

European Communities

EUROPEAN PARLIAMENT

Working Documents

1983-1984

12 March 1984

DOCUMENT 1-1376/83/ANNEX

ANNEX

to the report drawn up by Mrs SQUARCIALUPI
on behalf of the Committee on the Environment,
Public Health and Consumer Protection

on waste

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OPINION OF THE COMMITTEE ON TRANSPORT

Draftsman : Mrs M. VON ALEMANN

PE 83.248/fin./Ann.

OPINION
(Rule 101 of the Rules of Procedure)
of the Committee on Transport

Draftsman: Mrs M. von ALEMANN

On 25 January 1984, the Committee on Transport appointed Mrs M. draftsman.

The committee considered the draft opinion at its meeting of 28 February 1984 and adopted it unanimously at that meeting.

The following took part in the vote: Mr Seefeld, chairman; Dame Shelagh Roberts and Mr Carossino, vice-chairmen; Mrs von Alemann, rapporteur; Mr Albers, Mr Karl Fuchs (deputizing for Mr Baudis), Mr Key, M Mr Martin, Mr Moorhouse, Mr Moreland (deputizing for Lord Harmar-Nicholls), Mr Ripa di Meana, Mrs Scamaroni and Mr Veronesi (deputizing for Mr Cardia).

I - PURPOSE AND SCOPE OF THE MOTION FOR A RESOLUTION

1. The motion for a resolution tabled by Mrs VAN HEMELDONCK, Mrs WEBER and Mrs LIZIN (Doc. 1-631/83) was drawn up following the accident which occurred at Huy (Belgium) on 30 June 1983. On that day, the driver of a lorry transporting about 100 drums containing toxic substances (nitric acid, chloric acid, perchlorethylene, etc.) lost control of his vehicle in one of the main streets of Huy, killing three people and injuring five.

2. It is unfortunate that the serious problems posed by the transport of dangerous substances should be considered under the pressure created by such incidents. For the experts, such incidents are, in fact, rare and generally occur in exceptional circumstances or are classed together with other road accidents and consequently become routine or regarded as inevitable.

3. For their part, the European Parliament and this committee, have always regarded this problem as an important one.

The report by Mr GATTO (Doc. 1-357/81/rev.) listed a number of possible Community measures for the transport of dangerous substances, but none of them were introduced.

When drafting the opinion for the Committee on the Environment, Public Health and Consumer Protection on the Commission's proposal on the transfrontier shipment of wastes, your draftsman herself proposed some explicit amendments which were adopted by the European Parliament at its sitting of 8 June 1983 (Doc. 1-370/83). These related, in particular, to packaging requirements to cover the eventualities of overturning, damage or crushing and to the routes that vehicles transporting dangerous substances would be required to use (special routes or those avoiding the busiest roads, built-up areas and peak periods).

II - THE LESSONS TO BE LEARNED FROM THE ACCIDENT AT HUY

4. An analysis of the circumstances surrounding an accident frequently shows how many accidents can be prevented or, at least, highlights non-compliance with or gaps in existing legislation.

5. On the basis of the various details which have been given in the press or obtained from the Belgian Ministry of Transport, the following statements can be made about the accident at Huy:

- the probable cause of the accident was a failure of the braking system which was apparently not connected with poor maintenance of the vehicle. Moreover, there was also no specific contravention of the Highway Code;

- the accident occurred in a steeply sloping street in Huy where several similar accidents (brake failure) had already occurred;

- the drums, of which there were about 100, started to fall off the lorry at the first impact, clearly showing that they were inadequately secured;

- the photographs taken immediately after the accident show that the driver's cab suffered relatively little damage, while the structure of the back of the lorry, especially the side framework, was largely destroyed and consequently allowed the drums to escape.

6. The results of the enquiry are not yet known, but the information obtained certainly confirms that the drums were hardly secured at all and that some statutory safety markings were not shown either on the lorry or on the drums; these last two factors, however, have no bearing on the accident.

