

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM (76) 265 final

Brussels, 9 June 1976

COMMISSION REPORT TO THE COUNCIL on the situation regarding the production and marketing of hops : 1975 harvest.

PROPOSAL FOR A COUNCIL REGULATION (EEC) laying down, in respect of hops, the amount of the aid to producers for the 1975 harvest.

PROPOSAL FOR A COUNCIL REGULATION (EEC) laying down special measures for stabilizing the market in hops.

(Submitted to the Council by the Commission)

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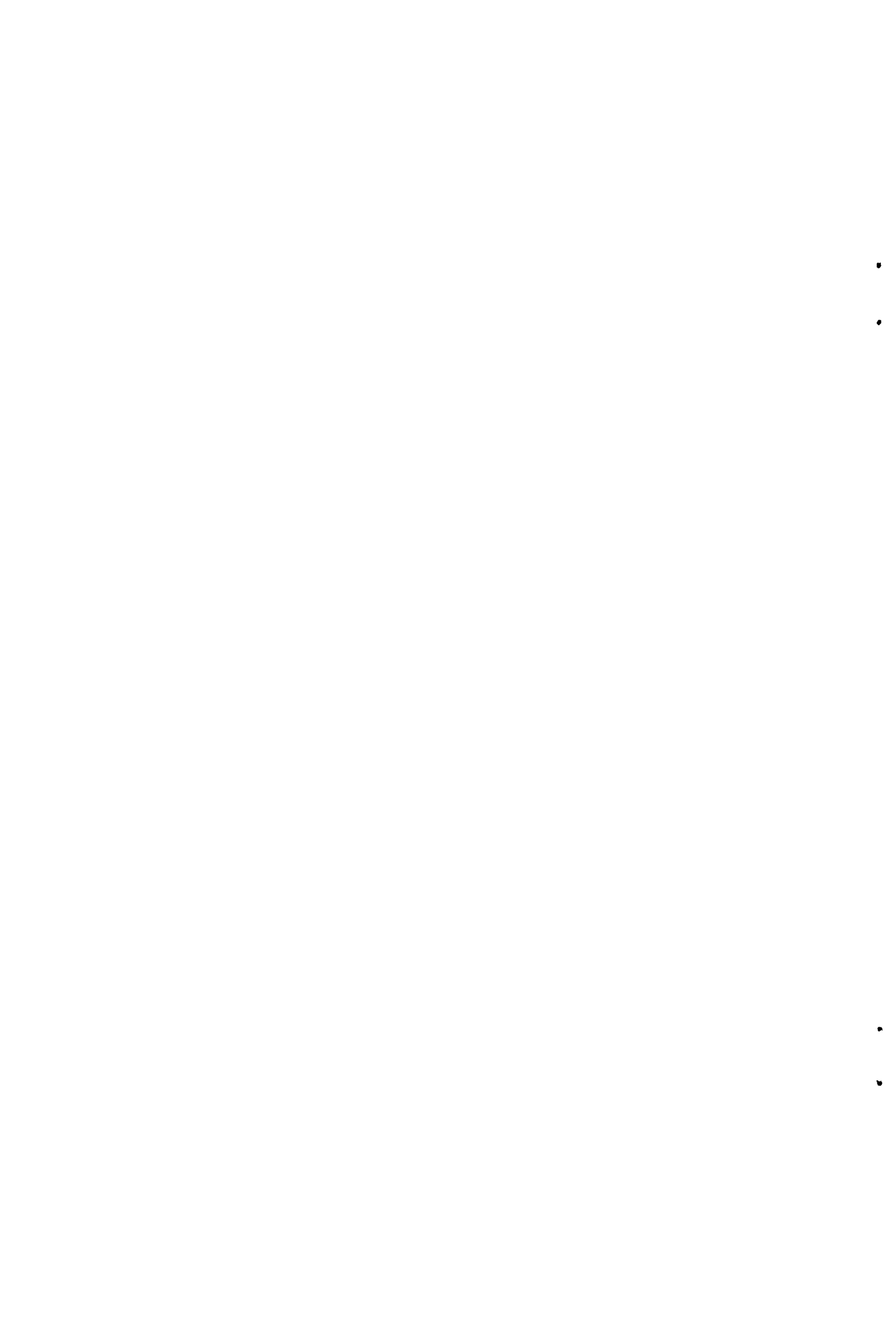
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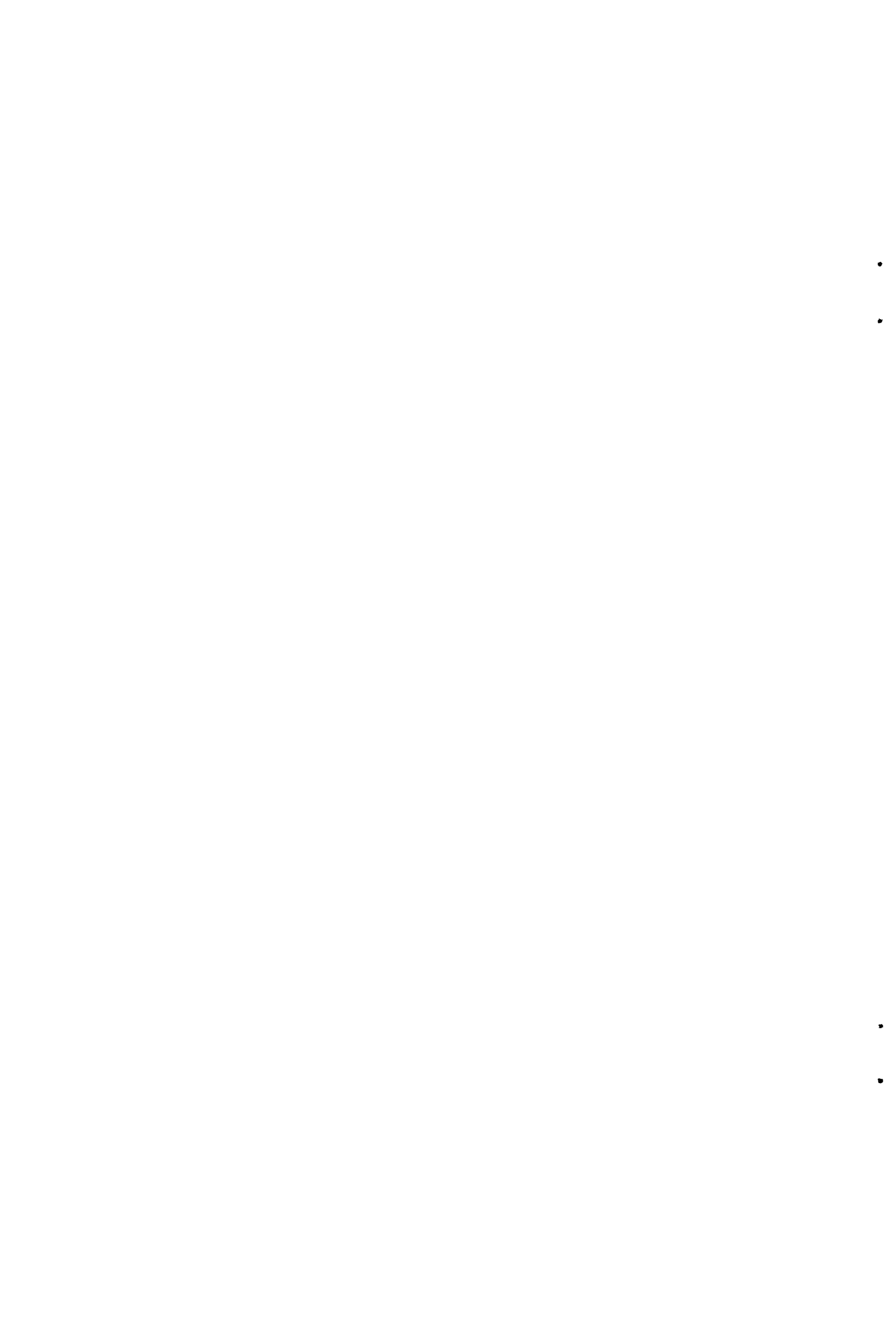
Commission Report to the Council on the  
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Commission Report to the Council on the situation  
regarding the production and marketing of hops  
for the 1975 harvest

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INTRODUCTION

Under Regulation (EEC) No 1696/71 of the Council of 26 July 1971 on the common organization of the market in hops, the Commission submits each year before 30 April a report to the Council on the situation regarding the production and marketing of hops. This report concludes by submitting proposals for aid for the harvest of the previous calendar year. The present report concerns the 1975 harvest.

In February 1976, following requests from the Council, the European Parliament and the Economic and Social Committee that management of the Community market should be improved, the Commission presented the Council with a draft amendment to the basic regulation (REC No 1696/71) with a view to obtaining a better balance between supply and demand through the following measures:

- (a) extension of the period during which aid is granted for reorganization and changing to different varieties beyond 31 December 1975, with the condition that the planted area involved is reduced;
- (b) better supply management by strengthening the role of the producer groups;
- (c) better production policy with the help of Community aid.

