

SPEECH GIVEN BY MR. POUL DALSAGER, MEMBER OF THE COMMISSION OF
THE EUROPEAN COMMUNITIES ON THE OCCASION OF THE GENERAL
ASSEMBLY OF THE EUROPEAN FEED MANUFACTURERS FEDERATION
(FEFAC); 7 MAY 1982.

THE BENEFITS OF THE NEW GUIDELINES FOR EUROPEAN AGRICULTURE

FOR LIVESTOCK FARMERS

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MR. PRESIDENT, LADIES AND GENTLEMEN;

LET ME BEGIN BY SAYING WHAT A PLEASURE IT IS FOR ME TO BE HERE
TODAY. YOUR INDUSTRY IS EFFICIENT AND INNOVATIVE. IT MAKES A
DYNAMIC CONTRIBUTION TO EUROPEAN AGRICULTURE AND THE ECONOMY AS
A WHOLE. IT IS COMFORTING TO SEE THAT DESPITE THE DIFFICULTIES
OF THE 1980S, HIGH INFLATION AND EXTREMELY HIGH LEVELS OF
UNEMPLOYMENT YOU, AS REPRESENTATIVES OF YOUR INDUSTRY, ARE TO
BE CONGRATULATED ON THE CONTRIBUTION YOU ARE MAKING TO, ON THE
ONE HAND A MODERATION OF THE RISE IN FOOD PRICES AND, ON THE
OTHER HAND, EMPLOYMENT.

THE THEME WHICH YOU HAVE ASKED ME TO DEVELOP HERE WITH YOU

TODAY IS :

THE BENEFITS OF THE NEW GUIDELINES FOR EUROPEAN AGRICULTURE FOR
LIVESTOCK FARMERS.

LET ME START BY SAYING THAT I BELIEVE, AND OBJECTIVE ANALYSIS
SUPPORTS THIS BELIEF, THAT THE NEW GUIDELINE FOR EUROPEAN
AGRICULTURE WILL BENEFIT AGRICULTURAL PRODUCERS AS A WHOLE.

WHILE OUR PROGRAMME OF ADAPTATION OF THE COMMON AGRICULTURAL
POLICY SHOULD, HOWEVER, BE SEEN IN A MEDIUM-TERM CONTEXT YOU,
AS PRAGMATIC BUSINESSMEN, ARE MOST IMMEDIATELY CONCERNED BY THE
SHORTER TERM.

FOR SEVERAL MONTHS NOW, WE HAVE BEEN ENGAGED IN SERIOUS
DISCUSSIONS OF THE NEW GUIDELINES FOR EUROPEAN AGRICULTURE.
THESE DISCUSSIONS HAVE INCLUDED THE HEADS OF STATE AND
GOVERNMENT, THE COUNCIL OF MINISTERS, THE EUROPEAN PARLIAMENT,
THE ECONOMIC AND SOCIAL COMMITTEE AND THE REPRESENTATIVES OF

ORGANIZATIONS REPRESENTING THE DIFFERENT GROUPS HAVING AN INTEREST IN THE CONTINUING DEVELOPMENT OF EUROPEAN AGRICULTURE.

TWO PRINCIPAL CONSIDERATIONS HAVE GUIDED US THROUGH THESE DISCUSSIONS, THE NEED FOR :

- A PRUDENT PRICE POLICY, TAKING INTO ACCOUNT BOTH THE INCOME SITUATION IN AGRICULTURE AND THE PROBLEMS OF MARKET EQUILIBRIUM, AND ALSO THE NEED TO PHASE OUT MONETARY COMPENSATORY AMOUNTS;

- THE MODULATION OF THE PRICE GUARANTEES THROUGH THE INTRODUCTION OF PRODUCTION GUARANTEES IN A MULTIANNUAL FRAMEWORK, WITH MEASURES FOR THE PARTICIPATION OF PRODUCERS IF THESE THRESHOLDS ARE EXCEEDED.