7. In this case, it therefore seems that on the basis of the information available, the following can be regarded as contributory factors: gaps in the legislative provisions (no ban on passing through built-up areas or using steep hills), their weak points (the ADR rules which apply in Belgium are rather vague despite the length of the provisions; it is stated that vehicles must be 'properly secured'. This also applies to the characteristics of the vehicle body with regard to the carriage of the substances involved in the Huy accident), as well as non-compliance with current rules (inadequate marking of the drums and lorry).

III - ROAD ACCIDENTS INVOLVING THE TRANSPORT OF DANGEROUS GOODS IN THE EUROPEAN COMMUNITY

8. While the rate of such accidents is actually less dramatic than that of ordinary road accidents, the number is nonetheless higher than the figures generally available would indicate.

9. Figures are not compiled in every Member State, far from it. Some Member States treat them as being more or less confidential.

No figures are compiled at Community level, for example, which would enable accidents occurring during the transport of dangerous substances in the various Member States to be evaluated, let alone compared.

10. Figures compiled to date show that there were 233 accidents in France in 1982, killing 40 people and injuring 198, 50 of them seriously.

In Belgium, 89 accidents were recorded in 1981¹, causing 6 deaths and 19 cases of serious injury.

Denmark and Ireland have not carried out any statistical studies on the transport of dangerous substances.

The Netherlands and the Grand Duchy of Luxembourg are considering the possibility of recording the number of accidents, but no figures are available so far.

At present the appropriate departments of the German Ministry of Transport do not have any official statistics on the various cases of accidents involving the transport of dangerous substances.

11. The last five years do not show any particular changes, either improvement or deterioration. It is therefore a question of whether the accident rate is an 'irreducible minimum' or whether current legislation should be improved.

IV - NATIONAL, INTERNATIONAL AND COMMUNITY REGULATIONS

12. The situation with regard to national legislation is very uneven in respect of both preventive measures and penalties.

While some countries, such as France, have specific national legislation and enforce the international rules concerning the international carriage of dangerous substances, others, such as Belgium, have merely regarded the current international legislation ratified by them, the ADR, as being their national legislation.

13. At international level, the key agreement is the ADR (European Agreement concerning the International Carriage of Dangerous Goods by Road), which came into force in 1968. The regulations under the agreement cover the packaging and labelling of dangerous substances as well as the design, equipment and routing of the vehicle carrying the goods concerned, appearing in annexes A and B of the agreement, which is of substantial proportions.

¹The 1982 figures are provisional and show 87 accidents

This agreement has been ratified by 18 European states, including 8 Community Member States, the two exceptions being Ireland and Greece.

14. The agreement's chief merit is its actual existence, of course, but a major accusation which can be levelled against it is its vagueness with regard to the conditions for packaging and securing some product categories. Hauliers are given wide discretion in interpreting the rules, although compliance with them is assumed.

The ADR has also allowed derogations for some states, and there are many bilateral agreements between the signatories to it.

15. At Community level, the existence of the ADR has been the main reason why the Community has not adopted specific regulations. There are, nonetheless, a few directives of limited scope, including the amended Directive 67/548/EEC on the packaging and labelling of dangerous substances.

The Commission may also be criticized for underestimating the problem of the transport of dangerous waste to some extent. There was no mention of the need to use special routes or to avoid built-up areas and peak traffic periods (Art. 8) until the publication of the amended version of these provisions (COM(83) 386 final) and the amendments made by the European Parliament.

The Commission, however, did not adopt a European Parliament amendment to Article 11, which was also very important and prescribed how the packaging should offer the maximum degree of security in the event of an accident.

V - RECOMMENDATIONS FOR COMMUNITY MEASURES ON THE TRANSPORT OF DANGEROUS SUBSTANCES

16. Community measures must clearly fit in with existing international agreements, especially where a European agreement, in this case the ADR, is concerned.

The first and essential step is for Ireland and Greece to ratify the ADR. This is a first stage which would put all the Member States on an equal footing.

