection with the gradual transfer of powers from the Member States to the Executive. Initially, in the first organization of the agricultural market, the Commission was made responsible for the powers transferred to the Community (as recommended by Parliament). It later became apparent, however, that these powers were no longer being conferred on the Commission but on the Council instead.

The present proposal refers to two committees, the planned Standing Committee for Agricultural Statistics (Article 11, paragraph 1) and the existing standing Committee for the Structure of Farm Holdings (Article 12, paragraph 2), the latter being set up by the Council Decision of 4 December 1962¹.

Your committee is pleased to note that the allocation of powers to the planned Statistics Committee conforms with what Parliament had in mind. If the committee's opinion differs from that of the Commission, the latter can still bring its measures into effect but the Council may, if it wishes, adopt a different decision within one month (proposal Article 11, paragraph 4, sub paragraph 2). Thus, the new committee will function in the same way as the Committee on the Structure of Farm Holdings set up in 1962.

It should be mentioned in passing, however, that in exceptional cases difficulties or complications might arise as a result of two committees operating side by side in the same field (proposal, Article 12, paragraph 2).

Your committee believes, however, that for the present we should wait for the European Commission's report on the implementation of the 'second' programme in order to see whether this point needs closer attention. At all events, it seems perfectly reasonable that both committees should be retained for the present purposes.

¹ OJ 17.12.1962
p. 2892/62

IV. Other remarks

9. As regards the content of the proposal, your committee paid particular attention to Article 4, which specifies that the survey will cover holdings with:

- a land area of 1 hectare or more, and
- an annual production of at least 250 u.a.

10. At first sight these norms seem much too low, but it should be realized that the norms must necessarily be set at this level for certain parts of the Community and also for certain sectors, in particular intensive forms of land use such as market gardening and the cultivation of ornamental plants.

11. However, the main reason for the level of these norms, which were also low in 1966, is that the Community structural policy is aimed precisely at the small, barely profitable holding and its modernization. Hence, developments in this particular category of holding must be closely followed if we are to make any assessment of the results of this policy. The implementation of the structural policy, however, should in future lead to a gradual raising of the norm level.

12. Finally, as regards the financing of the programme¹, it should be noted, subject to the points made in the opinion of the Committee on Budgets attached to this report, that the number of holdings to be investigated has been reduced by about two-thirds since 1966. (For purposes of comparability, however, these will be selected from among those covered in the 1966 survey). The cost of the present programme will amount to 10 u.a. per holding as opposed to 6 u.a. for the first programme.

The European Commission proposes to charge this to the budget heading 'Statistical studies and surveys' (Article 264).

In your committee's opinion, however, this programme is not so much an ad hoc 'study' as a periodic collection of data required in all quarters. Hence, it would be more logical to charge it to Item 2711 ('Statistical publications'), as is already apparent from the fact that Article 1 of the proposal has - as stated earlier - been given a character both very fundamental and oriented to a lasting activity.

¹ See last page of the proposal

OPINION OF THE COMMITTEE ON BUDGETS

Draftsman: Mr Laudrin

On 24 October 1973 the Committee on Budgets appointed Mr LAUDRIN draftsman of an opinion.

At its meeting of 21 January 1974 the committee discussed and unanimously adopted the draft opinion.

The following were present: Mr Spénale, chairman; Mr Aigner, vice-chairman; Mr Laudrin, draftsman of the opinion; Mr Berthoin (deputizing for Miss Flesch), Mr Boano, Mr Fabbrini, Mr Gerlach, Mr Maigaard, Mr Memmel, Mr Notenboom, Sir Brandon Rhys-Williams, Mr Schmidt, Mr Terrenoire, Mr Thornley (deputizing for Mr Leenhardt), Mr Wieldraaijer and Mr Wohlfart.

General remarks

1. The directive proposed by the Commission concerns the organization of an intermediate survey as part of a programme of surveys on the structure of agricultural holdings. The proposed survey represents a continuation of the investigation of the relevant data for the purposes of the common agricultural policy.
2. The intention is to bring up to date the information gathered during the two previous surveys, the last of which took place in 1970, to obtain comparable data for the whole of the territory covered by the Member States and collect basic information for the investigation into the structure of agricultural holdings.
3. The survey programme is to be implemented in the following three stages:
 - An intermediate survey between the General Agricultural Censuses in 1970 and 1980 secure the most important data required to characterise the structure of agricultural holdings;
 - a survey of the development of the structure of agricultural holdings based on the year of cultivation corresponding to the 1977 crop year;
 - a census of agricultural holdings within the framework of the world agricultural census recommended by the FAO to be based on the year of cultivation corresponding to the 1979 crop year.
4. To finance this programme, the Commission has fixed the expenses to be borne by the Member States at a flat rate of 10 u.a. per holding.
5. The number of holdings to be covered by the programme is between 481,500 and 607,000, according to the Commission's proposal. It is estimated that the Statistical Office of the European Communities will thus receive data on 560,000 holdings. Taking this figure as a basis, the cost of the programme will therefore be 5.6m u.a.

Remarks by the Committee on Budgets

6. The Committee on Budgets welcomes the submission of this programme by the Commission of the European Communities. It follows on from surveys already carried out and therefore guarantees continuity, which is particularly valuable in view of the fact that these surveys help to ensure that monies from the European Guidance and Guarantee Fund (EAGGF) are used economically.

7. However, the financial implications of the proposed directive on the budget of the European Communities are not set out in sufficient detail.

Paragraph 2 of the resolutions entered in the minutes of the Council meeting of 22 April 1970, at which the decision was taken to replace financial contributions from the Member States by the Communities' own resources, states: 'In order to provide the Assembly with all the information it requires to give its opinion on Community acts having a financial effect, the Council requests the Commission to attach estimates of the financial effects of such acts to the proposals which it forwards to the Assembly.'

8. For a proper appraisal of the estimates forwarded by the Commission of the costs of a proposal it is not enough for Parliament simply to be given a series of figures without any indication of the basis used for the estimates.

The Commission could therefore be asked on what basis it has fixed the flat rate at 10 u.a. per holding.

Nor is it by any means clear how the Commission arrives at its estimate of 560,000 holdings to be covered by the programme (rather than 550,000 or 570,000).

9. If it is to assess the financial implications of a directive proposed by the Commission, the Committee on Budgets must have details of the total cost of a project at its disposal. In this context the variation envisaged in the number of holdings to be included in the survey can be considered to be in the region of 20%. The costs may therefore be between 4,815,000 u.a. and 6,070,000 u.a. For the number of holdings taken into consideration by the Commission the cost will be 5.6m u.a. The Commission should be asked whether it wants to keep open the possibility of later appropriations by taking this variance as a basis.

10. The Committee on Budgets has repeatedly stated¹ that the description of the financial implications of proposals must meet certain criteria if a serious assessment is to be made. As for the present proposal, the Commission should be requested to comply more closely with the criteria laid down by the European Parliament. That is to say,

- the proposal should include a breakdown of expenditure by financial year (the programme is to be implemented in the years 1975 to 1980);
- it should include a breakdown of expenditure in line with the General Budget (title, chapter, article, item);
- the financial forecast for 1974 to 1976² drawn up by the Commission

¹ The last time being in Mr Pounder's report on the draft General Budget of the European Communities for the financial year 1974 (Doc. 231/73).

² SEC (73) 3743 final

on 22 October 1973 makes no mention at all of this programme of surveys although it will affect two financial years covered by the forecast.

Conclusions

11. The Committee on Budgets welcomes the objective of the proposed directive but asks the Commission to complete its review of the financial aspects on the lines suggested above.