Stabilisation of the Hops Market : 1976

Following the wishes expressed by the Group of Governmental Experts and the Advisory Committee for Hops, the Commission proposes, in parallel to the present report, market stabilisation measures for 1976 in the form of a link between the existing organization of the market and the future regulations proposed by the Commission to the Council as a modification of the base regulation.

This measure, by means of an aid to the non-harvesting of approximately 2 000 ha under the control of Community producer groups, would have the effect of reducing supplies in the EEC and consequently of reducing stocks and contributing to a stabilisation of market prices.

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I. WORLD SITUATION

(a) Situation in 1975 (Table 1, 2)

The hop market is world-wide and operates on a substantial scale. Prices are therefore strongly influenced by the balance between world-wide supply and demand.

Since 1972 world prices have tended to decline as a result of a surplus on the world market created by the interplay of four factors:

- the sharp increase in the areas under hops from 1970 to 1973, encouraged by good prices in 1971 and 1972;
- reconversion to varieties rich in alpha acids, which has had the effect of further increasing supplies in terms of bitter content;
- the drop in the rate of increase of beer production, from + 4 % to + 2 % per year;
- the decline in the quantity of hops required to produce a unit of beer, resulting from the growing use by breweries of powder and extracts and the fact that the highest production increases were in third-world countries which manufacture lighter beers.

Despite the reduction in area since the 1974 harvest, the Commission notes that the world-wide surplus persists because the area under hops is still too large, production is too high and a substantial volume of stocks (estimated to be about 35 % higher than normal) is still being held.

The marketing outlook for the 1975 harvest is uncertain in view of the quantities remaining unsold from the 1975 harvest :

EEC <u>+</u>	21 000	Ztr	Australia	<u>+</u> 7 000
USA <u>+</u>	3 000	"		
Spain <u>+</u>	15 000	"		

besides those from 1973 and 1974. The high level of stocks held by breweries and in trade must also be taken into consideration.

One of the main features of the world market is the fact that there are only two major exporting countries: the Federal Republic of Germany and the USA. The greater part of American exports are usually contracted for in advance, while Germany sells a substantial part of its production on the open market:

1973/74:	33 %
1974/75:	26 %
1975/76:	23 %

Given that in countries with planned economies, production and demand tend to be in balance, any surpluses on world markets tend to show up on German -- and therefore EEC -- markets.

(b) Medium-term forecasts (Table 4, 5)

A reduction of the world area under hops of about 1 300 ha, of which about 700 ha would be accounted for by the EEC, is expected for the 1976 harvest. Nevertheless, if yields are average a small surplus is likely unless the major exporting countries take measures to reduce the quantities sold. In view of the size of the stocks overhanging the world market, price levels will remain unsatisfactory.

It should be emphasized that the 1977 and future harvests will be affected by the growing utilization of powder and hop extracts, which cut down the quantity of hops required to produce a unit of beer. In view of the fall-off in the rate of increase in beer production from 4 % to 2 %, demand for hops is relatively stable. Given the stocks held in trade and by breweries, the situation hinges mainly on reducing the world area under hops. The Commission considers that the area should be reduced by a further 3 - 4 000 ha to re-establish the stability of the market in 1978/79.

## II. SITUATION IN THE COMMUNITY

### (a) Situation in 1975 (Table 1, 5)

In 1975, the EEC accounted for about 36 % of the world area under hops and about 41 % of world production. The Commission has noted a trend away from aromatic varieties and towards varieties with a high alpha acid content.

The quantity of hops used to produce one unit of beer is higher in the EEC than in the USA and the rest of the world. Nevertheless, hop production continues to exceed the needs of Community breweries.

The Community, therefore, is a net exporter - the majority of its exports arising from Germany.

In 1975/76, EEC exports fell in relation to 1973 and 1974 because of the bad harvest in the Community, the surplus situation in the world surplus and the financial difficulties of Third World countries. A substantial part of Community production accordingly remained unsold (21 000 Ztr).

The Commission believes that the stocks held by breweries and in trade are about 50 % higher than usual, a situation very similar to that existing in the USA.

At the same time there was only an imperceptible increase in beer production in the EEC in 1975; the same is likely to happen in 1976. It follows that in view of the effects of technical improvements, demand for hops is stagnating and will possibly fall. Owing to this surplus situation, prices fell further than in 1974 and since yields were lower than in 1974, growers' incomes again fell further.

The drop in prices continued, despite attempts by the German producer groups to stabilize the market for the 1975 harvest by using Community aid for the 1974 harvest to keep some of the latter crop off the market. During that period, prices on the German open market certainly improved over those obtained in the opening weeks; however they did not recover to 1974 levels, nor was there any improvement in advance contract prices.

(b) Medium-term forecasts (Table 3, 4)

It is expected that for the 1976 harvest, the area under hops in the EEC will decline by about 700 ha in relation to 1975. Even with this reduction in area and an average yield, it can be estimated that production will amount to about 47 300 t (946 000 Ztr). Sales under advance contract are estimated at 70 % of Community production, or 34 000 t (680 000 Ztr). Basic demand for Community production in 1976 is estimated at 45 200 t (904 000 Ztr), a figure which could make it difficult to market hops not covered by contracts even on the export markets. In view of the probable surplus and the high level of stocks, strong pressure on prices must be expected.

For 1977 and future years the fate of the Community market appears to be closely linked to developments on the world market and to the reductions in area needed to balance supply and demand for hops. The necessary reduction of 3 - 4 000 ha in the world area under hops would imply a reduction of 1 - 2000 ha in the Community.

III. 1975 HARVEST

(a) Area under hops (Table 6)

In 1975 the area under hops in the Community fell slightly, from 29 346 ha to 29 045 ha. The reduction was greatest in the United Kingdom, followed by Belgium and France. In Germany, there was no significant change.

(b) New areas planted (Table 7, 8)

In 1975 there were 1 999 ha of new plantings in the EEC, made in the previous year and thus in their first year of production.

These new plantings can be divided as follows:

	<u>ha</u>
(i) increase in area:	41
(ii) conversion to new varieties:	850
(iii) replanting	12
(iv) planting on new land	<u>1 096</u>
Total	<u>1 999</u> =====

In 1974 there were 2 483 ha of new plantings

(c) Yields and production (Table 9)

In 1975, the average yield in the EEC ( 30,7 Ztr/ha) was lower than in 1974 (32.7 Ztr/ha) or 1973, despite the smaller number of new plantings.

Community production amounted to 44.6 M kg in 1975, lower than in 1974 (47.9 M kg) or 1973 (52.7 M kg).

(d) Prices and contracts (Table 10)

During the 1975 harvest, hop prices altered in relation to 1973 and 1974 as follows :

	Average EEC prices		u.a./Ztr	
	1973	1974	1975	1975/74
Contract	90.37	91.94	94.40	+ 2,7
Non-contract	59.73	65.76	60.22	- 8,4

In 1975, a significant decline was registered in prices for hops not marketed under contract in relation to 1974.

The quantities marketed under advance contracts were smaller owing to the surplus market situation. The percentage was roughly the same because of the poor yield in the EEC.

Year	Contract	%	Non-contract	%
1972	732.632	86.4	117.161	13.6
1973	743.421	70.7	309.329	29.3
1974	731.351	76.3	227.190	23.7
1975	689.378	77.3	202.672	22.7

(e) Production structures (Table 11, 12)

In 1975 the Commission noted that there were 9 246 growers in the EEC, of which 7 055 were associated in recognized producer groups, and 440 in non-recognized groups, whilst 1 751 were independent.

The average area of hop gardens cultivated per grower varied greatly from one country to another; this was an important factor in their profitability in view of the substantial investments required to cultivate hops economically.

It should be emphasized that even with the majority of producers associated in groups, greater efficiency in the management of the market was not achieved because large numbers of grower members had marketed a substantial part of the production outside their group.

(f) Conversion to new varieties

Under Article 9 of Regulation (EEC) No 1696/71, the Member States could grant aid to recognized producer groups up to a maximum amount of 1 500 u.a. per ha for reorganization and conversion to new varieties; however, this measure ended on 31 December 1975. While it was applicable the following operations were carried out:

<u>Country</u>	<u>ha</u>	<u>Aid u.a.</u>
Germany	1 020	948 083
France	185	277 608
UK *	218	226 517
	<hr/>	<hr/>
	1 423	1 452 208

\* paid to individual producers under the terms of Regulation (EEC) No 434/74

(g) Returns per Hectare (Table 13)

In 1975 there was a drop in the return per hectare in relation to 1973 and 1974 (excluding Community aid):

<u>u.a./ha</u>	<u>Areas in full production</u>		
	(from the third year of production)		
Countries	1974	1975	1974/75
Germany	3 117	3 060	- 2 %
France	2 650	2 267	- 16 %
Belgium	2 377	1 806	- 24 %
United Kingdom	3 162	2 827	- 11 %
Ireland	1 939	2 743	+ 41 %
Total	3 057	2 924	- 4 %

Growers' overall income declined in relation to 1973 and 1974 as follows:

<u>u.a.</u>	
1973:	85,764,018
1974:	82,191,421
1975:	77,282,544

Although advance contracts constitute an element of stability for the market, in a situation marked by surplus and strong inflation they do not altogether protect growers' purchasing power. Given this unbalanced market situation, it is very difficult to negotiate contracts index-linked to the trends of the costs of the factors of production.