17. There are then two ways of achieving the objective: either specific Community legislation to clarify and strengthen the provisions of the ADR, or action by each Member State to modify the ADR in the way required.

18. Amending the ADR would appear to be the simplest and most logical solution; it would require the introduction of new rules at Community level and would not create discrimination.

This solution, however, comes up against an obstacle which should not be underestimated, namely the possibility that a more restrictive version would be arrived at which would consequently cause problems with implementation in some countries, none of them Community Member States. There is therefore the risk of becoming involved in protracted negotiations and failing to achieve definite results.

19. Following ratification of the ADR by all the Member States, the second solution would aim to introduce Community rules which would tighten up the ADR provisions (including annexes A and B) but would also interpret the present derogations more generously.

20. National regulations should be brought into line with the ADR as far as possible.

21. As previously suggested in the GATTO report, the Community should also provide for special training or adequate qualifications for the drivers of vehicles transporting dangerous substances, perhaps in the form of a special licence; this is not provided for by the ADR.

22. Stringent routing rules should also be adopted in the shape of routing restrictions, comprising either the reservation of special routes for the transport of dangerous substances or prohibitions on passing through built-up areas, using specific roads or travelling during certain peak periods.

23. The validity of any legislation also depends on its effective enforcement. There should therefore be heavy penalties for non-compliance and these should be coordinated at Community level.

24. Figures on accidents involving the transport of dangerous substances should be compiled and analyzed at Community level with a view to determining the causes and then proposing measures to prevent the recurrence of such accidents, and biennial reports on this subject should be submitted to the European Parliament.

25. Finally, the draftsman notes with regret that despite three meetings of the Council of Environment Ministers on 16 June, 28 November and 16 December 1983, no decision has yet been taken concerning the directive on the transfrontier shipment of hazardous wastes, the urgent need for which was surely indicated by the tragic-comic peregrinations of the Seveso waste in the first half of 1983.

EUROPEAN PARLIAMENT

Working Documents

1983 - 1984

13 February 1984

DOCUMENT 1-1378/83

Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (Doc. 1-1406/83 - COM(83) 659 final) for a regulation amending Regulation (EEC) No. 2759/75 on the common organization of the market in pigmeat

Rapporteur: Mr T. TOLMAN

PE 87.271/fin.
Or. Ne.

At its sitting of 16 May 1983 the European Parliament referred the motion for a resolution tabled by Mr COTTRELL pursuant to Rule 47 of the Rules of Procedure on the crisis in the British pigmeat industry (Doc. 1-185/83) to the Committee on Agriculture as the committee responsible and to the Committee on Budgets for an opinion.

At its meeting of 27 May 1983, the committee decided to draw up a report and at its meeting of 15 June 1983 it appointed Mr TOLMAN rapporteur.

At its meeting of 1 and 2 February 1983, the Council announced that Parliament would be consulted on the proposal from the Commission to the Council for a Council Regulation (EEC) amending Regulation (EEC) No. 2759/75 on the common organization of the market in pigmeat.

By telex of 9 February 1984 the President of the Council of the European Communities consulted the European Parliament on this proposal which was referred to the Committee on Agriculture as the committee responsible.

The committee decided to deal with this proposal in the context of the above-mentioned report.

It considered the draft report at its meetings of 30 November and 1 December 1983 and 1/2 February 1984 and adopted it at the last meeting by 23 votes to 2.

The following took part in the vote: Mr Curry, chairman; Mr Früh and Mr Delatte, vice-chairmen; Mr Tolman, rapporteur; Mr Battersby, Mrs Castle, Mr Cottrell (deputizing for Mr Simmonds), Mr Dalsass, Mr Eyraud, Mr Gautier, Mr Goerens (deputizing for Mr Maher), Mr Helms, Mr Hord, Mr Kaloyannis, Mr Kirk, Mr Marck, Mr Maffre-Baugé, Mr Mertens, Mr Provan, Ms Quin, Mr Stella (deputizing for Mr Colleselli), Mr Sutra, Mr Thareau, Mr Vernimmen and Mr Vgenopoulos.

