

European Communities

EUROPEAN PARLIAMENT

Working Documents

1974-1975

13 January 1975

DOCUMENT 427/74

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. 362/74) for a regulation laying down, in respect of hops, the amount of the aid to producers for the 1973 harvest

Rapporteur: Mr I. FRÜH

By letter of 14 November 1974 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 regulation laying down, in respect of hops, the amount of the aid to producers for the 1973 harvest.

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.

At its meeting on 21/22 November 1974 the Committee on Agriculture appointed Mr Fröh rapporteur.

It considered the proposal at its meeting on 17/18 December 1974 and adopted the motion for a resolution and the explanatory statement by 16 votes with three abstentions.

The following were present: Mr Houdet, chairman; Mr Vetrone and Mr Laban, vice-chairmen; Mr Fröh, rapporteur; Mr Baas, Mr Bourdellès, Mr Brugger, Mr Cipolla, Mr Della Briotta, Mr De Keersmaeker, Mr Gibbons, Mr Howell, Mr De Koning, Mr Ligios, Mr Liogier, Mr Martens, Mrs Orth, Lord St. Oswald and Mr Scott-Hopkins.

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 regulation laying down, in respect of hops, the amount of the aid to producers for the 1973 harvest

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. 362/74),
 - having regard to the report of the Committee on Agriculture and the opinion of the Committee on Budgets (Doc. 427/74),
1. Approves the Commission's proposal;
 2. Instructs its President to forward this resolution and the report of its Committee to the Council and the Commission of the European Communities.

¹ OJ No. C 147, 26 November 1974, p. 14

responsible national authorities are asked to publicize these opportunities so that they become known and are taken advantage of. The need for this is all the greater in that hop-growers' incomes will largely depend in future on market developments which can only be kept under control if production is coordinated on a more extensive scale.

The scant use so far made of these structural aids suggests that the integration of recognized producer groups is slow to take place. Your committee would therefore suggest that in reviewing the basic regulation on the common organization of the market in hops the Commission should consider whether the aid provided for in Article 9 should not be extended beyond the original time limit of 31 December 1975.

3. The Commission proposes aid for a total of 16 varieties for the 1973 harvest. The choice of varieties and the amount of aid per variety have been determined basically in accordance with the objective of achieving a fair income. The proposal must of course also take the market situation into account. In concrete terms, this means that on a relatively well-balanced but rapidly changing market preference should be given to granting a higher level of aid to those varieties for which there is real demand. At the same time, the danger of over-production should be guarded against. An accurate assessment of incomes has been made difficult by the fact that producer costs are still not known in full. The Commission departments are endeavouring to produce the different national data in comparable form by next year, enabling a relatively reliable assessment of production costs to be made in future.

Another factor which did not make it easy to fix the amount of the aid was that the returns on some varieties were less than in the previous year and that there were great differences between them. This is in large measure due to the fact that far more non-contract hops from the 1973 harvest had to be marketed at unfavourable prices than in the previous year. While in previous years hop growers received substantially better prices for non-contract than for contract hops because of continually increasing demand and a systematic supply policy on the part of the breweries, which as a rule laid in sufficient supplies for a whole year, at a time, the situation changed totally in 1973.

OPINION OF THE COMMITTEE ON BUDGETS

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

Luxembourg, 7 January 1975

Dear Mr Chairman,

At its meeting of 7 January, the Committee on Budgets discussed :

- the report by the Commission to the Council on the production and marketing situation of hops for the 1973 harvest, and
- the proposal for a regulation (EEC) of the Council laying down, in respect of hops, the amount of aid to producers for the 1973 harvest.

The Committee on Budgets noted that the report on the production and marketing situation of hops was fairly exhaustive. It also noted when discussing the financial note on the proposal for a regulation laying down the amount of the aid for 1973 that the principles set out in Regulation No. 1696/71 as the basis for annual aid had been observed.

Considering, therefore, that the proposal for a regulation is adequately supported by arguments and drawn up in observance of the existing provisions, the Committee on Budgets delivers a favourable opinion on the proposal for aid for 1973, which involves an overall budgetary expenditure of 6.7 million u.a., which, because of delays in submitting the requests, is to be charged in part against the 1974 financial year, the rest being charged against the 1975 financial year.

Yours sincerely,

(sgd.) Georges SPENALE