

16/1982
June 8, 1982

COMMON AGRICULTURAL PRICES 1982/83

The Council of Ministers of the European Communities adopted the following agricultural prices for the marketing year 1982/83.

The main elements taken into account in making the decisions on agricultural prices reflected (1) the difficult situation of the economy in the EC as a whole, (2) the serious income problems arising in agriculture, (3) the trends of production and consumption of agricultural products and (4) the situation of the Community budget.

(1) Average increases in prices

In its decisions, the Council adopted:

- increases of 10.5% or 11% for the principal animal products (10.5% for dairy products, lamb and mutton, and pork, 11% for beef in two stages) and 11% for wine and olive oil
- lower increases for several crop products: 8.5% for cereals (but only 7.5% for bread-wheat of minimum quality), 8.5% for colza and 9.5% for sugar
- higher increases for a number of Mediterranean products, including 12% for most fruit and vegetables, 11% for olive oil, 8-16% for tobacco and 11-14% for protein products and oilseeds.

The price decisions therefore, although representing an additional increase of between 1% and 2% as compared with the original proposals, and also slightly reducing the corresponsibility levy in the dairy sector, retained the structure and hierarchy proposed by the Commission on January 23, 1982.

/...

The average increase in common prices in ECU⁽¹⁾ for the Community as a whole is 10.4%. The effective increase in national money in each Member State differs according to the agri-monetary decisions (higher prices in national currency of the countries for which devaluations of "green" rates⁽²⁾ were decided, lower prices in countries for which there are revaluations of "green" rates). The average increase in national prices in the Community as a whole, taking account of all the agri-monetary adjustments adopted since the 1981/82 prices decisions, is 12.2%.

The impact of these increases on consumer food prices (in national currencies) is estimated at between 4.5 and 5% for the Community as a whole, which corresponds to about 1% of the cost of living. The effect on retail prices will vary from one product to another, and from one Member State to another, depending on the adjustments of "green" rates and the market situation prevailing for the different products. In recent years agriculture has made a contribution to the restraint of inflation, since between 1978 and 1981 agricultural producer prices rose at a yearly rate of 8.7%, food prices at 10.1% and consumer prices in general by 12.2%.

The average level in support price increases differs according to the Member States, according to the importance of different products in their agricultural production, and the adjustments of "green" rates.

Average increase in common agricultural prices as compared with the preceding year

	1981/82			1982/83		
	Common prices in ECU (1)	Prices in national money (2)	Inflation 1981 (3)	Common prices in ECU (1)	Prices in national money (2)	Inflation 1982 (3)
Germany	9.5	5.7	4.0	10.3	6.9	4.0
France	8.9	11.6	12.0	10.1	13.8	12.9
Italy	9.3	15.8	15.5	10.5	16.1	17.9
Netherlands	9.7	10.5	6.7	10.5	8.2	5.8
Belgium	9.8	10.6	5.1	10.4	16.3	8.7
Luxembourg	9.7	10.5	6.2	10.6	16.5	10.0
United Kingdom	8.9	8.9	11.7	10.1	10.1	9.1
Ireland	9.7	14.0	18.9	10.5	10.5	20.9
Denmark	9.4	12.2	10.4	10.2	13.7	11.5
Greece (4)	9.3	12.5	19.6	13.4	19.7	25.3
EUR 10	9.2	10.9	9.6	10.4	12.2	10.1

(1) Common prices in ECU (intervention prices or equivalent prices) weighted according to national agricultural production.

(2) Common prices in ECU converted into national money at green rates, taking account of all adjustments of green rates included in the price decisions or adopted since the preceding year's price decisions.

(3) Rate of inflation for the economy as a whole as indicated by the GDP deflator (implicit price of gross domestic product) for the calendar year in question, for 1982, forecast.

(4) Includes alignment of Greek prices on common prices due to accession arrangements.

(1) 1 ECU = \$1.02 (June 2, 1982)

(2) The "green" rate is the rate at which EC support prices, expressed in ECU, are translated into national currency

In most Member States the increases in agricultural support prices when expressed in national currency compare favorably with the national rate of inflation. These decisions should therefore help to protect the incomes and living standards of the 8.7 million persons employed in agriculture, and of their families.