The report was tabled on 3 February 1984.

The Committee on Budgets decided not to deliver an opinion.

The deadline for tabling amendments to this report will be given in the draft agenda of the part-session at which it is to be considered.

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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

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 2759/75 on the common organization of the market in pigmeat

The European Parliament,

- having regard to the proposal from the Commission to the Council (COM(83) 659 final),¹
 - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 1-1406/83),
 - having regard to the motion for a resolution on the crisis in the British pigmeat industry (Doc. 1-185/83),
 - having regard to the report of the Committee on Agriculture (Doc. 1-378/83),
 - having regard to the result of the vote on the Commission proposal,
- A. whereas the production and processing of pigmeat in the Community faces periodic difficulties,
- B. whereas these difficulties affect British pigmeat producers more severely than producers in other Member States,
- C. whereas, unlike many other common organizations of the market, the market organization for pigmeat simply comprizes measures to support the market and does not guarantee prices,

¹ OJ No. C 319, 25.11.83, p. 3

1. Believes that the main reason for the current difficulties in the pigmeat sector in the U.K., which are more serious than the traditional cyclical depressions of the pigmeat sector, have been caused by the imbalance between cereal prices, which are strongly supported by the CAP, and pigmeat prices, which are only supported to a small extent by the CAP, leading to the squeezing of pigmeat producers' margins;
2. Believes that the current difficulties in the pigmeat sector are partly due to the stagnation in meat consumption, the fact that exports were blocked for a certain period, and the fact that the cost of feedstuffs has increased sharply;
3. Believes that policy in respect of the pigmeat sector must not be fundamentally changed, since more guarantees would probably lead to structural overproduction;
4. Notes that EAGGF expenditure is very low compared with the scale of pigmeat production in the Community and that this expenditure actually fell by 28% between 1981 and 1982;
5. Considers, however, that a flexible application of the aid rules for private storage could help to alleviate crises;
6. Agrees with the Commission's proposal that the provisions of Regulation (EEC) No. 2759/75 relating to intervention measures in the form of buying in by intervention agencies should be repealed;
7. Would be opposed, however, to any abolition of the intervention price, as this would remove the basis for other intervention measures;
8. Considers that no exceptions can be made for the United Kingdom in making available intervention grain, as this would contravene the principle of Community preference;
9. Considers it unjustified, therefore, virtually to exclude the pigmeat sector from the Community market organization system and thereby to weaken the organization of the market;

10. Calls on the Commission to draw up a report on the situation in the European pigmeat sector and to communicate the results to the European Parliament;
11. Believes that measures are urgently needed to improve the pigmeat processing and marketing structures in certain Member States in order to increase their competitiveness;
12. Calls on the Commission to consider urgently the adoption of a procedure whereby the Commission can apply special measures to any agricultural sector seriously affected by a policy in another agricultural sector;
13. Instructs its President to forward to the Commission and the Council the proposal from the Commission as voted by Parliament and the corresponding resolution as Parliament's opinion.

EXPLANATORY STATEMENTI. Position of the pigmeat sector

1. In 1981, pigmeat production in the ten Member States amounted to 10.3 m tonnes, corresponding to 11.9% of total agricultural output in terms of value. Pigmeat production is concentrated in the areas around the North Sea and the English Channel and in Northern Italy. Consumption in 1981 was 10.1 m tonnes, so the degree of self-sufficiency was 101.6%.

The degree of self-sufficiency, however, varies widely between Member States, ranging in 1981 from 368% in Denmark to less than 65% in the United Kingdom. Levels of more than 100% are also found in the Netherlands, Belgium/Luxembourg and Ireland. In the remaining countries the degree of self-sufficiency is below 100%.