#### IV. CONCLUSIONS AND PROPOSAL FOR AID TO PRODUCERS

1. Since the hop market is presently out of balance, it must be stabilized as swiftly as possible so as to slow down the allround fall in prices and revenue per hectare since 1972. This is why the Commission has proposed to the Council an amendment of the basic Regulation (R(EEC) 1695/71), and, along with the proposals for aid for the 1975 crop, stabilization measures in respect of the 1976 crop.

2. But as the hop market is an international market any stabilization policy must not be compromised by structural imbalance at international level. Should such an imbalance occur and the Community market be threatened with disruption, the Commission could envisage the implementation of a scheme to ensure that trade with the countries concerned was more carefully monitored.

The Commission also stresses that with a view to stabilising the world market, initial contacts have been made, with the active encouragement of the Commission, between the trade organizations of the major hop-producing countries.

3. The analysis of the market as presented in this report shows that two basic problems clearly need to be reconciled: how to assure the planters a fair income and restore an improved quantitative and qualitative balance between supply and demand. In respect of aid for the 1975 crop, the main objectives of the Commission's proposal will be to:

- ensure that data in the various Member States is comparable;
- raise the general level of aid to assure planters a fair income without offering any incentive to expand surface area and thus overproduce;
- seek a sounder economic footing for production, bearing in mind the trend of demand and the market situation, by :

- a) narrowing the gap between the minimum and the maximum aid granted for the various varieties, and
- b) fixing more homogeneous aid for varieties with the same utilisation in the brewery.

4. On the strength of the above considerations, the Commission's proposal will mean that:

- average aid for the EEC will be increased from 295 u.a. in 1974 to 316 u.a. in 1975, and
- Community expenditure will increase from 7,578,250 u.a. in 1974 to 7,913,050 u.a. in 1975.

5. Pursuant to Article 12 (4) of Regulation 1696/71, the Commission is proposing that new plantings in 1975 (i.e. areas planted for the 1975 harvest and thus in the first year of production for the 1975 harvest) should not qualify for Community aid per hectare, in order to deter any expansion of areas in the EEC.

These areas include those areas involved in measures for restructuring and varietal reconversion, since Regulation (EEC) No 1696/71 provides for investment grants to carry out such operations.

The Commission, on the basis of the above criteria, proposes the following amounts:

<u>Varieties</u>	<u>Aid ua/ha</u>
Hallertauer	400
Northern Brewer	200
Brewers Gold	200
Record	600
Hersbrucker Spät	200
Hüller Bitterer	200
Spalter	300
Tettninger	300
Bramling Cross	650
Progress	650
Target	200
K. Midseason	600
Fuggles	650
W.G.V.	650
Alliance	650
Tutsham	650
Saaz	650
Strisselspalt	650
Tardif de Bourgogne	650
Star	650



TABLEAU: 1 SITUATION: MARCHE MONDIAL ET COMMUNAUTAIRE  
 TABELLE: 1 SITUATION: WELT- UND GEMEINSCHAFTSMÄRKTE  
 TABLE: 1 SITUATION: WORLD AND COMMUNITY MARKETS

ANNEE JAHR YEAR		1972	1973	1974	1975	* 1976
<u>MONDE/WELT/WORLD</u>						
PRODUCTION BIÈRE BIERERZEUGUNG BEER PRODUCTION	+ M HL	742	771	786	802	818
UTILISATION HOUBLON HOPFENANTEIL HOP UTILISATION	GRMS/HL	144	133	137	136	132
DEMANDE HOUBLON HOPFENBEDARF HOP DEMAND	000 t	106,8	102,5	107,7	109	106
PRODUCTION HOUBLON HOPFENERZEUGUNG HOP PRODUCTION	000 t	105	118,3	111	109,6	110,1
SURPLUS / (DEFICIT) ÜBERSCHUSS (DEFIZIT)	000 t	(1,8)	15,8	3,3	0,6	2,1
STOCKS / BESTÄNDE	000 t	55,4	53,6	69,4	72,7	73,3
STOCKS BESTÄNDE: NORMAL 6 M	000 t	53,4	53,6	53,8	54,5	54
+ (-)	000 t	2,0	-	15,6	18,2	19,3
<u>CEE/ EWG/ EEC</u>						
PRODUCTION BIÈRE BIERERZEUGUNG BEER PRODUCTION	* M HL	225	226	229	232	235
UTILISATION HOUBLON HOPFENANTEIL HOP UTILISATION	GRMS/HL	166	158	159	157	155
DEMANDE HOUBLON HOPFENBEDARF HOP DEMAND	000 t	37,4	35,8	36,3	36,4	36,4
PRODUCTION HOUBLON HOPFENERZEUGUNG HOP PRODUCTION	000 t	42,9	52,7	47,9	44,7	47,3
RESTE / REST	000 t	5,5	16,9	11,6	8,3	10,9
EXPORTATION AUSFUHR : NET EXPORT	000 t	7,0	9,5	10,5	7,8	9,8
SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	000 t	(1,5)	7,4	1,1	0,5	1,1
STOCKS/BESTÄNDE	000 t	16,4	14,9	22,3	23,4	23,9
STOCKS/BESTÄNDE NORMAL 5 M	000 t	15,5	14,9	15,1	15,2	15,2
+ (-)	000 t	0,9	(0,4)	7,2	8,2	8,7

+ année suivante / folgendes Jahr / following year

\* estimations 7-4-76

TABLEAU:  
TABELLE: 2  
TABLE:

HOUBLON - MONDE  
HOPFEN - WELT  
HOPS - WORLD

ANNEE SUIVANTE  
\* FOLGENDES JAHR  
FOLLOWING YEAR

ANNEE/JAHR/YEAR		1968	1969	1970	1971	1972	1973	1974	1975	1976	
1	PRODUCTION BIERE BIERERZEUGUNG BEER PRODUCTION + PAR AN (-) JE JAHR PER YEAR	+ M HL	605	630	658	688	742	771	786	802	818
2	CONTENU ANTEIL : ALPHA CONTENT	%		4,1	4,4	4,6	7,8	3,9	2,0	2,0	2,0
3	BESOIN ALPHA ALPHABEDARF ALPHA REQUIREMENT	GRMS/ HL	9,14	9,14	9,14	8,7	8,5	8,4	8,2	8,0	7,9
4	PRODUCTION ALPHA ALPHA-ERZEUGUNG ALPHA PRODUCTION	T	5530	5758	6014	5985	6307	6476	6445	6416	6462
5	SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	(476)	(444)	19	(603)	(133)	989	182	50	144
6	CONTENU ANTEIL : ALPHA CONTENT	%	5,5	5,75	5,88	5,60	5,88	6,31	5,97	5,9	6,0
7	PRODUCTION HOUBLON HOPFENERZEUGUNG HOP PRODUCTION	000 T	91,9	94,9	102,6	96,1	105	118,3	111	109,6	110,1
8	STOCKS : TOTAL BESTÄNDE : INSGESAMT	T	4854	4378	3934	3953	3350	3217	4206	4388	4438
9	STOCKS : BESTÄNDE: NOPMAL : 6 M	T	3917*	4078*	4029*	3950*	3153	3238	3223	3208	3231
10	SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	937	300	(95)	3	197	(21)	983	1180	1207
11	SUPERFICIE / AREA FLÄCHEN	HA	68,2	67,3	70,7	75	78	81,3	82,0	81,7	80,3
12	+ PAR AN (-) JE JAHR PER YEAR	%		(1,3)	5,0	6,1	4,0	4,2	0,9	(0,4)	(1,7)
13	RENDEMENT / ERTRAG YIELD	1000 KG/ HA	1,35	1,41	1,45	1,28	1,35	1,46	1,35	1,3	1,37

\* 6 - 8 M

TABLEAU: HOUBLON - MONDE  
 TABELLE: 3 HOPFEN - WELT  
 TABLE:

STABILISATION - ALTERNATIVE I  
 STABILISIERUNG - ALTERNATIVE I  
 STABILISATION - ALTERNATIVE I

ANNEE SUIVANTE  
 + FOLGENDES JAHR  
 FOLLOWING YEAR

ANNEE/JAHR/YEAR		1975	1976	1977	1976	1977	1978	1976	1977	1978	1979
1 PRODUCTION BIERE BIERERZEUGUNG BEER PRODUCTION	+ M HL	802	818	834	818	834	851	802	834	851	868
2 + PAR AN/JE JAHR/PAR YEAR	%		2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0	2,0
3 ANTEIL : ALPHA CONTENU CONTENT	GRMS/ HL	8,0	7,9	7,8	7,9	7,8	7,7	7,9	7,8	7,7	7,6
4 ALPHA-BEDARF ALPHA REQUIREMENT	T	6416	6462	6505	6462	6505	6553	6462	6505	6553	6597
5 ALPHA-ERZEUGUNG ALPHA PRODUCTION	T	6466	5255	6505	5881	5924	6553	6082	6125	6173	6597
6 SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	50	(1207)	-	(581)	(531)	-	(380)	(380)	(380)	-
7 ANTEIL : ALPHA CONTENT	%	5,9	6,0	6,0	6,0	6,0	6,0	6,0	6,0	6,0	6,0
8 PRODUCTION HOUBLON HOPFENERZEUGUNG HOP PRODUCTION	000 T	109,6	87,6	108,4	98	98,7	109,2	101,3	102,	102,9	110,0
9 STOCKS : TOTAL BESTÄNDE: INSGESAMT	T	4388	4438	3252	4438	3857	3276	4438	4053	3673	3298
10 STOCKS NORMAL: 6 M BESTÄNDE	T	3208	3231	3252	3231	3252	3276	3231	3252	3276	3298
11 SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	1180	1207	-	1207	605	-	1207	806	402	-
12 SUPERFICIE/AREA FLÄCHEN	HA	81,7	63,9	79,1	71,5	72	79,7	74,0	74,5	75,1	80,3
13 + PAR AN / JE JAHR (-) PER YEAR	%		(22)	24	(12)	0,7	11	(9)	0,7	0,8	7
14 RENDÉMENT / ERTRAG YIELD	1000 KG/ HA			1,37	1,37	1,37	1,37	1,37	1,37	1,37	1,37

\* 6 - 8 M

TABLEAU :		HOUBLON - MONDE	STABILISATION	ALTERNATIVE II	ANNEE SUIVANTE *
TABELLE :	4	HOPFEN - WELT	STABILISIERUNG	ALTERNATIVE II	FOLGENDES JAHR *
TABLE :		HOPS - WORLD	STABILISATION	ALTERNATIVE II	FOLLOWING YEAR *

ANNEE/JAHR/YEAR		1976	1977	1978	1979	1980	1976	1977	1978	1979	1980	1981
1 PRODUCTION BIÈRE BIERERZEUGUNG BEER PRODUCTION	* M HL	818	834	851	868	885	818	834	851	868	885	903
2 + PAR AN/JE JAHR/PAR YEAR	%		2	2	2	2	2	2	2	2	2	2
3 CONTENU ANTEIL : ALPHA CONTENT	GRMS/ HL	7,9	7,8	7,7	7,6	7,5	7,9	7,8	7,7	7,6	7,5	7,4
4 BESOIN ALPHA ALPHA-BEDARF ALPHA REQUIREMENT	T	6462	6505	6553	6597	6637	6962	6505	6553	6597	6637	6682
5 PRODUCTION ALPHA ALPHA-ERZEUGUNG ALPHA PRODUCTION	T	6182	6225	6273	6317	6637	6243	6286	6334	6378	6418	6682
6 SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	(280)	(280)	(280)	(280)		(219)	(219)	(219)	(219)	(219)	
7 CONTENU ANTEIL : ALPHA CONTENT	%	6,0	6,0	6,0	6,0	6,0	6,0	6,0	6,0	6,0	6,0	6,0
X 8 PRODUCTION HOUBLON HOPFENERZEUGUNG HOP PRODUCTION	000 T	103	103,8	104,6	105,3	110,6	104,0	104,8	105,6	106,3	107	111,4
9 STOCKS : TOTAL BESTÄNDE : INSGESAMT	T	4438	4158	3878	3598	3318	4438	4219	4000	3781	3562	3341
10 STOCKS : NORMAL : 6 M. BESTÄNDE :	T	3231	3252	3276	3298	3318	3231	3252	3276	3298	3318	3341
11 SURPLUS/(DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	1207	906	602	300	-	1207	967	724	483	244	-
12 SUPERFICIE/AREA FLÄCHEN	HA	75,2	75,8	76,4	76,9	80,7	75,9	76,5	77,1	77,6	78,1	81,3
13 + PAR AN/JE JAHR/PER YEAR	%	(8)	0,2	0,8	0,6	5	(7)	0,8	0,8	0,6	0,6	7
14 RENDEMENT / ERTRAG WELD	1000 KG/ HA	1,37	1,37	1,37	1,37	1,37	1,37	1,37	1,37	1,37	1,37	1,37

\* 6 - 8 M



TABEAU :  
TABELLE: 5  
TABLE:

MARCHE HOUBLON - CEE - 1972 - 1976  
HOPFENMARKT - EWG - 1972 - 1976  
HOPS MARKET - EEC - 1972 - 1976

Année Jahr Year		1972	1973	1974	1975	1976
PRODUCTION BIÈRE BIERERZEUGUNG BEER PRODUCTION	+ M HL	225	226	229	232	235
% +	PAR AN PRO JAHR PER YEAR	5,6	1,4	1,3	1,3	1,3
CONTENU ANTEIL CONTENT	ALPHA	GRMS/ HL	10,1	10	9,75	9,4
BESOIN ALPHA ALPHABEDARF ALPHA REQUIREMENT	T	2273	2260	2233	2204	2209
PRODUCTION ALPHA ALPHAERZEUGUNG ALPHA PRODUCTION	T	2608	3325	2936	2704	2838
SURPLUS / (DEFICIT) ÜBERSCHUSS/(DEFIZIT)	T	335	992	703	500	629
CONTENU ANTEIL CONTENT	ALPHA	%	6,08	6,31	6,13	6,05
EXPORTATION AUSFUHR : NET : ALPHA EXPORTS	T	426	599	644	472	588
EXPORTATION AUSFUHR : NET EXPORTS	000 T	7,0	9,5	10,5	7,8	9,8
SURPLUS / DEFICIT ÜBERSCHUSS/(DEFIZIT)	ALPHA T	(91)	466	59	28	41
SURPLUS/DEFICIT: CEE ÜBERSCHUSS/DEFIZIT)	000 T	(1,5)	6,6	1,1	0,5	1,1
STOCKS / BESTÄNDE	ALPHA T	1008	917	1383	1442	1470
+ (-)	ALPHA T	61	(25)	453	524	550
SUPERFICIE FLÄCHEN PLANTED AREA	000 HA	27,6	29,5	29,3	29,0	28,3
% + (-) PAR AN PRO JAHR PER YEAR	%	11,3	6,2	(0,4)	(1,0)	(2,4)
RENDEMENT YIELD ERTRAG	1000 KG/ HA	1,55	1,78	1,64	1,54	1,67

TABLEAU: SUPERFICIES PLANTEES EN HOUBLON EN 1975 PAR VARIETE ET REGION DE PRODUCTION  
TABELLE: 6 1975 MIT HOPFEN BEPFLANZTE FLÄCHEN - NACH SORTEN UND ERZEUGUNGSGEBIET  
TABLE: AREA PLANTED TO HOPS IN 1975 BY VARIETY AND PRODUCTION AREA

	Hallertau	Spalt	Hersbrucker Gebirge	Jura	Tettnang	R.H.W.	Baden	Pfalz	B.R.D.	Alsace	Bourgogne
1 Hallertauer	4310	562	156	271	283	1	-	7	5590	-	-
2 Northern Brewer	5971	6	25	47	-	-	-	1	6050	61	9
3 Brewers Gold	2333	27	8	82	-	-	1	2	2453	206	47
4 Record	395	2	-	2	-	-	-	1	400	84	-
5 Hersbrucker Spät	2491	-	144	62	9	1	-	4	2711	-	-
6 Hüller Bitterer	1392	12	4	27	-	-	3	-	1438	-	-
7 Spalter	17	481	-	-	-	-	-	-	498	-	-
8 Tettnanger	3	-	-	-	1058	1	10	-	1072	-	-
9 Bramling Cross	-	-	-	-	-	-	-	-	-	-	-
10 Bullion	-	-	-	-	-	-	-	-	-	-	-
11 Progress	-	-	-	-	-	-	-	-	-	-	-
12 Wye Target	-	-	-	-	-	-	-	-	-	-	-
13 Wye Challenger	-	-	-	-	-	-	-	-	-	-	-
14 K. Midseason	-	-	-	-	-	-	-	-	-	-	-
15 Wye Northdown	-	-	-	-	-	-	-	-	-	-	-
16 Fuggles	-	-	-	-	-	-	-	-	-	-	-
17 Goldings	-	-	-	-	-	-	-	-	-	-	-
18 W.G.V.	-	-	-	-	-	-	-	-	-	-	-
19 Alliance	-	-	-	-	-	-	-	-	-	-	-
20 Tutsham	-	-	-	-	-	-	-	-	-	-	-
21 Saaz	-	-	-	-	-	-	-	-	-	-	-
22 Strisselspalt	-	-	-	-	-	-	-	-	-	422	-
23 Tard. de Bourgogne	-	-	-	-	-	-	-	-	-	-	16
24 Star	-	-	-	-	-	-	-	-	-	-	-
25 Autres/Andere/Others	-	-	-	-	-	-	-	-	-	-	-
T O T A L	16912	1090	337	491	1350	3	14	15	20212	773	72
	1044	25	7	35	5	-	1	1	1118	15	1
Superficies Flächen 1975 Planted Area	16773	1124	362	482	1395	5	16	14	20171	838	69