THESE CONSIDERATIONS HAVE BEEN INFLUENCED BY THE CURRENT ECONOMIC SITUATION FACING BOTH THE AGRICULTURAL SECTOR AND THE

ECONOMY AS A WHOLE. BOTH INFLATION, WHICH IS EXPECTED TO EXCEED 10% IN 1982, AND UNEMPLOYMENT WHICH NOW AFFECTS MORE THAN 10 MILLION PEOPLE AND THEIR FAMILIES, CONTINUE TO GIVE RISE TO CONCERN IN ALL QUARTERS. THOSE ACTIVE IN THE AGRICULTURAL SECTOR HAVE SEEN THEIR INCOMES FALL IN REAL TERMS FOR THREE YEARS IN SUCCESSION, ALTHOUGH WE HAVE RECENTLY WITNESSED SOME EVIDENCE OF A STABILIZATION OR EVEN AN IMPROVEMENT IN THE SITUATION.

IN ADDITION, THERE HAVE BEEN INCREASED PRESSURES ON THE EUROPEAN MONETARY SYSTEM WHICH REFLECT THE DIVERGENT RATES OF INFLATION AND SHOW THE NEED FOR A GREATER COORDINATION OF THE GENERAL ECONOMIC POLICIES OF MEMBER STATES. THIS PROBLEM HAS BEEN EXACERBATED BY EXCESSIVELY HIGH RATES OF INTEREST PREVAILING IN THE UNITED STATES. THESE FACTORS HAVE ALL CONTRIBUTED TO THE DIFFICULTIES WHICH WE HAVE HAD IN ESTABLISHING A BALANCED SET OF PROPOSALS FOR THE 1982/83 MARKETING YEAR. THE EXTRANEIOUS FACTORS HAVE MADE THIS YEAR'S PRICE FIXING EXERCISE CONSIDERABLY MORE COMPLICATED.

NEVERTHELESS, I BELIEVE WE ARE NOW VERY CLOSE TO PRODUCING A FAIR AND BALANCED PACKAGE OF DECISIONS. AS YOU KNOW, THE COUNCIL OF MINISTERS MET MOST RECENTLY LAST WEEK IN LUXEMBOURG, AND ON THE BASIS OF REVISED COMMISSION PROPOSALS AND A COMPROMISE SUGGESTION FROM THE PRESIDENCY, A PACKAGE WAS DEvised TO WHICH SEVEN MEMBER STATES SUBSCRIBED. THERE WILL BE ANOTHER MEETING OF THE AGRICULTURE MINISTERS NEXT WEEK, AND I VERY MUCH HOPE THAT THE GREEN LIGHT WILL FINALLY BE GIVEN FOR THE ADOPTION OF THESE PRICE DECISIONS. BOTH THE FARMERS AND THE INDUSTRIES WHICH SUPPLY FARMING HAVE WAITED LONG ENOUGH, AND THE TIME HAS COME FOR THE COUNCIL TO DECIDE.

IN MY VIEW, THE FINAL DECISIONS WILL CORRESPOND VERY CLOSELY TO THE PACKAGE DEvised LAST WEEK IN LUXEMBOURG. THERE WILL NOT BE FUNDAMENTAL CHANGES. LET ME THEREFORE GIVE YOU SOME DETAILS.

