

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

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842nd meeting of the Council

- Agriculture -

Brussels, 16 and 17 May 1983

President: Mr Ignaz KIECHLE,  
Federal Minister for Food,  
Agriculture and Forestry of  
the Federal Republic of Germany



The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Paul de KEERSMAEKER  
State Secretary for  
European Affairs and  
Agriculture

Denmark:

Mr Neils Anker KOFOED  
Minister for Agriculture

Germany:

Mr Ignaz KIECHLE  
Federal Minister for Food,  
Agriculture and Forestry

Greece:

Mr Costas SIMITIS  
Minister for Agriculture

Mr Hans-Jürgen ROHR  
State Secretary  
Federal Ministry for Food,  
Agriculture and Forestry

France:

Mr Michel ROCARD  
Minister for Agriculture

Ireland:

Mr Austin DEASY  
Minister for Agriculture

Italy:

Mr Calogero MANNINO  
Minister for Agriculture

Luxembourg:

Mr Ernest MÜHLEN  
Minister for Agriculture,  
Viticulture, Water Control  
and Forests

Netherlands:

Mr G. BRAKS  
Minister for Agriculture and  
Fisheries

United Kingdom:

Mr Peter WALKER  
Minister of Agriculture,  
Fisheries and Food

Mr Alick BUCHANAN-SMITH  
Minister of State  
Ministry of Agriculture,  
Fisheries and Food

Commission:

Mr Gaston THORN - President  
Mr Poul DALSGER - Member

AGRICULTURAL PRICES FOR 1983-1984 AND RELATED MEASURES

After a detailed discussion, bearing in mind the Opinions of the European Parliament and the Economic and Social Committee, and on the basis of the envisaged change in the value of the ECU to enable the value of the pound on 13 May 1983 to be taken into account, the Council agreed on an overall compromise for agricultural prices for 1983-1984 and related measures, although the Italian delegation said its agreement was provisional until 17 May 1983.

As a first stage, the Council, without prejudice to the provisional agreement of the Italian delegation, adopted in the official languages of the Communities the 18 Regulations due to come into force on 23 May 1983.

It will adopt the other Regulations after finalization of the texts by the most appropriate procedure.

In view of the urgency, the Council agreed to adopt the Regulations fixing the now green exchange rates by the written procedure, after finalization of the texts.

The main features of the decisions taken may be summarized as follows:

AGRI-MONETARY MEASURES

1. Representative rates

The Council agreed to the following new rates to be applied in the agricultural sector and the resultant dismantling of monetary compensatory amounts <sup>(1)</sup>:

Federal Republic of Germany: 1 ECU = 2,51457 German marks  
(Reduction in MCA's: - 3,2 points (\*)).

However, the reduction in MCA's will be limited to:

- for milk, 2,2 points (\*) for the 1983/1984 marketing year, (1 ECU = 2,54273 DM), the remaining factor (1 point) being phased out at the beginning of the 1984/1985 marketing year;
- for cereals, 2,7 points (\*) for the 1984/1984 marketing year, (1 ECU = 2,52875 DM), the remaining factor (0,5 point) being phased out at the beginning of the 1984/1985 marketing year.

Netherlands : 1 ECU = 2,70981 Netherlands guilders  
(reduction in MCA's - 2,65 points (\*)).

However, dismantling will be limited to:

- for milk, 1,85 points (\*) for the 1983/1984 marketing year (1 ECU = 2,73327), the remaining factor (0,8 point) being phased out at the beginning of the 1984/1985 marketing year;
- for cereals, 2,25 points (\*) for the 1983/1984 marketing year (1 ECU = 2,72149), the remaining factor (0,4 point) being phased out at the beginning of the 1984/1985 marketing year.

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<sup>(1)</sup> Subject to the overall review of the agri-monetary system envisaged in point 3, monetary changes for the beginning of the 1984/1985 marketing year will be made in accordance with the Gentlemen's Agreement.

(\*) In relation to the amount applicable on 1 April 1983.