Net pigmeat production in the Community (1)

(x 1000 tonnes)

	1979	1980	1981	Degree of self-sufficiency 1981(%)
W. Germany	3,169	3,214	3,182	86.2
France	1,849	1,860	1,907	83.6
Italy	1,033	1,086	1,106	77.7
Netherlands	1,104	1,126	1,194	236.7
Belgium	650	661	672) 155.1
Luxembourg	8	8	8)
UK	940	928	933	66.7
Ireland	152	153	150	124.1
Denmark	893	966	987	386.1
EUR 9	9,797	10,001	10,138	101.8
Greece	148	144	154	84.2
EUR 10	9,945	10,145	10,292	101.5

(1) Total number of carcasses

2. Common organization of the market in pigmeat

The basic regulation (Regulation EEC (No. 2759/75)) contains a number of internal market rules together with a number of measures to protect the pigmeat sector at the Community's frontiers.

To protect agricultural incomes in the Community, a basic price is fixed as a reference for the application of intervention measures. It is fixed annually and applies to standard-quality pig carcasses. If the Community market price for pig carcasses falls under 103% of the basic price, and is likely to remain below this level, intervention measures may be taken. These involve either intervention buying or aid for private storage.

For intervention buying, the buying-in price is fixed between 92 and 78% of the basic price. This measure has so far not been resorted to very often and the last time intervention buying took place was in 1971. Usually, intervention takes the form of measures to aid private storage, which has less impact on the mainly market-regulated balance between supply and demand.

Protection at Community frontiers comprises import levies and export refunds, combined with intervention measures. If the levies are not high enough to protect the market on account of abnormal world market prices, a sluice-gate price may be applied with the effect of increasing the levies by an additional amount.

The current system of monetary compensatory amounts for pigmeat has been questioned by a number of countries, as they fear that the MCAs will lead to their markets being flooded with imported pigmeat, causing prices to fall.

3. Characteristics of pig farming

Pig farming can be classified as agricultural processing (feed conversion) of an industrial nature. This sector is becoming less and less land-intensive. The limited aid measures for pigmeat mean that the market regulates itself to a certain extent, with the price mechanism balancing supply and demand over the medium term.

Nevertheless, it has been noted that the cyclical component in production, which used to accompany the cyclical component in prices, has more or less disappeared, mainly as a result of intensified production.

4. Budgetary aspects

Although pigmeat comprises 12% of the Community's agricultural production, expenditure on the pigmeat sector in 1981 was no more than 1.4% of total expenditure under the EAGGF, Guarantee Section. In the same year, the beef sector with 15% of agricultural output in terms of value, accounted for 12.9% of total expenditure under the Guarantee Section.

In 1981, 132.6 m ECU was spent on refunds and 22 m ECU on interventions, amounting to a total of 154.6 m ECU.

With the increasing pressure on the meat market as a result of the drop in total meat consumption, there are increasing demands from the pig farming sector for more aid. Seeing that cattle and sheep farmers are able to benefit from guaranteed prices, intervention buying and a number of other measures providing direct income support, pig farmers want to force through a reform of the organization of the pigmeat market. It is, however, clear that relinquishing a relatively free market in this sector will lead to massive overproduction, which will only increase the problems facing agricultural policy.

II. The British pigmeat industry

1. Mr Cottrell's resolution

The resolution which prompted this report states that Community policy brings considerable benefits to grain producers but consequent disadvantages to the pigmeat and poultry sectors, which are faced with ever-increasing feed prices.

It also notes that intervention grain is being sold at subsidized, prices in markets such as Spain, whereas high prices must be paid for this grain for use as feed.

The Commission is therefore requested to evince the genuine spirit of 'Community preference' by making intervention grain available to the UK pigmeat and poultry sectors at prices similar to those prevailing in the Spanish export trade.

The Commission is also asked to draw up future price reviews on the basis of a genuine balance in the industry, particularly between the production and consumption of grain.

2. Brief analysis of the situation in the United Kingdom

From 1982 to the middle of 1983, pigmeat prices fell in the United Kingdom as a result of an abnormal increase in production. The pressure on prices was reinforced by the fact that Danish exports to a number of countries, including Japan, were blocked as a result of an outbreak of foot-and-mouth disease, which increased the strain on the British market still further.