FOR THE LIVESTOCK SECTORS WHICH REPRESENT THE MAJORITY OF AGRICULTURAL ACTIVITY, THERE WILL BE INCREASES OF AROUND

10 1/2% OR 11%, 10 1/2% FOR THE TARGET PRICE FOR MILK AND THE BASIC PRICE FOR SHEEPMEAT AND PIGMEAT. THERE WILL BE A TWO STAGE INCREASE FOR PRICES IN THE BEEF SECTOR GIVING A NETT INCREASE OF 11%. INSTITUTIONAL PRICES FOR DRIED FODDER, SOYA AND SUNFLOWER SEEDS WILL RISE BY 14%. OTHER OILSEEDS (COLZA, RAPE, FLAX AND CASTOR) AS WELL AS OLIVE OIL WILL INCREASE BY 11%. FOR SUGAR, SUPPORT PRICES WILL INCREASE BY 9 1/2%. IN THE CEREALS SECTOR, MOST TARGET PRICES WILL INCREASE BY 8.7% AND INTERVENTION PRICES BY 8.5%. THE MOST NOTABLE EXCEPTIONS ARE THE INTERVENTION PRICE FOR RYE WHICH WILL INCREASE BY 6% TO BRING IT INTO LINE WITH BARLEY AND MAIZE, AND THE PRICE FOR BREAD WHEAT OF MINIMUM BREAD-MAKING QUALITY 7 1/2%. SOME MEDITERRANEAN PRODUCTS WILL BENEFIT FROM HIGHER INCREASES: MOST FRUITS 11% OR 12%, RICE 12%, COTTON 13%, CERTAIN VARIETIES OF TOBACCO AS MUCH AS 14% OR IN THE CASE OF BASMAS 16%. IN ADDITION THE VARIOUS MONETARY ADJUSTMENTS MADE DURING THE LAST YEAR PROVIDE ADDITIONAL RELIEF FOR THE PRESSURES ON THE COSTS OF FARMING IN FRANCE, ITALY, DENMARK AND GREECE.

THIS PACKAGE SHOULD PROVIDE A GOOD BASIS FOR A SATISFACTORY INCREASE IN AGRICULTURAL INCOMES OVER THE NEXT YEAR. THE LOWER INCREASES PROPOSED FOR CEREALS WILL MEAN RELATIVELY LOWER COSTS FOR THE COMMUNITY'S PRODUCERS OF ANIMAL PRODUCTS.

THE HIGHER INCREASE FOR SEVERAL MEDITERRANEAN PRODUCTS WILL ASSIST INCOMES IN THE SOUTHERN REGIONS OF THE COMMUNITY. SMALL MILK PRODUCERS WILL BENEFIT FROM THE DISTRIBUTION OF AID EQUIVALENT TO 120 MILLION ECU. FOR GREECE, THE DECISIONS INCLUDE A SERIES OF SPECIAL MEASURES IN ADDITION TO THE ALIGNMENT OF SUPPORT PRICES TO COMMUNITY LEVELS, AN ALIGNMENT WHICH WILL BE ACCELERATED FOR SEVERAL PRODUCTS. THERE ARE MEASURES TO IMPROVE THE WINE MARKET AND OTHER CHANGES IN MARKET REGULATIONS IN THE PERSPECTIVE OF THE ENLARGEMENT OF THE COMMUNITY TO INCLUDE PORTUGAL AND SPAIN.

IT IS SIGNIFICANT THAT WE HAVE MAINTAINED IN THIS PACKAGE THE CONCEPT OF GUARANTEE THRESHOLDS, WITH MEASURES TO BE TAKEN IF PRODUCTION EXCEEDS THE THRESHOLDS. THIS APPLIES TO MILK, CEREALS, COLZA AND PROCESSED FRUIT AND VEGETABLES. THE

COMMISSION ATTACHES GREAT IMPORTANCE TO THIS ADAPTATION OF THE
COMMON AGRICULTURAL POLICY WHICH WILL HELP TO GUIDE PRODUCTION
IN THE LONGER TERM.

THE BUDGETARY COSTS OF OUR PROPOSALS CAN, WE BELIEVE, BE
CONTAINED WITHIN THE EXISTING CREDITS FOR 1982, AND IN THE
LONGER TERM WILL ALLOW THE RATE OF INCREASE IN AGRICULTURAL
EXPENDITURE TO REMAIN BELOW THE RATE OF INCREASE IN THE
COMMUNITY'S OWN RESOURCES.