(2) Guarantee thresholds

In its proposals the Commission declared that only with the modulation of guarantees, with producer participation in budgetary costs resulting from the cost of disposal of production in excess of guarantee thresholds, could a price fixing be achieved which is correct from the point of view of development of farm incomes and coherent with the Community's other objectives.

In its decisions, the Council adopted the main elements of the Commission's proposals for guarantee thresholds:

Cereals

A guarantee threshold of 119.5 million tons is fixed for 1982/83. If average production for the three marketing years 1980/81-1982/83 exceeds this level, intervention prices in 1983/84 will be reduced. However, if imports of cereals substitutes in the marketing year 1982/83 exceed 15 million tons, the guarantee threshold will be increased accordingly.

Colza

A guarantee threshold of 2.15 million tons is fixed for 1982/83. If average production for the three marketing years 1980/81-1982/83 exceeds this level, intervention prices in 1983/84 will be reduced.

Milk

If deliveries of milk in 1982 exceed those in 1981 by more than 0.5%, the Council will adopt appropriate measures to offset the additional expenditure. The Commission has indicated that for this purpose it would propose a reduction of the intervention price for 1983/84.

Processed tomatoes

A guarantee threshold of 4.5 million tons of fresh fruit processed is fixed for 1982. If production exceeds this level, the Council will take appropriate measures.

/...

(3) Financial Consequences

The EAGGF Guarantee appropriations in the budget adopted for 1982 were 13,671 million ECU; however, in the rectifying budget proposed by the Commission, these credits are to be reduced by 500 million ECU as a result of the economies made possible because of the more favorable evolution of markets than could be foreseen at the time the budget was drawn up. With this adjustment, the EAGGF Guarantee Section in 1982 will represent only 60% of the total budget, compared with 62% in 1981.

The financial implications of the Commission's original price proposals for 1982/83 would have been an extra budgetary cost of 522 million ECU by comparison with the original 1982 budget. The final decisions of the Council represent an extra cost of 770 million ECU by comparison with the original 1982 budget.

However, in view of the economies which can be expected in 1982 as a result of the favorable market situation, the Commission considers that the extra cost of the Council's price decisions can be covered within the 1982 budget appropriations, even after taking account of the proposed reduction of 500 million ECU. Thus the measures adopted will entail no increase in the 1982 budget, and the rate of increase in expenditure from the Guarantee Section in the period 1980-81 will have been maintained below the rate of increase in own resources.

Over a full period of 12 months, the Council's price decisions imply an increase in budgetary expenditure of 1,434 million ECU. This should still allow agricultural expenditure to grow less rapidly than own resources in the longer term.

Product	Category of price or amount	1981/82		1982/83 proposals		Period of application of the proposed prices	Greece (a)	
		Amounts ECU/ton	% increase	Amounts ECU/ton	% increase		Amounts fixed 1981/82 ECU/ton	Proposals 1982/83 ECU/ton
1	2	3	4	5	6	7	8	9
Cotton	Guide price	760.00	x	858.80	13	1.8.82 - 31.7.83	C.P.	C.P.
	Minimum price	722.00	x	815.90	13		C.P.	C.P.
Table wine								
Type RI	Guide price (per degree/hl or per hl according to type)	2.95	10	3.27	11	16.12.82-15.12.83	2.71	3.27 =C.P.
RII		2.95	10	3.27	11		2.71	3.27 =C.P.
RIII		45.97	10	51.03	11		C.P.	C.P.
AI		2.72	8.5	3.02	11		C.P.	C.P.
AII		61.26	10	68.00	11		C.P.	C.P.
AIII		69.96	10	77.66	11		C.P.	C.P.
Raw tobacco	Guide price		8		(x)	1982 harvest	C.P.	C.P.
	Intervention price		average					
Fruit & vegetables	Basic price		8 to 11		9-12(d)	1982 - 1983	(d)	(d)

(x) Increase of 8-16% but change in the relationship with the guide price.