France Milk : 1 ECU = 6,5540 French francs  
- 3 points

Other products: 1 ECU = 6,49211 French francs  
- 2 points

However, there will be additional dismantling in respect of pigmeat, amounting to 2,2 points (1 ECU = 6,62985) from 23.5.1983 and 2,2 points (1 ECU = 6,77297 from the beginning of the 1983/1984 marketing year.

Greece : 1 ECU = 77,2479 Greek drachma  
- 6,1 points (reduction in the real monetary  
gap: 8 points)

Ireland: 1 ECU = 0,71695 Irish pound  
- 2,3 points

Italy : 1 ECU = 1 341,00 Italian lire  
- 2,5 points (reduction in the real monetary  
gap: 4,0 points)  
(entry into force immediately)

2. Monetary compensatory amount for pigmeat

The monetary compensatory amount for pigmeat is to be calculated on the basis of 90% of the lower limit of the buying-in price, applicable from 1 August 1983 (subject to the Opinion of the European Parliament).

3. Review of the method of calculation for some products

With a view to bringing the monetary compensatory amount system more closely into line with the objectives laid down in Regulation (EEC) No 974/71, i.e. proper functioning of the market organization free from trade distortions, the Council requested the Commission to make a review of the method of calculation of the monetary compensatory amounts, particularly for those products

- for which there is no intervention price;
- not listed in Annex II;
- obtained from commodities which are not subject to monetary compensatory amounts.

4. Calculation of the monetary compensatory amount for fresh milk

The Council takes note of the Commission's intention that henceforth the MCA for fresh milk will be calculated on the basis of the buying-in prices for butter and milk powder, less the processing costs at present included therein. (The effect of this measure will be to lower the German monetary compensatory amount to about 0,4 point).

MILK AND MILK PRODUCTS

The increase in the target and intervention prices will take place at the beginning of the 1983/1984 marketing year (23 May 1983) and will be as follows:

- the target price for milk will increase to 27,43 ECU/100 kg (+ 2,33%)
- the intervention price for butter will increase to 357,86 ECU/100 kg (+2,33%) and
- the intervention price for skimmed-milk powder to 149,64 ECU/100 kg (+ 2,33%)
- the intervention price for Grana Padano cheese of an age of between 30 and 60 days will increase to 361,28 ECU/100 kg (+ 2,33%)
- the intervention price for Grana Padano cheese of an age of at least 6 months will increase to 439,53 ECU/100 kg (+ 2,33%)
- the intervention price for Parmigiano-Reggiano cheese of an age of at least 6 months will increase to 480,26 ECU/100 kg (+ 2,33%).

Guarantee threshold

For the calendar year 1983, the guarantee threshold is fixed at the level of the quantity of milk supplied to undertakings treating or processing milk in the calendar year 1981, plus 1%.



Co-responsibility levy

The co-responsibility levy for the 1983/1984 marketing year is to be 2% of the target price, under the same conditions as the current basic co-responsibility levy.

In view of the particular difficulties resulting from the imbalance in the market in milk and milk products, the Council invited the Commission to submit without delay a report reviewing the various ways of stemming the constant growth in milk production in the Community, analysing the methods offering the best cost-benefit ratio for use in disposing of surpluses produced, and re-examining the effect of milk-substitute products on the market in milk and milk products.

Aids and subsidies

For the 1983/1984 milk marketing year, the Council decided to fix at 51,0 ECU/100 kg the maximum amount of the Community contribution to subsidies for the disposal of butter intended for direct consumption under Regulation (EEC) No 1269/79.

The Council took note of a statement by the Commission to the effect that it envisages extending the provisions of Article 9 of Regulation (EEC) No 804/68 to Kasseri and Kefalotyri cheeses, i.e. to place these cheeses within the scheme of aid for the private storage of cheese.

New Zealand butter

For 1983 the Council decided to fix the special levy on imports of New Zealand butter into the United Kingdom at 86,35 ECU/100 kg.

Special measures for small producers

As for last year, the Council decided that an amount of 120 MECU will be divided among the Member States on the basis of the quantities of milk supplied to dairies in 1981 by all producers up to a ceiling of 60 000 kg per producer.

