

# European Communities

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EUROPEAN PARLIAMENT

## Working Documents

1974-1975

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9 December 1974

DOCUMENT 389/74

### Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council for a decision (Doc. 371/74) extending the period of operation of the system of minimum prices for potatoes and certain vinegars

Rapporteur: Mr. P. BOURDELLES

PE 39.008/fin.

1.22.



By letter of 20 November 1974 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a decision extending the period of operation of the system of minimum prices for potatoes and certain vinegars.

The President of the European Parliament referred this proposal to the Committee on Agriculture.

On 21 November 1974 the Committee on Agriculture appointed Mr Bourdellès rapporteur.

It considered this proposal at its meeting of 28 and 29 November 1974 at which it adopted the motion for a resolution by 18 votes with 1 abstention.

The following were present: Mr Houdet, chairman; Mr Vetrone and Mr Laban, vice-chairmen; Mr Bourdellès, rapporteur; Mr Baas, Mr Brøndlund Nielsen, Mr Brugger, Mr Cipolla, Mr Frehsee, Mr Früh, Mr Howell, Mr de Koning, Mr Ligios, Mr Martens, Mrs Orth, Mr Radoux (deputizing for Mr Della Briotta), Mr Schwabe (deputizing for Mr Brégégère), Lord St. Oswald and Mr Scott-Hopkins.

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The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a decision extending the period of operation of the system of minimum prices for potatoes and certain vinegars.

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council <sup>1</sup>,
  - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 371/74);
  - having regard to the report of the Committee on Agriculture (Doc. 389/74 );
1. Approves the Commission's proposal;
  2. Keenly regrets that the Commission has still not submitted a proposal for a regulation concerning the common organization of the market in potatoes;
  3. Instructs its President to forward this resolution and the report of its committee to the Council and the Commission of the European Communities.

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<sup>1</sup> OJ No.C151, 30.11.1974, p. 8



EXPLANATORY STATEMENT

1. The European Parliament has been asked to consider a proposal for a Council decision extending the system of minimum prices for the period 1 January 1975 to 31 December 1975.
2. The European Parliament is faced with a proposal of this kind every year. It has already delivered opinions on proposals to extend this system for the periods 1 January 1970 to 31 December 1971 (see report by Mr Kollwelter Doc.180/69), 1 January 1972 to 31 December 1972 (see report by Mr Kollwelter, Doc. 200/71), 1 January 1973 to 31 December 1973 (see report by Mr Kollwelter, Doc.218/72 and 1 January 1974 to 31 December 1974 (see report by Mr Durieux, Doc.273/73).
3. Before considering the current proposal for a decision, it would perhaps be useful to sketch in the background.

I. The system of minimum prices since 1962

4. Detailed rules on the application of the system of minimum prices provided for in Article 44 of the Treaty were first laid down by the Council by a decision of 4 April 1962<sup>1</sup>.
5. Article 44(6) stipulates that at the end of the transitional period a list shall be drawn up showing the minimum prices still in force. The Commission submitted a list, according to which minimum prices were still applied:
  - in France, to certain fishery products and ware potatoes,
  - in France, Germany, Belgium and Luxembourg, to new potatoes.
6. On the basis of a Commission proposal and after Parliament had delivered its opinion, the Council adopted on 20 December 1969 a decision<sup>2</sup> comprising three articles:
  - Article 1 provided for the extension of the system of minimum prices in the case of products to which it still applied as at 31 December 1969 (in France, certain fishery products and ware potatoes; in France, Germany, Belgium and Luxembourg, new potatoes).
  - Article 2 introduced special arrangements for products which had not hitherto been subject to the minimum prices but to which customs duties still applied in the absence of a common organization of the market.

<sup>1</sup>OJ No.30, 20 April 1962

<sup>2</sup>OJ No.L 328, 30 December 1969

This was the system of countervailing charges. It applied in the Federal Republic of Germany to edible vinegars and their substitutes. It applied in France to certain fishery products, seed potatoes and certain fish preparations and preserved fish.

- Article 3 stipulated that the two systems would remain in force until 31 December 1970.

7. As stated above, the Council has, in accordance with proposals from the Commission, extended these systems several times. However, the introduction of the common organization of the market in fishery products as from 1 February 1971 put an end to the system of minimum prices for these products and edible wine vinegars meanwhile came under the regulation introducing a common organization of the market in wine as from 1 June 1970.

## II. Consideration of the proposal for a decision

8. The objective of this proposal is to extend yet again the system of minimum prices for the period 1 January 1975 to 31 December 1975.

9. As stated above, only the following remain within the system of minimum prices provided for under Article 44 of the EEC Treaty or the system of countervailing charges replacing these prices:

- countervailing charges replacing minimum prices: in France, seed potatoes and, in Germany, edible vinegars other than wine vinegars;
- minimum prices proper: in France, ware potatoes and in France, Germany, Belgium and Luxembourg, new potatoes. The system of minimum prices is at present applied for ware potatoes in France throughout the year; for new potatoes, in France, from 15 May to 30 June, in the BLEU from 1 June to 31 July and in Germany from 10 June to 10 August.

10. The Council Decision of 17 December 1973 extended the period during which the systems of minimum prices or countervailing charges in place of minimum prices might be applied until such time as a common organization of the markets in the products in question could be established or until 31 December 1974, whichever was the earlier.



11. The Council is at present discussing a proposal for the common organization of the market in alcohol, which would cover spirit vinegar, and work is in progress on measures to establish a common organization of the market in vinegar other than wine or spirit vinegar.

12. As regards potatoes, it has not yet been possible to submit to the Council a proposal for a common organization of the market. It should also be noted that the minimum price system is limited in scope. It applies in France to ware potatoes but forms part of a market-regulating policy pursued in cooperation with the producer groups. It applies to new potatoes in Germany, France and Luxembourg, but only for 1½ to 2 months a year.

13. While appreciating the difficulties encountered, the Committee on Agriculture nevertheless feels that the Commission should already have made an effort to produce proposals and that it should now do so as soon as possible, since the lack of a common market organization in this sector cannot be allowed to continue.

It therefore renews its request to the Commission to proceed with preparatory work on the common organization of the market in this sector.

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14. In conclusion, the Committee on Agriculture feels bound to approve the proposal for a decision submitted to it, since it will obviously not be possible to set up a common market organization for the two products in question by 31 December 1975. It therefore asks the European Parliament to deliver a favourable opinion on this proposal for a decision.