Product	Category of price or amount	1981/82		1982/83 proposals		Period of application of the proposed prices	Greece (a)	
		Amounts ECU/ton	% increase	Amounts ECU/ton	% increase		Amounts fixed 1981/82 ECU/ton	Proposals 1982/83 ECU/ton
1	2	3	4	5	6	7	8	9
Olive oil	Production target price	2 727.70	10	3 027.70	11	1.11.82-31.10.83	C.P.	C.P.
	Intervention price	1 963.30	9	2 179.30	11		1 869.70	C.P.
	Production aid	600	7.5	666.00	11		120.00	256.50
Oilseeds	Target price							
	- Colza and rape seed	425.60	10	463.90	9.0	1.7.82-30.6.83	C.P.	C.P.
	- Sunflower seed (1)	477.50	12	544.40	14	1.9.82-31.8.83	C.P.	C.P.
	Basic intervention price							
	- Colza and rape seed	397.10	8	421.30	8.5(1)	1.7.82-30.6.83	C.P.	C.P.
	- Sunflower seed	440.60	10	497.30	14(1)	1.9.82-31.8.83	C.P.	C.P.
	Guide price							
	- Soya seed	462.60	10	527.40	14	1.11.82-31.10.83	C.P.	C.P.
	- Flax seed	464.00	10	515.00	11	1.8.82-31.7.83	C.P.	C.P.
	- Castor seed	598.10	10	663.90	11	1.10.82-30.9.83	C.P.	C.P.
Minimum price soya seed	416.30	7.6	464.10	11.5	1.11.82-30.9.83	C.P.	C.P.	
Minimum price castor seed	569.60	10	632.30	11	1.10.82-30.9.83	C.P.	C.P.	
Dried fodder	Fixed rate aid	7.03	8	8.01	14	19.5.82-31.3.83	C.P.	C.P.
	Guide price	148.08	10	168.81	14	1.7.82-30.6.83	140.93	162.70
	Aid for dehydrated potatoes	13.41	8	14.89	11		2.68	5.73
Peas & beans	Activating price	418.30	11.3	476.00	13.8	1.7.82-30.6.83	C.P.	C.P.
	Guide price	x	x	314.00	x			
	Minimum price	244.70	8	274.10	12			
Flax and hemp	Fixed rate aid (per ha)							
	- Fibre flax	296.48	12	335.02	13	1.8.82-31.7.83	59.30	83.76
	- Hemp	269.26	12	304.26	13		53.85	76.07

(1) Replacement of regionalised intervention system with a single intervention price system,

Table of price decisions for individual products

Product	Category of price or amount	1981/82		1982/83 proposals		Period of application of the proposed prices	Greece (a)	
		Amounts (1) ECU/ton (2)	% increase	Amounts ECU/ton	% increase		Amounts fixed 1981/82 ECU/ton	Proposals 1982/83 ECU/ton
1	2	3	4	5	6	7	8	9
Common wheat	Target price	230.55	7.73	250.61	8.70	1.8.82 - 31.7.83	C.P.	C.P.
	Common single intervention price	165.23	6	179.27	8.50		C.P.	C.P.
	Reference price for bread-wheat - average quality	192.72	7.5	209.10	8.50		182.44	C.P.
	- minimum quality	184.84	7.5	198.70(b)	7.5(b)		174.56	C.P.
Durum wheat	Target price	311.48	7.73	339.20	8.90	1.8.82 - 31.7.83	C.P.	C.P.
	Intervention price	274.99	7.50	298.36	8.50		251.79	C.P.
	Aid	85.18	7.50	92.85	9.00		57.23	66.14(c)
Barley	Target price	210.00	8.07	228.27	8.70	1.8.82 - 31.7.83	C.P.	C.P.
	Common single intervention price	165.23	6	179.27	8.50		C.P.	C.P.
Rye	Target price	210.00	6.43	228.27	8.70	1.8.82 - 31.7.83	C.P.	C.P.
	Intervention price	169.20	3.28	179.27	5.95		163.04	C.P.
Maize	Target price	210.00	8.07	228.27	8.70	1.8.82 - 31.7.83	C.P.	C.P.
	Common single intervention price	165.23	6	179.27	8.50		C.P.	C.P.
Rice	Target price-husked rice	450.50	10.37	496.69	10.2	1.9.82 - 31.8.83	C.P.	C.P.
	Intervention price - paddy rice	259.42	11	290.55	12		C.P.	C.P.
Sugar	Basic price for sugarbeet	35.91	8.5	39.32	9.5	1.7.82 - 30.6.83	C.P.	C.P.
	Intervention price for white sugar	469.50	8.5	514.10	9.5		C.P.	C.P.