Nord	France	Aalst	Poperinge	Vodelee	Belgique België	South East	West Midlands	United Kingdom	Kilkenny Ireland	CE-EG-EC 1975	Nouv. Superf. Neuflächen New plantings 1975	CE-EG-EC 1974
5	5	96	50	-	146	-	-	-	-	5741	79	6716
124	194	(106)	(352)	(9)	467	124	311	435	48	7194	348	6832
217	470	(37)	(364)	5	406	28	1	29	-	3358	108	3314
-	84	(70)	(4)	-	74	-	-	-	-	558	144	377
-	-	-	-	-	-	-	-	-	-	2711	201	2532
-	-	-	-	-	-	-	-	-	-	1438	267	1117
-	-	-	14	1	15	-	-	-	-	513	8	593
-	-	(4)	-	-	4	-	-	-	-	1076	4	1133
-	-	-	-	-	-	946	-	946	-	946	1	1099
-	-	-	-	-	-	278	270	548	-	548	9	574
-	-	-	-	-	-	164	-	164	-	164	-	197
-	-	-	-	-	-	715	-	715	-	715	385	340
-	-	-	-	-	-	216	393	609	-	609	198	406
-	-	-	-	-	-	361	-	361	-	361	7	387
-	-	-	-	-	-	268	471	739	-	739	233	505
-	-	-	-	11	11	197	659	856	17	884	-	1281
-	-	-	-	(2)	2	349	201	550	-	552	1	712
-	-	-	-	-	-	421	-	421	-	421	-	583
-	-	-	-	-	-	4	-	4	-	4	-	14
-	-	-	-	-	-	16	-	16	-	16	-	25
-	-	26	1	6	33	-	-	-	-	33	-	38
-	422	-	-	-	-	-	-	-	-	422	1	502
-	16	-	-	-	-	-	-	-	-	16	-	16
-	-	3	6	-	9	-	-	-	-	9	-	10
-	-	-	(1)	-	1	14	2	16	-	17	5	15
349	1191	342	792	34	1168	4101	2308	6410	65	29045	-	29346
-	15	4	7	-	11	539	312	851	4	-	1999	29346
363	1270	361	863	42	1266	4253	2315	6568	70	29346		

TABLEAU  
TABELLE 7  
TABLE

NOUVELLES PLANTATIONS 1975  
NEUFLÄCHEN 1975  
NEW PLANTINGS 1975

	D	F	B	UK	I	T
1 Hallertauer	78		1			79
2 N Brewer	328	1	4	12	4	345
3 Brewers Gold	92	13	3			108
4 Record	141		3			144
5 Hersbrucker Spät	201					201
6 Hüller Bitterer	267					267
7 Spalter	7					7
8 Tettninger	4					4
9 Bramling Cross				1		1
10 Bullion				9		9
11 Progress						
12 Target				385		385
13 Challenger				198		198
14 K.Midseason				7		7
15 Northdown				233		233
16 Fuggles						
17 Goldings				1		1
18 W G V						
19 Alliance						
20 Tutsham						
21 Saaz						
22 Strisselspalt		1				1
23 Tardif de B.						
24 Star						
25 Autres				4		4
<hr/>						
	1118	15	12	850	4	1999

TABLEAU  
TABELLE 8  
TABLE

NOUVELLES PLANTATIONS  
NEUFLÄCHEN  
NEW PLANTINGS

1 9 7 5

PAYS LAND COUNTRY	Aug SPF 1975	REC VAR 1975	REP 1975	NOUV. SUP. 1975	TOTAL CEE EWG EEC
Deutschland	41	258	-	819	1.118
France	-	15	-	-	15
België/Belgique	-	-	12	-	12
United Kingdom	-	573	-	277	850
Ireland	-	4	-	-	4
TOTAL	41	850	12	1.096	1.999

AUG SPF : Augmentation de superficie/Flächenerweiterung/increase in planted area  
 REC VAR : Reconversion variétale/Sortenumstellung/Varietal reconversion  
 REP : Replantation/Wiederbepflanzung/Replantings  
 NOUV. SUP. : Plantation sur de nouvelles terres/ Bepflanzung von Neuland/plantung of new land

Source : OSCE/Quelle : SAEG/origin : SOEC

Tableau 9 / Tabelle 9 / Table 9

Evolution des superficies, du rendement et de la production du houblon dans la C.E.E.

Entwicklung der Flächen, Erträge und der Erzeugung von Hopfen in der E.W.G.

Evolution of area, yields and production of hops in the E.E.C.

ANNEE JAHR YEAR	1973	1974	1975
	<u>SUPERFICIE / FLÄCHEN / AREA (ha)</u>		
Deutschland	20.061	20.171	20.212
France	1.290	1.271	1.191
België/Belgique	1.300	1.267	1.167
United Kingdom	6.770	6.568	6.410
Ireland	63	70	65
Eur. - 9	29.484	29.347	29.045
	<u>Rendement / Ertrag / Yield (50 kg)</u>		
Deutschland	38,58	33,33	32,02
France	30,32	32,05	36,05
België/Belgique	29,38	31,78	30,04
United Kingdom	30,87	31,07	25,82
Ireland	23,90	17,59	21,44
Eur. - 9	35,71	32,66	30,73
	<u>Production / Erzeugung / Production (Ztr.)</u>		
Deutschland	775.991	672.243	647.219
France	39.107	40.740	42.916
België/Belgique	38.197	40.263	35.062
United Kingdom	208.979	204.064	165.464
Ireland	1.506	1.231	1.389
Eur. - 9	1.052.750	958.541	892.050

Tableau 10 : POURCENTAGE DE HOUBLON VENDU SOUS CONTRAT ET RELATION PRIX HORS CONTRAT - SOUS CONTRAT  
 Tabelle 10 : PROZENTSATZ VON VERTRAGSHOPFEN UND VERHÄLTNIS PREISE FREIHOPFEN - VERTRAGSHOPFEN  
 Table : PERCENTAGE OF HOPS SOLD UNDER CONTRACT AND RELATION PRICES WITHOUT CONTRACT - UNDER CONTRACT

	hors contrat Freihopfen without contrat 1	sous contrat Vertragshopfen under contract 2	% % % 3	sous contrat Vertragshopfen under contract 3	hors contrat Freihopfen without contract 4	sous contrat Vertragshopfen under contract 5
A) <u>CE</u>					U.C.	U.C.
1972	117.161	739.631	86		99,51	96,54
1973	309.329	743.421	71		59,73	88,98
1974	227.190	731.351	76		65,56	91,94
1975	202.672	689.378	77		60,22	94,40
B) <u>CE</u>						
R.F.A.	147.681	499.538	77		64,2	95,7
France	23.600	19.316	45		42,2	84,2
Belgique	31.391	3.671	10		55,3	86,2
Royaume Uni		165.464	100			91,5
Irlande		1.389	100			128

TABLEAU: 11  
 TABELLE:  
 TABLE:

GROUPEMENTS DE PRODUCTEURS 1975  
 ERZEUGERGEMEINSCHAFTEN 1975  
 PRODUCER GROUPS 1975

Pays Länder countries	No Planteurs Erzeuger Planters	ha	ha Planteur Erzeuger Planter	No Groupements Reconnus	No Groupements non Reconnus	No Planteurs en Groupements	ha Groupements	ha Planteur Erzeuger Planter
Deutschland	7655	20212	2,6	4	-	6170	16115	2,6
France	816	1191	1,5	4	-	816	1191	1,5
België/Belgique	331	1167	3,5	2	-	69	172	2,5
United Kingdom	440	6410	14,6	-	1	440	6410	14,6
Ireland	4	65	16,3	-	-	-	-	-
TOTAL CEE	9246	29045	3,1	10	1	7495	23888	3,2