THE COSTS TO CONSUMERS WILL CONTINUE TO REMAIN REASONABLE.
OVER THE PAST FEW YEARS THERE HAS BEEN A RELATIVELY PRUDENT
RATE OF INCREASES IN THE PRICES OF AGRICULTURAL PRODUCE AND
CONSUMERS HAVE HAD THE BENEFITS OF PRICE INCREASES FOR
FOODSTUFFS WHICH HAVE BEEN LOWER THAN THE AVERAGE RATE OF
INFLATION. YOUR CONTRIBUTION, BY HOLDING DOWN COSTS OF
COMPOUND FEEDINGSTUFFS, HAS CONTRIBUTED TO THE STEADY
IMPROVEMENT OF THE COSTS OF LIVESTOCK PRODUCTION. IT IS

IMPORTANT, THAT IN THESE DIFFICULT TIMES, THE LESS AFFLUENT CONSUMERS SHOULD BE ABLE TO OBTAIN FOOD AT REASONABLE PRICES.

MR. PRESIDENT, I HAVE GIVEN YOU A BRIEF SUMMARY OF THE PRICE PACKAGE WHICH IS NOW EMERGING. LET ME SPEAK NOW IN A LITTLE MORE DETAIL ABOUT THE BACKGROUND CONCERNING CEREALS AND ANIMAL FEED, THE BALANCE BETWEEN THE CROP AND LIVESTOCK SECTORS.

CEREAL PRODUCTION IN THE COMMUNITY HAS BEEN INCREASING FOR YEARS. TOTAL CEREALS PRODUCTION IN THE 10 MEMBER STATES HAS INCREASED FROM 109 MILLION TONS IN THE 1973/74 MARKETING YEAR TO NEARLY 120 MILLION TONS. WE NOW PRODUCE IN ROUND FIGURES 50 MILLION TONS OF WHEAT, 40 MILLION TONS OF BARLEY AND 20 MILLION TONS OF MAIZE.

AS YOU KNOW, ON THE OTHER SIDE OF THE COIN, CONSUMPTION OF CEREALS HAS TWO MAIN COMPONENTS. USE IS MADE OF CEREALS FOR HUMAN CONSUMPTION AND FOR ANIMAL FEED. WHILE HUMAN

CONSUMPTION, PARTICULARLY OF WHEAT, CONTINUES TO INCREASE BY MODEST AMOUNTS, THE USE OF CEREALS IN ANIMAL FEED CAN AT BEST BE SAID TO BE STAGNATING. THE MARKET FOR FEEDINGSTUFFS HAS BEEN EXPANDING OVER THE LAST TEN YEARS, BUT IT IS NOT HOME-GROWN CEREALS WHICH HAVE ENJOYED THE EXPANDED MARKET. RATHER THE USE OF CEREALS FOR ANIMAL FEED HAS STAGNATED AT AROUND 70 MILLION TONS ANNUALLY, WHILE WE HAVE SEEN A DRAMATIC RISE IN THE IMPORTS OF THE SO-CALLED CEREAL SUBSTITUTES.

IN SUCH CIRCUMSTANCES WE ARE COMPELLED TO TAKE SOME ACTION TO FIND A BETTER MARKET BALANCE. BUT IT WOULD BE UNREASONABLE TO TAKE PRECIPITATE ACTION. CEREALS AND FEEDINGSTUFFS GENERALLY ARE ESSENTIAL TO THE VIABILITY OF THE AGRICULTURAL SECTOR AND OUR LIVESTOCK SECTOR IN PARTICULAR. THE FACT THAT CEREALS STILL MAKE UP THE BULK OF COSTS IN INTENSIVE LIVESTOCK PRODUCTION SHOWS THE DEPENDENCY OF LIVESTOCK PRODUCERS ON RELIABLE SUPPLIES OF REASONABLY PRICED GRAINS TO THE LIVESTOCK SECTOR.