(1) 1 ECU = \$1.02 (June 2, 1982)

(2) Metric ton

Product	Category of price or amount	1981/82		1982/83 proposals		Period of application of the proposed prices	Greece (a)	
		Amounts ECU/ton	% increase	Amounts ECU/ton	% increase		Amounts fixed 1981/82 ECU/ton	Proposals 1982/83 ECU/ton
1	2	3	4	5	6	7	8	9
Milk	Target price for milk	242.60	9	268.10	10.5	19.5.82-31.3.83))
	Intervention price))
	- for butter	3 178.40	9	3 497.00	10.0))
	- for skimmed-milk powder	1 324.50	9	1 462.30	10.4))
	- for cheese))
	. Grana padano 30-60 days	3 172.00	9.53	3 530.40	11.3))
. Grana padano 6 months	3 842.70	9.84	4 295.10	11.8))	
. Parmigiano-Reggiano 6 months	4 188.70	10.01	4 693.00	12.0))	
Beef and veal	Guide price for adult bovines (live weight)	1 728.00	7.5	1 918.70	8.5	19.05.82- 5.12.82))
		1 768.40	10.0))
	Intervention price for adult bovines (live weight)	1 555.40	7.5	1 726.80	8.5	6.12.83- 4.04.83))
		1 591.60	10.0	1 766.60	11	19.05.82- 5.12.82))
Lamb and mutton	Basic price (slaughter weight)	3 708.80	7.5	4 098.20	10.5	6.12.83- 4.04.83))
						19.5.82-4.4.83))
Pork	Basic price (slaughter weight)	1 761.80	11.0	1 946.80	10.5		C.P.	C.P.
Silk-worms	Aid per box of silk seed	85.00	19.4	100.00	17.6	1.11.82-31.10.83	64.03	73.02

Footnotes

- (a) Greek prices are shown only where they differ from the common prices.
C.P. = common price.
- (b) The price is reduced by 10.40 ECU per ton where special intervention measures are applied to the minimum breadmaking quality.
- (c) For Greek regions which did not receive national aid before accession : 23.21 ECU per ton .
- (d) Products in Annex II of the Council Regulation (EEC) No 1035/72 of 18 May 1972 and periods of application.

Greece

	<u>1981/82</u>	:	<u>1982/83</u>	:	<u>1982/83</u>	
Cauliflowers	+ 11 %	:	+ 12 %	:	C.P.	: 17. 5.1982 to 30. 4.1983
Tomatoes	8 %	:	9 %	:	17.1 %	: 11. 6.1982 to 30.11.1982
Peaches	11 %	:	12 %	:	19.6 %	: 1. 6.1982 to 30. 9.1982
Lemons	11 %	:	12 %	:	21%=C.P.	: 1. 6.1982 to 31. 5.1983
Pears	11 %	:	12 %	:	- 1.8 %	: 1. 7.1982 to 30. 4.1983
Table grapes	11 %	:	12 %	:	9.6%=C.P.	: 1. 8.1982 to 31.10.1982
Apples	9 %	:	11 %	:	C.P.	: 1. 8.1982 to 30. 6.1983
Mandarins	11 %	:	11 %	:	15.9 %	: 16.11.1982 to 28. 2.1983
Sweet oranges	11 %	:	12 %	:	21.7 %	: 1.12.1982 to 31. 5.1983
Apricots	-	:	-	:	C.P.	: 1. 6.1982 to 31. 7.1982)
Aubergines	-	:	-	:	C.P.	: 1. 7.1982 to 31.10.1982)

) Prices calculated pursuant to Art.16 of Reg. 1035/72

- (x) Increases in 1982/83 in Guide Prices and Premiums for tobacco varieties

<u>Variety</u>	<u>Guide Price</u>	<u>Premium</u>
Basmas	16%	12%
Katerini, Kabakoulak classic, Zychro Myrodata	14%	12%
Myrodata Agrinion	12%	12%
Kentucky	9%	15%
Paraguay	9%	13%
Xanti-Yaka, Perustitza, Erzegovina, Round tip	8%	13%
Others	8 - 11%	9 - 15%