GROUPEMENTS RECONNUS = ANERKANNTA ERZEUGERGEMEINSCHAFTEN / RECOGNISED GROUPS  
 GROUPEMENTS NON RECONNUS = NICHT ANERKANNTA ERZEUGERGEMEINSCHAFTEN / NON RECOGNISED GROUPS  
 PLANTEURS EN GROUPEMENTS = ERZEUGER IN GEMEINSCHAFTEN / PLANTERS IN GROUPS



TABLEAU :  
 TABELLE : 12  
 TABLE :

REGIONS DE LA CEE : 1974 - 1975  
 REGIONEN DER EWG : 1974 - 1975  
 REGIONS OF THE EEC: 1974 - 1975

	HA 1974	No. Exploita- tions Betriebe Holdings 1974	Ha Exploita- tion Betrieb Holding 1974	Ha 1975	No. Exploita- tions Betriebe Holdings 1975	Ha Exploita- tion Betrieb Holding 1975
1 Hallertauer	16773	5482	3,1	16911	5267	3,2
2 Spalt	1124	1103	1,0	1090	1014	1,1
3 Hersbrucke G	362	423	0,9	337	369	0,9
4 Jura	482	202	2,4	491	182	2,7
5 Tett nang	1395	843	1,7	1350	783	1,7
6 R H W	5	8	0,6	3	5	0,6
7 Baden	16	40	0,4	14	20	0,7
8 Pfalz	14	20	0,7	15	15	1,0
9 Alsace	838	684	1,2	773	710	1,1
10 Bourgogne	69	34	2,0	72	34	2,1
11 Nord	363	75	4,8	346	72	4,8
12 Aalst	361	143	2,5	342	117	2,9
13 Poperinge	864	237	3,6	792	208	3,8
14 Vodelee	42	6	7,0	34	6	5,6
15 Kent + SE	4253	297	14,3	4102	266	15,9
16 West Midlands	2315	181	12,8	2308	174	13,3
17 Kilkenny	70	4	17,5	65	4	16,3
	29346	9784	3,0	29045	9246	3,14

TABLEAU : EVOLUTION DES RECETTES A L'HECTARE  
TABELLE 13 : ENTWICKLUNG DER HEKTAR-ERTRAGSERLÖSE  
TABLE : EVOLUTION OF RETURNS PER HECTARE

	TOUTES PLANTATIONS GESAMTFLÄCHE ALL AREAS			ANCIENNES PLANTATIONS ALTFLÄCHEN ESTABLISHED AREAS		
	1973	1974	1975	1973	1974	1975
<b>1.. HALLERTAUER</b>						
Hallertau	2876	2593	2773	2914	2607	2795
Spalt	3516	3232	3164	3745	3357	3261
Jura	3391	3613	2772	3465	3698	3708
Tettngang	3006	2524	2114	3091	2524	2789
Nord	3302	2416	2309	3377	2416	2309
Aalst	3107	2064	( 2329	3157	2118	2355
Poperinge	2745	2737		2804	2767	2335
CE	2942	2667	2834	2994	2693	2865
<b>2. NORTHERN BREWER</b>						
Hallertau	3191	3276	2614	3382	3476	2746
Alsace	1830	1642	2447	2044	2687	2467
Nord	1363	2062	1445	1366	2062	1445
Aalst	2435	2959	( 1417	2466	2976	1528
Poperinge	2389	2156		2449	2167	1434
South-East	2770	.	2773	2874	.	2803
West Midlands	4177	.	2847	4363	.	2942
Kilkenny	2820	1841	2859	3481	1841	2859
CE	3102	3174	2535	3275	3363	2648
<b>3. BREWERS GOLD</b>						
Hallertau	3670	3924	3782	4426	3536	3891
Alsace	3173	3270	3088	3408	3478	3203
Nord	1361	2935	2028	1371	2460	2029
Poperinge	2705	1665	1869	2889	1718	1856
South-East	2965	2966	4113	3105	3259	4113
CE	3361	3168	3404	3887	3271	3493

	TOUTES PLANTATIONS GESAMTFLÄCHE ALL AREAS			ANCIENNES PLANTATIONS ALTFLÄCHEN ESTABLISHED AREAS		
	1973	1974	1975	1973	1974	1975
<u>4. RECORD</u>						
Hallertau	2011	1715	1859	3260	2557	2658
Alsace	1905	2367	1100	1933	2376	1100
Aalst	2567	2633	1960	2676	2681	2018
CE	2089	2046	1731	2540	2532	2209
<u>5. HERSBRUCKER SPÄT</u>						
Hallertau	2608	2236	2791	3261	2646	2994
Hersbrucker Gebirge	2724	2274	2450	2817	2299	2430
CE	2625	2274	2789	3212	2656	2981
<u>5. HÜLLER BITTERER</u>						
Hallertau	1674	1714	2449	3019	2667	2909
CE	1669	1729	2445	3028	2688	2908
<u>7. SPALTER</u>						
Spalt	3331	3023	2804	3432	3088	2314
CE	3291	2944	2755	3396	3013	2788
<u>8. TETTNANGER</u>						
Tettngang	3040	3141	2816	3099	3141	2823
CE	3039	3138	2808	3099	3138	2317
<u>9. BRAMLING CROSS</u>						
South East - CE	3054	2913	1982	3131	2931	1983
<u>10. BULLION</u>						
South East	3117	3417	3146	3141	.	3184
West Midlands	4143	3871	4383	4268	.	4457
CE	3580	3636	3756	3650	3718	3811

TOUTES PLANTATIONS  
GESAMTFLÄCHE  
ALL AREAS

ANCIENNES PLANTATIONS  
ALTFLÄCHEN  
ESTABLISHED AREAS

	1973	1975	1974	1973	1974	1975
<b>11. <u>PROGRESS</u></b>						
South-East = CE	1874	2024	2454	1923	2486	2024
<b>12. <u>WYE TARGET</u></b>						
South-East = CE	920	1247	1159	1214	2438	2422
<b>13. <u>WYE CHALLENGER</u></b>						
South-East	1344	2417	2085	3725	.	3248
West Midlands	1654	2273	1824	3934	.	3213
CE	1537	2325	1919	3803	3192	3226
<b>14. <u>KEYWORTH'S MIDSEASON</u></b>						
South-East = CE	2073	2272	2260	2449	2483	2315
<b>15. <u>WYE NORTHDOWN</u></b>						
South-East	1881	2461	2788	3063	.	3090
West Midlands	2628	2174	2650	3944	.	3109
CE	2312	2278	2705	3614	3576	3101
<b>16. <u>FUGGLES</u></b>						
South-East	2080	1120	2158	2080	2158	1120
West Midlands	2710	2426	2466	2710	2466	2426
CE	2528	2129	2395	2528	2395	2129
<b>17. <u>GOLDINGS</u></b>						
South-East	3121	3808	3300	3131	3300	3815
West Midlands	3660	3549	3054	3670	3054	3549
CE	3288	3713	3219	3297	3219	3718
<b>18. <u>W G V</u></b>						
South-East = CE	2415	1912	2350	2439	2350	1912
<b>19. <u>ALLIANCE</u></b>						
South-East	987	1082	1469	987	1469	1082

	TOUTES PLANTATIONS GESAMTFLÄCHE ALL AREAS			ANCIENNES PLANTATIONS ALTFLÄCHEN ESTABLISHED AREAS		
	1973	1974	1975	1973	1974	1975
20. <u>TUTSHAM</u>						
South-East = CE	1762	1901	1759	1762	1901	1759
21. <u>SAAZ</u>						
Aalst	3248	2314	2225	3248	2314	2225
CE	3248	2314	2225	3248	2314	2225
22. <u>STRISSELSPALT</u>						
Alsace = CE	2747	2362	2250	2942	2430	2252
23. <u>TARDIF DE BOURGOGNE</u>						
Bourgogne = CE	2967	2222	1222	3080	2222	1222
24. <u>STAR</u>						
Poperinge	-	-	1882	-	-	1882
CE à 9	2892	2769	2661	3131	2963	2830

TABLEAU : CALCUL DE LA RECETTE: 1975:  
TABELLE : 14 ERTRAGSERLÖSE BERECHNUNG: 1975:  
TABLE : CALCULATION OF THE RETURN: 1975:

VARIETE	HA	HA	HA	HA	RCT	RCT	RCT
	TP	NP	AP	PP	TP	AP	PP
	1975	1975	1975	1975	1975	1975	1975
1 Hallertauer	5741	79	5662	5584	2834	2865	2879
2 N. Brewer	7194	349	6845	6467	2535	2822	2878
3 B. Gold	3358	108	3250	3090	3397	3484	3545
4 Record	559	144	415	338	1744	2227	2382
5 Hersbrucker Spät	2711	201	2510	2102	2729	2981	3161
6 Hüller Bitterer	1438	267	1171	726	2445	2908	3354
7 Spalter	513	7	506	493	2756	2793	2818
8 Tettninger	1072	4	1068	1051	2808	2817	2833
9 Bramling Cross	946	1	945	934	1982	1983	1991
10 Bullion	548	9	539	518	3756	3811	3864
11 Progress	164		164	160	2024	2024	2041
12 Target	715	385	330	33	1247	2422	3536
13 Challenger	609	198	411	140	2325	3226	4194
14 K. Midseason	361	7	354	296	2272	2315	2456
15 Northdown	739	233	506	302	2278	3101	3610
16 Fuggles	884		884	884	2129	2129	2129
17 Goldings	550	1	549	547	3713	3718	3723
18 W G V	421		421	420	1912	1912	1914
19 Alliance	4		4	4	1082	1082	1082
20 Tutsham	16		16	16	1759	1759	1759
21 Saaz	33		33	33	2225	2225	2225
22 Strisselspalt	422	1	421	383	2250	2252	2325
23 Tardif de B.	16		16	16	1222	1222	1222
24 Star	9		9	9	1882	1882	1882
25 Autres	22	4	18	18	1219	1725	1725

29045

27047 24564

PROPOSAL FOR A  
REGULATION (EEC) OF THE COUNCIL  
laying down, in respect of hops, the amount of the aid to  
producers for the 1975 harvest

---

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof;

Having regard to Council Regulation (EEC) No 1696/71 (1) of 26 July 1971, on the common organization of the market in hops, as amended by the Act of Accession (2) and in particular Article 12 (4) and (5) thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament (3);

Having regard to the Opinion of the Economic and Social Committee;

Whereas Article 12 of Regulation (EEC) No 1696/71 provides for the possibility of granting aid to hop producers to enable them to achieve a fair income; whereas the amount of this aid is fixed per hectare and differs according to variety, taking into account the average return in comparison with the average returns for previous harvests, the current position of the market and price trends;

Whereas the study of the results of the 1975 harvest gives rise to the fixing of aid for certain varieties of hops cultivated in the Community;

Whereas the market is experiencing a collapse of prices as a result of the structural surpluses created by the excessive increase during 1975 in the areas under varieties with a high alpha acid content; whereas this situation must therefore be remedied by a limitation of the aid granted for a given area planted; whereas, for each variety, the areas which were registered in 1975 and already cultivated in 1974 are representative of the average for the last three years; whereas, for each variety, the aid granted should therefore be limited to these areas; whereas, moreover, implementation by the national authorities can be simplified and accelerated by such a measure,

HAS ADOPTED THIS REGULATION :

\* at a corresponding amount

- 
- (1) OJ No L 175, 4.8.1971, p. 1  
(2) OJ No L 73, 27.3.1972, p. 14  
(3)

Article 1

1. For the 1975 harvest aid shall be granted to the producers of hops cultivated in the Community, for the varieties referred to in the Annex.
2. The amount of the aid shall be that set out in the Annex.
3. The aid granted for each variety shall be limited to an amount corresponding to the areas under that variety in 1974.

Article 2

This Regulation shall enter into force on the third day following that of its publication in the Official Journal of the European Communities.

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

Done at

For the Council

The President



## ANNEX

Amounts of the aid granted to hop producers  
for the 1975 harvest

<u>Varieties</u>	<u>Amount in u.a./hectare</u>
Hallertauer	400
Northern Brewer	200
Brewers Gold	200
Record	600
Hersbrucker Spät	200
Hüller Bitterer	200
Spalter	300
Tettnanger	300
Bramling Cross	650
Progress	650
Target	200
Keyworth's Midseason	600
Fuggles	650
W.G.V.	650
Alliance	650
Tutsham	650
Saaz	650
Strisselspalt	650
Tardif de Bourgogne	650
Star	



Financial Memo on Regulation  
fixing the amount of aid to hop producers  
for the 1973 harvest

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1. The common organization of the market in hops, which entered into force on 7 August 1971, provides that the amount of aid is to be fixed, after the hops have been marketed, by a decision of the Council taken during the year following the year in which the product is harvested. Article 12 of the basic hops Regulation (Regulation (EEC) No 1696/71) provides that the aid is to be fixed taking into account :
  - the average return in comparison with the average returns for previous harvests ;
  - the current position and foreseeable trend of the market in the Community ;
  - external market trends and world market prices.

The object of this proposal is to fix the aids for certain varieties of hops for the 1975 harvest. These aids are applied for the first time to certain English and Irish varieties also.

2. On the basis of the report on the hop production and marketing situation and of the factors set out above, the Commission proposes to grant aid in respect of 20 varieties of hops which represent  $\pm 93\%$  of the area of Community hop cultivation. The financial effect of the aid proposed for the 1975 harvest would be as follows :

Variety	Approx. estimated area (ha)	Proposed aid/ha u.a.	anticipated expenditure u.a.
Hallertauer	5.662	400	2.264.800
Northern Brewer	6.845	200	1.369.000
Brewers Gold	3.250	200	650.000
Record	415	600	249.000
Hersbrucker Spät	2.510	200	502.000
Hüller bitterer	1.171	200	234.200
Spalter	506	300	151.800
Tettnanger	1.068	300	320.400
Bramling Cross	945	650	614.250
Progress	164	650	106.600
Target	330	200	66.000
Keyworth's Midseason	354	600	212.400
Fuggles	884	650	574.600
W.G.V.	421	650	273.650
Alliance	4	650	2.600
Tutsham	16	650	10.400
Saaz	33	650	21.450
Strisselspalt	421	650	273.650
Tardif de Bourgogne	16	650	10.400
Star	9	650	5.850
<b>TOTAL CEE</b>	<b>25.024</b>		<b>7.913.050</b>

3. As regards the financial effects of the aid, it should be noted that article 2 (1) of Regulation (EEC) n° 1350/72 provides that the application for aid is to be made by the producer within five months from the date of publication in the Official Journal of the European Communities of the Regulation fixing the amount of aid. Payment of aid in respect of the 1975 harvest can therefore be expected to be effected during the last months of 1976 and the first months of 1977. Consequently, the total amount of aid for the 1975 harvest (+ 7,9 million units of account) should be divided between the 1976 budget (Article 740) and the 1977 budget of the European Communities.

# FINANCIAL STATEMENT

DATE : 14 May 1976

1. BUDGET LINE CONCERNED : Article 732 (Hops Interventions)

2. ACTION : Proposal for a Regulation of the Council laying down in respect of hops, the amount of aid to producers for the 1975 harvest

3. LEGAL BASIS : Art. 12 of Regulation 1696/71 of the Council

4. OBJECTIVES :  
Granting of an aid to hop producers so that they may receive a fair income

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR ( )	FOLLOWING FINANCIAL YEAR ( )
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS)			
-CHARGED TO NATIONAL ADMINISTR.	7,9 M UA	7,9 M UA	-
-CHARGED TO OTHER NATIONAL GROUPS			
5.1 RECEIPTS			
-OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

YEAR ..... YEAR ..... YEAR .....

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE Measure concerning 1975 harvest only.

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS A new draft regulation will in future control this COM.  
(see Financial Statement Doc COM (76) 49 FINAL

5.2 METHOD OF CALCULATION

see over

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? YES/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? YES/NE

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? YES/NO

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? YES/NE

COMMENTS :

(1) Initial Budget credit 1976: 7 M UA. In the framework of the price proposals and associated measures (Doc COM(75) 600 Final/2 p. 119-130 and Doc. R 532/76 Annex V p. 19), 7 M UA have been added as short term requirements. Consequently, the total available amount is 14 M UA.

## 1. Method

The common organisation of the market in the hops sector lays down that the fixing of the amount of aid is a decision of the Council, after the marketing of the product, during the year following the harvest. According to the dispositions of Art. 12 of the base regulation (Regulation (EEC) No 1696/71), the aid is fixed taking into account:

- the average return compared to the average returns for previous harvests,
- the situation and visible trends in the Community market,
- the development of the external market and prices in international trade.

## 2. Calculation

Based on the report on the situation of production and marketing of hops and the above-mentioned criteria, the Commission proposes the granting of aid to 20 varieties of hops which represent approximately 93 % of the area planted to hops in the Community.