In spite of the relatively low prices, British farmers were unable to export their increased production because of the lack of an adequate infrastructure.

In this connection, it may be noted that in the price review of April 1983, a total of 10 m ECU was granted to British slaughterhouses to ease this situation. The drop in pigmeat prices naturally also led to a fall in the ratio of the price paid for pigs to the price that breeders had to pay for barley - from about 7.5 at the beginning of 1982 to less than 6 by the middle of 1983. This means of course that the cost of producing 1 kg of pigmeat has risen sharply, since feed costs comprise about 60% of total costs in the pig sector. The situation has however improved in recent months on account of the fall in production, - 1.4% between June 1983 and June 1982, and prices are tending upwards, so the difficulties should in principle soon be resolved.

III. The European pig sector

In most Member States, pig prices have fallen compared with the previous year's prices, while at the same time feed costs have risen by 8 to 10%. The profitability of this sector has therefore been severely hit. Furthermore, it should be noted that there is currently an upswing in the production cycle, so the prospects for the coming months are for further production increases.

The table below provides a breakdown of the main production forecasts for 1983 and 1984, together with estimated consumption and degree of self-sufficiency.

Pig production and consumption in the Community (1,000 t)

	1981	1982	1983(a)	1984(a)
Total production	10,239	10,241	10,516	10,594
Belgium/Luxembourg	653	654	675	675
Denmark	1,000	992	1,035	1,020
West Germany	3,082	3,064	3,040	3,240
Greece	154	154	150	150
France	1,786	1,756	1,800	1,800
Ireland	148	149	156	154
Italy	1,061	1,060	1,060	1,060
Netherlands	1,406	1,429	1,465	1,500
United Kingdom	949	983	1,035	955
Consumption	10,075	10,151	10,300	10,425
Degree of self-sufficiency	101.3	100.9	102.1	101.6

(a) estimate

Source: EC

In July 1983 the reference price was still 8% lower than in 1982. Taking into account inflation, however, producer revenue for the EEC as a whole fell by about 15% in real terms. The following table shows the wide differences between the various Member States, whereby it may be remarked that the fall was greatest in Belgium and smallest in the Netherlands. In the United Kingdom, the difference in the reference price in ECU was -3.9% for July 1983 compared with July 1982.

Pig prices (reference price) in the European Community (ECU per 100 kg pig carcasses)

	1982 July	1983 July	July 1983/82
Belgium	175.47	143.47	-18.2
Denmark	147.83	140.15	- 5.2
West Germany	154.31	139.45	- 9.6
Greece	162.05	185.81	+14.7
France	178.40	159.90	-10.4
Ireland	159.03	154.52	- 2.8
Italy	168.62	151.10	-10.4
Luxembourg	189.17	162.55	-14.1
Netherlands	148.25	145.66	- 1.7
United Kingdom	146.15	140.00	- 3.9
EC	158.43	146.13	- 7.8
EC - price as % of basic price	89.93	75.06	

There is little sign of a speedy recovery in Community pigmeat prices, apart from the resumption of Danish exports to Japan, which, as mentioned earlier, will reduce the pressure on the European market, particularly in the UK. The sample results of April 1983 indicate that production will continue to increase (see also Table II). In April 1983, breeding stocks were indeed 3% higher than in April 1982. This figure, however, reflects substantial increases of 5% in the Netherlands and West Germany and 4% in the United Kingdom, with increases of 2% in France and 3% in Belgium, whereas the Italian sow population remained stable and the Danish sow population fell by 2%.

This increase in the sow population is rather surprising, considering that profitability has been falling constantly for some time. The explanation is therefore to be found elsewhere, in factors such as reduced interest rates, the continued increase in productivity, increasing specialization and unemployment, which stops many young people from leaving the farm.

Denmark is the only country to have reacted quickly to this drop in profitability, but in that country pig farming is encumbered with an extremely heavy debt burden, which has severely undermined the confidence of Danish pig farmers. Thanks to the slight rise in prices, profitability will possibly improve somewhat by the end of 1983, but will nevertheless remain fundamentally weak.