WE MUST THEREFORE SEEK A BALANCED SOLUTION. IF WE RESTRAIN THE GROWTH IN IMPORTS OF CEREAL SUBSTITUTES, A PROGRESSIVE MODERATION OF THE LEVEL OF SUPPORT PRICES TO THE CEREAL PRODUCER WILL BE POSSIBLE. THE BENEFITS FOR THE LIVESTOCK SECTOR CAN BE CONSIDERABLE; THOSE ENGAGED IN INTENSIVE BREEDING WILL OBVIOUSLY ENJOY A MARKED IMPROVEMENT IN THEIR COST STRUCTURE BUT EVEN THOSE PRODUCERS MAKING LESS INTENSIVE USE OF BOUGHT-IN FEED SHOULD SEE TANGIBLE ADVANTAGES. ON BALANCE, THE AGRICULTURAL SECTOR SHOULD BENEFIT ON BOTH SIDES OF THE SCALE. WHILE OUR CEREAL PRODUCERS WILL PROGRESSIVELY BECOME MORE COMPETITIVE, LIVESTOCK PRODUCERS SHOULD ENJOY AN IMPROVED COST STRUCTURE.

LET ME MAKE ONE POINT CLEAR CONCERNING OUR OBJECTIVES. THE EUROPEAN COMMUNITY IS NOT SELF-SUFFICIENT IN ANIMAL FEEDINGSTUFFS AND IT IS NOT OUR OBJECTIVE TO ATTAIN SELF-SUFFICIENCY. IN ALL OF OUR ANALYSIS OF THE SITUATION WE HAVE RECOGNIZED THE IMPORTANCE OF BEING ABLE TO ENSURE THE

AVAILABILITY OF AN APPROPRIATE MIX OF FEED COMPONENTS COMING FROM BOTH OUR OWN PRODUCERS AND OUR TRADING PARTNERS. SO THE PROPOSALS WE ARE MAKING AND THE POLICY WE INTEND TO FOLLOW OVER THE COMING YEARS CONCERN ADJUSTMENTS TO THE PARTS OF THE VARIOUS ELEMENTS WHICH GO TO MAKE UP THE ANIMAL FEEDSTUFFS PACKAGE. IT IS YOUR ROLE TO OPTIMIZE THE USE OF THESE DIFFERENT INGREDIENTS IN THE RANGE OF GOODS WHICH YOU OFFER TO LIVESTOCK PRODUCERS. I AM CONFIDENT THAT THE EFFICIENCY WHICH YOU HAVE DEMONSTRATED IN THE PAST WILL ENABLE YOU IN YOUR TURN TO ADAPT WITH VERY LITTLE DIFFICULTY TO THE MODEST ADJUSTMENTS WE ARE SEEKING TO MAKE.

WE HAVE MADE PROPOSALS FOR RELATIVELY MODEST INCREASES OF THE INSTITUTIONAL PRICES FOR MOST CEREALS, 8.5% FOR MOST INTERVENTION PRICES, 8.7% FOR TARGET PRICES AND 7.5% FOR THE PRICE FOR BREAD WHEAT OF MINIMUM BREAD-MAKING QUALITY, BECAUSE WE BELIEVE, AS I SAID EARLIER, THAT IT IS NECESSARY TO CONTINUE TO INCREASE THE COMPETITIVITY OF OUR CEREALS BOTH ON DOMESTIC

AND INTERNATIONAL MARKETS. IN ADDITION WE HAVE PROPOSED A PRODUCTION THRESHOLD OF 119.5 MILLION TONS. IF THE AVERAGE PRODUCTION FOR THE THREE MARKETING YEARS 1980/81, 1981/82 AND 1982/83 EXCEEDS THIS LEVEL, INTERVENTION PRICES IN 1983/84 WILL BE REDUCED.