The financial consequences of the aid proposed for the 1975 harvest are as follows:

Variety	Estimated Area (ha)	Proposed Aid (ha)	Forecast Expenditure ua
Hallertauer	5.662	400	2.264.800
Northern Brewer	6.845	200	1.369.000
Brewers Gold	3.250	200	650.000
Record	415	600	249.000
Hersbrucker Spät	2.510	200	502.000
Hüller Bitterer	1.171	200	234.200
Spalter	506	300	151.800
Tettnanger	1.068	300	320.400
Bramling Cross	945	650	614.250
Progress	164	650	106.600
Target	330	200	66.000
Keyworth's Midseason	354	600	212.400
Fuggles	884	650	574.600
Whitbread Golding Variety (MGV)	421	650	273.650
Alliance	4	650	2.600
Tutsham	16	650	10.450
Saaz	33	650	21.450
Strisselspalt	421	650	273.650
Tardif de Bourgogne	16	650	10.400
Star	9	650	5.850
<b>TOTAL EEC</b>	<b>25.024</b>		<b>7.913.050</b>

## EXPLANATORY MEMORANDUM

1. The Commission considers that the market situation for hops for the harvest of 1976 is still that of surplus:

Estimated world demand 1976	108 000 t
Forecast production	110 000 t
Possible surplus	2 000 t
EEC Demand 1976	36 400 t
EEC Forecast Production	47 300 t
Surplus for net export	10 900 t
Estimated net export	9 - 10 000 t
Possible surplus	1 - 2000 t

### Stocks:

World + 74 000 t (35 % above normal)

EEC + 23 000 t (50 % above normal)

Planted area 1975 + 81 700 ha

World 1976 est. + 80 400 ha

2. The market stabilisation policy carried out in Germany for the 1975 harvest (withdrawal and storage of certain quantities of hops), although it succeeded in improving the prices of non-contract hops, did not as a result solve the problem because the policy was centred around a system of storage. Furthermore, the existence of stocks held by the producer groups has weakened the improvement of prices for advance contracts. Given the surplus situation in the market, a policy of aid to storage is in danger of encouraging a further over-production in the medium term, and consequently, a fall in prices and producer incomes.

3. In the medium term, for the 1977 and 1978 harvests, a partial grubbing scheme is an element of the modification of the base regulation presented by the Commission to the Council in February 1976. In the short term, it is therefore necessary to take measures having an immediate effect on the quantity of supply of hops for the 1976 harvest and accompanied by conditions calculated to ensure the structural alteration of hop gardens.

4. Given the present stage of cultivation activity, the Commission proposes a non-harvesting grant of certain areas in full production.

This measure would have the following advantages:

- reduction of world and community production, and improvement of prices,
- halt to the increase of stocks, and encouragement of a tendency to reduce,
- prevention of an over-large reduction of area in the Community, in view of the policies of area growth of other world producer countries,
- response to an essentially short-term situation.

5. An immediate action would have the advantage of reducing the financial cost to the Community, since at this time the costs of production (which are very high) have only been partially completed.

6. In the absence of a disposition in the base regulation for this action, the Commission, under Article 43 of the Treaty, is submitting a proposal to the Council envisaging the non-harvesting of certain areas:

- under the supervision of producer groups,
- limited to 10 % of the registered area of these groups (+ 2000 ha).

This measure could be expected to result in a reduction of the quantity of production of about 8 %. (+ 3500 t)

7. The level of this grant should be fixed at 1200 UA/ha in order to:

- compensate the costs of cultivation already completed,
- partially compensate the amortisation of investments,
- take account, in an equitable manner, of the loss of return to the producer.

The cost of this action would be 2,4 M UC at maximum, but it must be considered

1. that this aid would halt the tendency to price reduction on the market, and would therefore produce a higher return,
2. that the 2000 ha making up this action would be naturally excluded from and to the 1976 crop.



**PROPOSAL**  
FOR  
COUNCIL REGULATION (EEC)

laying down special measures for stabilizing the market in hops

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THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,  
and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the Opinion of the European Parliament,

Whereas in spite of the application of measures to stabilize the market, in particular those provided for in Article 12 (4) of Council Regulation (EEC) No 1696/71 of 26 July 1971 on the common organization of the market in hops (1), as amended by the Act of Accession (2), the Community market in hops still shows an imbalance between supply and demand; whereas this situation results in particular from the existence of stocks of hop powder which are much greater than users' requirements; whereas, in order to improve the situation, measures with an immediate effect on the volume of hop supplies from the 1976 harvest are required; whereas action should therefore be taken to adjust hop production as far as possible to present and foreseeable outlets for Community products in view of the high level of stocks;

Whereas, in order to encourage action of this kind, some inducement should be offered to growers to relinquish part of the hop harvest in 1976; whereas to that end provision should be made to grant a premium to producers who agree to apply this measure and who undertake to carry out, before the 1977 harvest, operations of varietal reconversion and the restructuring of hop gardens. Whereas the aim of the hop producer groups recognized under Article 7 of Regulation (EEC) No 1696/71 is in particular to adapt their production to the requirements of the market, and whereas they represent nearly all growers in the Community; whereas the granting of the premium should therefore be limited solely to these groups;

Whereas in the United Kingdom there are at present no producer groups meeting the criteria laid down in Article 7 of Regulation (EEC) No 1696/71; whereas to enable the United Kingdom to participate notwithstanding in the proposed measures to stabilize the market that State must be authorized to grant the premium in question directly to hop producers;

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(1) OJ No L 175, 4.8.1971, p. 1

(2) OJ No L 73, 27.3.1972, p. 14

Whereas it would appear sufficient, in order to achieve the desired aim, to withdraw from the harvest an area equal to 10 % of the registered area of the producer groups and the producers of the United Kingdom; whereas the premium should therefore be limited to 10 % of the surface in full production registered for each group in 1976;

Whereas the costs inherent in the various hop-growing operations are high; whereas, therefore, action must be taken while all expenses have not yet been incurred,

Whereas the amount of the premium must be fixed at a level which takes account, in particular, of expenses of cultivation already incurred, of the partial depreciation of investments and of equitable compensation for loss of income; whereas the premium should therefore be fixed at 1200 units of account per hectare withdrawn from the harvest;

Whereas the proposed measure constitutes an intervention (2) within the meaning of Article 3 (1) of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy (1), as last amended by Regulation (EEC) No 2768/72 (2),

HAS ADOPTED THIS REGULATION:

#### Article 1

1. At their request and under the conditions specified by this Regulation, recognized groups of Community hop producers shall qualify for a premium when they relinquish the hop harvest on areas not exceeding 10 % of the total area registered for each of these groups for the 1976 harvest, and which are in the third year of production or more. This aid shall not be granted except on presentation, by the beneficiary, of a written undertaking to carry out, before the 1977 harvest, operations of varietal reconversion and restructuring of hop gardens on the area for which the aid is requested.

2. The rules for granting the premium shall be adopted in accordance with the procedure laid down in Article 20 of Regulation (EEC) No 1696/71.

#### Article 2

The premium provided for in Article 1 shall be granted directly to the hop producers in the United Kingdom under the same conditions.

#### Article 3

The amount of the premium shall be fixed at 1200 units of account per hectare withdrawn from the harvest.

#### Article 4

Applications for the granting of the premium must be lodged before 1 August 1976.

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(1) OJ No L 94, 29. 4.1970, p. 13

(2) OJ No L 295, 30.12.1972, p. 1

Article 5

This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.

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

Done at

For the Council

The President

# FINANCIAL STATEMENT

DATE : 12 May 1976

1. BUDGET LINE CONCERNED : Article 732 (Hops intervention)

2. ACTION :  
Draft Regulation of the Council envisaging special measures relative to the stabilisation of the hops market

3. LEGAL BASIS : Article 43 of the Treaty

4. OBJECTIVES :  
Stabilisation of the hops market by encouraging planters not to harvest a part of the 1976 hop crop by granting an aid to non-harvesting

5. FINANCIAL CONSEQUENCE	FOR THE MARKETING YEAR	CURRENT FINANCIAL YEAR ( )	FOLLOWING FINANCIAL YEAR ( )
5.0 EXPENDITURE			
-CHARGED TO THE EC BUDGET (REFUNDS/INTERVENTIONS) (i)			
-CHARGED TO NATIONAL ADMINISTR.			
-CHARGED TO OTHER NATIONAL GROUPS	2,4 M UA	2,4 M UA	
5.1 RECEIPTS			
-OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)			
-NATIONAL			

YEAR ..... YEAR ..... YEAR .....

5.0.1 PLURIANNUAL PATTERN OF EXPENDITURE

5.1.1 PLURIANNUAL PATTERN OF RECEIPTS

limited to 1976 only

5.2 METHOD OF CALCULATION

2000 ha x 1200 UA/ha

6.0 FINANCING POSSIBLE WITH CREDITS INSCRIBED IN RELEVANT CHAPTER OF CURRENT BUDGET ? ~~YES~~/NO

6.1 FINANCING POSSIBLE BY TRANSFER BETWEEN CHAPTERS OF CURRENT BUDGET ? ~~YES~~/NO

6.2 NECESSITY FOR A SUPPLEMENTARY BUDGET ? YES/~~NO~~

6.3 CREDITS TO BE WRITTEN INTO FUTURE BUDGETS ? ~~YES~~/NO

COMMENTS : (i) This measure, during the 1977 financial year and after, should affect the amount of the financial outlay on payment of aid to hop producers. In reducing the supply of hops for the 1976 harvest, a rise in hop prices can be expected which will have the effect of reducing the level of aid.