Other important factors are more calorie-conscious eating habits in countries such as West Germany, which has a very high per capita consumption, the sluggish economic recovery, which removes the incentive to increase meat consumption and, finally, the increasing production of beef and veal, which perhaps makes it possible to sell these products at lower prices.

IV. Conclusions

The concern expressed by the author of the motion for a resolution about the situation in the United Kingdom also applies to a certain extent to the other Member States. The even less favourable situation in the United Kingdom compared with the other Member States is probably due to the interaction of a number of factors:

- increased production of pigmeat;
- greater pressure on the British market from Denmark;
- the lower percentage of so-called substitute products, used as feed in the United Kingdom coupled with the higher percentage of domestically produced barley used;
- the inability to export, in spite of prices sometimes as much as 30% lower than in other pigmeat-producing countries.

The reopening of the Japanese market to Danish pigmeat is slowly removing the pressure on the European market as a whole and prices are rising relatively quickly, namely from 145 ECU in July 1983 to 160 ECU per 100 kg in October 1983.

Commission policy is geared to maintaining an optimum balance between grain prices and the prices of animal products, particularly pig products. The Council also appears to subscribe to this approach, since grain guarantee prices for the 1983/84 marketing year have been increased by 3%, while the basic price for pigmeat has gone up by 5.5%.

Furthermore, in the farm price negotiations for 1983/84 the Commission submitted a proposal to the Council for 2 to 3 million tonnes of grain from intervention stores to be made available, following consultation with the Management Committee, for livestock feed, particularly in the pig farming sectors.

According to the Commission, the situation in the grain sector has since changed - intervention stocks having fallen - and thus made such a measure superfluous.

The rapporteur believes that the common organization of the market in pigmeat has helped to keep production in this sector under control. More guarantees would probably result in surpluses, with all the ensuing budgetary and income problems. It is, however, urged that the rules governing aid for private storage be applied more flexibly so as to ensure that more effective action can be taken in the recurrent 'difficult months'.

The Commission is also asked to investigate how interplay between the grain and pigmeat sectors can be improved and to act on the conclusions of this investigation.

Finally, the Committee on Agriculture is opposed to special advantages being accorded to a particular Member State in the application of market regulations. Aid may be given, though, for marketing projects with a view to remedying excessively adverse situations.

tabled by Mr COTTRELL

pursuant to Rule 47 of the Rules of Procedure

on the crisis in the British pigmeat industry

The European Parliament,

- A. observing with deep concern the distortive effects of the growing accumulation of grain held in intervention stores within the Community,
- B. considering that this policy is leading to divisive trends in Community agriculture, namely a considerable benefit to grain producers but a consequent disadvantage to the pigmeat and poultry sectors faced with ever increasing feed prices,
 - 1. Observes that this is nowhere more serious than in the United Kingdom - where some pigmeat producers report annual losses now in excess of £12,000 per annum;
 - 2. Notes that while intervention grain is being disposed of at subsidised prices to markets such as Spain for example, while at the same time feed compounders have just raised prices by £5 per tonne;
 - 3. Seriously questions the wisdom of perpetuating a policy in which a record grain harvest such as that grown in 1982 brings no benefit to sectors of agriculture such as pigmeat and poultry - sectors in which the producers are contemplating bankruptcy while grain producers are constantly encouraged by an over-generous intervention regime;
 - 4. Reminds those remaining enthusiasts for the common agricultural policy that it is supposed to be based on 'Community preference';

THEREFORE

- 5. Requests the Commission to invoke the genuine spirit of 'Community preference' by making intervention grain available to the UK pigmeat and poultry sectors at prices similar to those prevailing on the Spanish export trade;
- 6. Further demands that the Commission make an urgent study of the worsening distortions in grain production policy with a view to making recommendations for change to the Parliament;
- 7. Further instructs the Commission to prepare future price reviews for agriculture on the basis of seeking genuine balance in the industry, particularly between the grain production and consumption sector