On the basis of objective criteria laid down by the Commission each Member State will divide the amount allocated to it among its own small producers.

Allocation of 120 million ECU among the Member States

| Member State   | (millions of ECU) |
|----------------|-------------------|
| Belgium        | 4,7               |
| Denmark        | 4,8               |
| Germany        | 34,9              |
| France         | 39,6              |
| Greece         | 0,8               |
| Ireland        | 6,5               |
| Italy          | 13,4              |
| Luxembourg     | 0,3               |
| Netherlands    | 8,0               |
| United Kingdom | 7,0               |

Reduced levy for certain cheeses

The Council adopted a Regulation amending Regulation (EEC) No 2915/79 with regard to reduced levies for certain cheeses.

Provided the import price is not less than the amount deducted from the threshold price, the levy for 100 kilogrammes of the following products will be equal to the threshold price, less:

- 233,36 ECU/100 kg for Tilsit cheese of a fat content not exceeding 48%
- 233,36 ECU/100 kg plus a component of 24,28 ECU for Tilsit cheese of a fat content exceeding 48%
- 245,45 ECU/100 kg for Kashkaval cheese and cheese of sheeps milk or buffalo milk.

School milk

The Council decided to extend for a period of 5 years from the beginning of the 1983/1984 milk-marketing year the minimum period during which the Community contribution to the financing of the school milk programme will be maintained.

In addition, without prejudice to the Opinion of the European Parliament, the Council adopted the principle of granting Community aid for the supply to school children of milk processed into certain products falling under headings 04.01 or 04.04 or under subheading 22.02 B or into yoghurt falling under subheadings 04.02 B, 18.06 D and 21.04 D of the common customs tariff. The Member States may grant national aid for the supply of the above products to school children as a supplement to the Community aid. The Commission must therefore submit to the Council a revised text concerning the amendment to be made to Regulation (EEC) No 1080/77. This amended text will provide for Community aid to be fixed at 125% of the target price for milk.

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The Council also took note

- of a statement by the Commission that it envisages transferring to Italy, during the 1983/1984 marketing year, 50 000 tonnes of skimmed-milk powder from intervention stocks designated as animal feed;
- of a statement by the Commission that it envisages, in the context of measures to dispose of larger quantities of skimmed-milk powder as animal feed, to speed up its studies with a view to strengthening control measures as regards the composition and the end use of this product.

CEREALS

The Council recorded its agreement on the following prices and aids:

|   | % increase |
|---|------------|
| Common single intervention price                                    | + 2.96     |
| Target price for fodder grain<br>(maize, barley/rye)                | + 4.34     |
| Reference price for common wheat of<br>average bread-making quality | + 2.96     |
| Target price for common wheat                                       | + 4.31     |
| Intervention price for durum wheat                                  | + 4.6      |
| Target price for durum wheat  | + 4.78     |
| Aid for durum wheat   | + 7.5      |
| Monthly increases for basic products                                |            |
| - Durum wheat   | + 5.5      |
| - Other cereals   | + 5.5      |

Rye. The Council took note of a statement by the Commission that it intends to increase by 2 ECU per tonne the special premium laid down for rye of bread-making quality provided for in Regulation (EEC) No 1570/77, thus increasing this aid to 7.44 ECU per tonne.

The rules on carry-over payments remain unchanged for the marketing year 1983/1984. The Commission will examine these rules as a whole with the aim of restricting expenditure. It will submit appropriate proposals for the following 1984/1985 marketing year.

Quality criteria for exports. The Council took note of a statement by the Commission that it is continuing discussions at expert level on quality criteria for exports, it being understood no decision will apply before the 1984/1985 marketing year.

Intervention cereals for animal feed. The Council took note of a statement by the Commission that it intends, after consulting the Management Committee, that about 2-3 million tonnes of cereals will be made available from intervention stocks for use in animal feed, in particular for pigs and poultry. In order to ensure that the advantages are fairly spread between Member States, 450 000 tonnes of feed cereals currently in intervention stocks elsewhere will be transferred to Italy, 50 000 tonnes to Ireland and 50 000 tonnes to Northern Ireland. The Council took note of a statement by the Commission that it intends to implement this decision as soon as possible.