HOWEVER THERE IS AN IMPLICIT SACRIFICE BEING ASKED OF EUROPEAN CEREALS PRODUCERS AND IT IS ONLY REASONABLE THAT OVER THE PERIOD OF YEARS, WHILE OUR CEREALS PRODUCTION BECOMES MORE COMPETITIVE, OUR CEREALS PRODUCERS SHOULD NOT BE CALLED ON TO RESPOND TO THE THREAT OF INCREASED IMPORTS OF CEREALS SUBSTITUTES. THEREFORE THE COMMISSION HAS PROPOSED THAT COUNTRIES WHO EXPORT CEREALS SUBSTITUTES TO THE EUROPEAN COMMUNITY SHOULD ALSO MAKE A PARALLEL COMMITMENT, SO AS TO AVOID THE DISRUPTION OF OUR INTERNAL MARKET. IN PARTICULAR WE ARE IN THE FINAL STAGES OF FORMALIZING AGREEMENTS WITH EXPORTERS OF MANIOC. WE HAVE INITIALED AGREEMENTS WITH INDONESIA AND THAILAND AND THESE AGREEMENTS ARE AWAITING

RATIFICATION BY THE COUNCIL. A SIMILAR AGREEMENT IS BEING FINALIZED WITH BRAZIL. ON THE ONE HAND WE WISH TO AVOID DISRUPTING THE TRADING PATTERNS, WHICH HAVE GROWN UP SO RAPIDLY OVER THE LAST FEW YEARS BUT, ON THE OTHER HAND, WE SHOULD RESTRICT THEIR GROWTH TO MORE REASONABLE LEVELS.

AT PRESENT ONE PRODUCT IN PARTICULAR GIVES RISE TO SERIOUS CONCERN, CORN GLUTEN FEED. OUR DISCUSSIONS WITH OUR PRINCIPAL SUPPLIER, THE UNITED STATES, HAVE SO FAR NOT PRODUCED A SATISFACTORY SETTLEMENT OF THE PROBLEM. WE WILL PERSIST IN OUR ENDEAVOURS TO ARRIVE AT A SATISFACTORY SOLUTION USING THE RELEVANT INSTRUMENTS OF THE GENERAL AGREEMENT ON TRADE AND TARIFFS AND WILL FULLY RESPECT OUR INTERNATIONAL OBLIGATIONS.

AS I HAVE MAINTAINED, THERE IS EVIDENTLY A LINK BETWEEN THE DISCIPLINE WHICH WE ARE ASKING FOR FROM OUR CEREALS PRODUCERS IN TERMS OF PRODUCTION THRESHOLDS, AND THE ACTION WHICH IS REQUIRED ON THE IMPORTS OF CEREALS SUBSTITUTES. FOR THIS

REASON, THERE IS A CONSENSUS IN THE COUNCIL THAT IF IMPORTS OF
SUBSTITUTES IN THE COMING MARKET YEAR EXCEED 15 MILLION TONS,
THE PRODUCTION THRESHOLD WILL BE INCREASED ACCORDINGLY.

THE FORTHCOMING PRICE DECISIONS WILL REPRESENT THE FIRST STAGE
OF THE APPLICATION OF THE NEW GUIDELINES FOR EUROPEAN
AGRICULTURE. IN OCTOBER OF LAST YEAR WE SET OURSELVES A NUMBER
OF TARGETS AND IN A FEW SHORT MONTHS WE HAVE MADE SOME
CONSIDERABLE PROGRESS. LET ME IN CONCLUSION RESUME SOME OF THE
MAIN POINTS OF OUR LONG-TERM PROGRAMME.

WE AIM TO ALIGN OUR PRICES MORE CLOSELY WITH THOSE OF OUR MAIN
COMPETITORS, AT THE SAME TIME NEGOTIATING WITH OUR TRADING
PARTNERS TO AVOID INCREASED DISRUPTION OF OUR DOMESTIC MARKETS.

WE AIM TO MODULATE OUR PRICES IN ORDER TO DEVELOP A HEALTHIER
BALANCE BETWEEN THE VARIOUS TYPES OF AGRICULTURAL ACTIVITY. IT

IS ONLY REASONABLE TO PROGRESS GRADUALLY ALONG THIS PATH,
BECAUSE IT TAKES TIME FOR AGRICULTURAL PRODUCERS TO ADAPT TO
CHANGED REQUIREMENTS.