Sorghum. The common single intervention price (184,58 ECU/tonne) will apply from the 1984/1985 marketing year to Sorghum. An arrangement will be introduced to apply the same levy to Triticale as that already applied to rye (amendment of the basic Regulation No 2727/75).

Greece. The Council requests the Commission to look into the problems arising as a result of the earlier wheat harvest in Greece.

RICE

The target and intervention prices of rice were increased as follows:

|                                 |        |
|---------------------------------|--------|
| target price (husked rice)      | + 5,3% |
| intervention price (paddy rice) | + 5,5% |

The Council took note of a Commission statement that its review of the rice market organization is continuing and that it will submit to the Council during 1983 inter-related proposals concerning, inter alia,

- an upward revision of the intervention price in order to take account of developments in production costs;
- a revision of the basis of calculation of the milling and other costs currently taken into account for calculating the target and threshold prices;
- a revised system of classification, since the present division of rice into only two categories (long and round) no longer corresponds accurately to the production and market situation.

BEEF AND VEAL

The guide price and the intervention price for adult bovine animals were fixed as follows for the 1983/1984 marketing year:

|                     |   |   |
|---------------------|---|---|
| guide price         | : | 207,09 ECU/100 kg (+ 5,5%) <sup>(1)</sup> |
| intervention price: |   | 186,38 ECU/100 kg (+ 5,5%) <sup>(1)</sup> |

on the understanding that the "stop-go" system of intervention buying practised for several years is to be maintained.

Community grid

The Council, recognizing the substantial progress which has been made in the technical work necessary before the Community grid can be applied to intervention purchases, instructed the Special Committee on Agriculture to continue this work with a view to the application of the Community grid to such purchases from 1 January 1984.

Premiums

The deficiency payment for suckler cows in Ireland and Northern Ireland, the calving premium paid in Greece, Ireland, Italy and Northern Ireland and the premium for the slaughter of certain adult bovine slaughter animals in the United Kingdom are to be maintained at their present level in the 1983/1984 marketing year; however, the Council asked the Commission to review the premiums in the beef and veal sector and to report to it by 1 August 1983 on their application and consequences.

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<sup>(1)</sup> In relation to the prices in force since 6 December 1982.



The Council also noted the Commission's intention to modify, through the Management Committee procedure, the text of Regulation (EEC) No 563/82 concerning the definition of carcasses from male animals under 2 years of age and its intention to use the same procedure in order to increase by three points the coefficients used for the calculation of buying-in prices for intervention in respect of steers in Ireland.

SHEEPMEAT

The basic price, the intervention price and the control reference price are to be increased by 5,5% for the 1983/1984 marketing year. As the reference price was previously adapted on the basis of the most recent price alignment, the % increase for each Member State will be as follows:

| MEMBER STATE  | % INCREASE |
|---|------------|
| Italy   | + 3,30     |
| France  | + 5,50     |
| Denmark, Benelux,<br>Federal Republic<br>of Germany | + 7,90     |
| Ireland   | + 8,32     |
| United Kingdom                                      | + 9,80     |
| Northern Ireland                                    | + 9,80     |
| Greece  | + 3,30     |

The Council took note of a Commission statement that it intends:

- to propose to the Management Committee the extension for a further marketing year of Regulation (EEC) No 3191/80 in its present form (claw-back);
- to propose to the Management Committee that there should be a maximum delay of 21 days between the certification and the slaughter of animals benefiting from the variable premium.

The Council took note of the Commission's statement that it would hold unofficial talks with supplier countries with the aim of programming their exports to Greece in an appropriate manner for the first six months of 1984.

PIGMEAT

The basic price of pig carcasses will be increased by 5,5% for the 1983/1984 marketing year (from 1 November 1983 to 31 October 1984).

Furthermore, the Council took note of a Commission statement that it would endeavour, through instruments available under the market organization, to manage the pigmeat market in such a way that

- the increase in the basic price would have corresponding effect on the market price;
- due account would be taken of regional difficulties.

The Council also invited the Commission to review the import mechanisms in the pigmeat sector, to make appropriate proposals and, if necessary, to modify Regulations (EEC) No 2764/75 or No 2766/75

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In view of the present market situation in the pigmeat sector, the Commission will shortly review in the Management Committee the various aspects of aid for private storage, including the level of aid.

SUGAR

The main prices were fixed as follows:

- basic price of sugar beet: 40,89 ECU/tonne (+ 4%)
- intervention price of white sugar: 53,47 ECU/100 kg ( + 4%)

The Council took note of the statement made by the Commission in response to the requests of Greece and Italy that the Commission should in due course, and at the latest, by the end of the year, submit the report provided for in Article 24 of Regulation No 1785/81.

OLIVE OIL

The Council decided to fix the production target price, the production aid and the intervention price for olive oil for the 1983/1984 marketing year at the following levels.

|                                 |                   |
|---------------------------------|-------------------|
| (a) production target price:    | 319,42 ECU/100 kg |
| (b) production aid :            |                   |
| - for Greece :                  | 40,52 ECU/100 kg  |
| - for the other Member States : | 70,26 ECU/100 kg  |
| (c) intervention price :        | 229,92 ECU/100 kg |

Furthermore, for the 1983/1984 marketing year, the Council decided to fix the amount of monthly increases in the representative market price, the intervention price and the threshold price for olive oil at 1,79 ECU/100 kg for a period of seven months as from 1 January 1984.

The Commission proposal for determining the cultivation areas for which olive oil production aid is to be granted was adopted.

The Council took note of a statement by the Commission that it would submit as soon as possible proposals relating to the

- improvement of controls relating to the production aid;
- rules on the organization of producer groups.

The Council took note of a Commission statement that, in addition to existing Commission support, it intended, under the programme for co-ordinating agricultural research into the development of new methods of controlling olive fly and other olive pests, to examine possible measures to assist Greece in strengthening the infrastructure of its plant-health service.

OILSEEDS

The Council recorded its agreement on an increase in the target price for colza and rapeseed to 428,20 ECU/tonne (+ 4%) and in the intervention price to 438,00 ECU/tonne (+ 4%). It agreed on the fixing of the guide price for sunflower seed at 577,10 ECU/tonne (+ 6%) and of the intervention price at 522,20 ECU/tonne (+ 6%).

The Council also agreed on an increase in the guide price for soya to 561,70 ECU/tonne (+ 6,5%) and on the fixing of the minimum price at 494,3 ECU/tonne (+ 6,5%).

The Council also recorded its agreement on a 6% increase in the guide price for flax seed and fixed the amount thereof at 545,9 ECU/tonne.

The Council took note of a Commission statement that it intends to propose that the differential amount for colza and sunflower seed should be calculated taking into account the long-term exchange rates of the various national currencies.

The Council also agreed on the maintenance of the guide price and minimum price for castor seed, fixing the amounts at 663,9 and 632,3 ECU/tonne respectively.

TOBACCO

The Council recorded its agreement on increases in the norm prices and on premiums ranging from 4 to 8,5% for the different varieties.

The Council decided to fix the intervention price at 85% of the norm price for the 1983 harvest for all varieties except Kentucky, Xanti-Yaka, Perustitza and Erzegovina (for which it is already fixed by Regulation (EEC) No 1535/81 at 80%).

The Council decided that, on the basis of a proposal from the Commission and subject to the Opinion of the European Parliament, it would be prepared to increase the Community funds provided for in Article 4 of Regulation (EEC) No 482/81 by 20 million ECU aid for the areas affected by the Italian earthquake.



The Council agreed to amend (on the basis of a Commission proposal and subject to the Opinion of the European Parliament) Regulations (EEC) No 2511/69 and No 1035/72 to the effect that the phasing out of the marketing premium for lemons, already decided by the Council, will be deferred for one marketing year (i.e. the 1983/1984 marketing year)). The established relationship between the basic price, the reference price and the marketing premiums will also be maintained.