WE AIM TO IMPROVE QUALITY STANDARDS TO ENHANCE THE VIABILITY OF
OUR AGRICULTURAL SECTOR. ON THE ONE HAND WE ARE INCREASING THE
PRICE DIFFERENTIAL BETWEEN WHEATS OF DIFFERENT QUALITIES IN
ORDER TO PROVIDE A GREATER FINANCIAL INCENTIVE TO PRODUCE
BETTER QUALITY WHEAT. ON THE OTHER HAND, WE HAVE ANNOUNCED TO
THE COUNCIL THAT WE WOULD LIKE TO SEE HIGHER STANDARDS ON
CEREALS BOUGHT INTO INTERVENTION.

IN THE LONGER TERM WE CAN ONLY HOPE TO REMAIN COMPETITIVE IF WE
CONTINUE TO IMPROVE THE PRICE/QUALITY RATIO OF THE PRODUCE
WHICH WE CREATE AND ENSURE THAT IT MEETS THE CUSTOMERS'
REQUIREMENTS. IN PARTICULAR WE CAN ONLY HOPE TO INCREASE OUR
EXPORT EARNINGS FROM PROCESSED FOOD PRODUCTS, WITH ITS HIGHER
VALUE-ADDED CONTENT, IF WE CONTINUE TO IMPROVE.

SO, I BELIEVE THAT WE HAVE MADE CONSIDERABLE PROGRESS ON SEVERAL FRONTS. WE NOW HAVE TO CONSOLIDATE THESE ADVANCES WITH PRUDENT MANAGEMENT OF THE MEANS AVAILABLE TO US. THE WORLD WE ARE LIVING IN IS NOT STATIC, NEITHER ARE OUR OBJECTIVES TOO RIGID. IN THE COMING MONTHS AND YEARS, IT WILL NO DOUBT BE NECESSARY TO ADAPT OUR POLICIES AND REDIRECT OUR ENERGIES TO TAKE ACCOUNT OF CHANGED CIRCUMSTANCES.

MR. PRESIDENT, I HAVE BEEN DISCUSSING EUROPEAN AGRICULTURE AND THE GUIDELINES FOR ITS CONTINUED DEVELOPMENT. I WOULD LIKE TO POINT OUT FINALLY THAT THE SOLUTIONS WE ARE PROPOSING AND THE STEPS WE ARE TAKING, ARE ONLY POSSIBLE IN A EUROPEAN CONTEXT. WITHOUT A COMMON MARKET, A COMMON POLICY AND A COHERENT POSITION FROM WHICH WE CAN ESTABLISH AGREEMENTS WITH OUR TRADING PARTNERS, IT WOULD NOT BE PRACTICABLE TO ENVISAGE SOLUTIONS WHICH AVOID ON THE ONE HAND DISRUPTING THE EXISTING PATTERNS OF TRADE AND ON THE OTHER HAND DELICATELY ADJUSTING THE INTERNAL BALANCE OF OUR OWN AGRICULTURE.

I TRUST THAT AS WE GO FORWARD TOGETHER, WE CAN CONTINUE TO RELY UPON AN EFFICIENT AND EFFECTIVE FEEDSTUFFS INDUSTRY. YOUR CONTRIBUTION TO THE DEVELOPMENT OF EFFICIENT FARMING HAS IN THE PAST HELPED CONSIDERABLY TO ENSURE THAT FOOD IS PRODUCED AT A REASONABLE PRICE.

IT IS NOW UP TO YOU TO TRANSLATE THE PROGRESS WHICH WE HAVE MADE INTO TANGIBLE BENEFITS FOR AGRICULTURAL PRODUCERS GENERALLY AND LIVESTOCK PRODUCERS IN PARTICULAR.