WINE

The Council agreed on a 5,5% increase in the guide price for table wines, with the exception of the guide price for white wines of type AI for which there will be an increase of 6%. The guide prices for the period from 16 December 1983 to 15 December 1984 will be as follows:

| Type of wine | Guide price       |
|--------------|-------------------|
| R I          | 3,45 ECU/% vol/hl |
| R II         | 3,45 ECU/% vol/hl |
| R III        | 53,84 ECU/hl      |
| A I          | 3,20 ECU/% vol/hl |
| A II         | 71,74 ECU/hl      |
| A III        | 81,93 ECU/hl      |

Without prejudice to the Opinion of the European Parliament, the Council was in favour of abolishing, as from 16 December 1983, the compensatory accession amount levied on liqueur wines produced in Greece. It will take a decision in due course in accordance with Article 60 of the Act of Accession, acting on a proposal from the Commission and in the light of the European Parliament's Opinion.

Storage aid will be granted (in respect of a maximum of 25% of the wine produced) for white quality wines from the 1982 harvest originating in wine-growing zone A.

The Council decided that the wine year will start on 1 September as from 1984.

The Council also adopted a provision concerning the adoption of measures intended to encourage the widening of the market for table wines both within and outside the Community.

The Council also adopted, in the official languages of the Communities, Regulations:

- amending Regulation (EEC) No 456/80 on the granting of temporary and permanent abandonment premiums in respect of certain areas under vines and of premiums for the renunciation of replanting;
- amending Regulation (EEC) No 458/80 on collective projects for the restructuring of vineyards.

DRIED FODDER

The Council recorded its agreement on

- an increase of 6% in the flat-rate production aid (8,49 ECU/tonne);
- an increase of 6% in the guide price (178,94 ECU/tonne);
- the fixing of aid amounting to 15,78 ECU/tonne (+ 6%) for dehydrated potatoes for the 1983/1984 marketing year.

In accordance with Article 60 of the Act of Accession, the guide price for dried fodder in Greece will be fixed as from 1983/1984 at the level of the Community price (178,94 ECU per tonne). The Council noted that the Commission is examining the Greek delegation's request regarding the application of Community aid for artificially dehydrated potatoes produced in Greece.

The Council took note of a statement by the Commission that it is considering proposing the inclusion of lupins in the scope of the support applicable to certain protein crops (peas and field beans) as from the beginning of the 1984/1985 marketing year.

COTTON

The Council recorded its agreement on an increase of 8% in the target price and the minimum price for cotton.

FLAX AND HEMP

The Council recorded its agreement on an increase of 6% in the flat-rate aid per hectare, fixing its level for flax at

118,37 ECU and for hemp at  
107,51.

SILKWORMS

The Council recorded its agreement on an increase in aid, raising it to 84,01 ECU/box.

PEAS AND FIELD BEANS

The Council recorded its agreement on an increase of 6,5% in the minimum price (291,9 ECU/tonne) and of 8,7% in the trigger price (517,6 ECU/tonne).

The Council also recorded its agreement on the proposal for a regulation laying down adaptation amounts in this sector.

The Council took note of a Commission statement that it will submit a proposal for extending the aid scheme for peas and field beans intended for human consumption before the end of the 1983/1984 marketing year.

SEEDS

The Council recorded its agreement on differentiated increases of about 10% for the four main groups of seeds.

The Council took note of a statement by the Commission that it will closely follow interest trends and is prepared to examine arrangements for the payment of interest at a uniform rate and to submit a report on this to the Council on 1 October 1983.

FRUIT AND VEGETABLES

The basic prices and buying-in prices are generally to be increased by 5.5%. However, the prices for peaches, lemons, table grapes, oranges, apricots, aubergines and cauliflowers will be increased by 6.5%. In Greece, the effect of this increase and of the price alignment comes to 13.3% and 15.1% for peaches and oranges respectively.

The basic price and the buying-in price for apples and pears have been increased by 3.5% and the marketing premium for oranges, by 6.5%.

The basic price for tomatoes has been increased by 3.5%.

The Council took note of a statement by the Commission that, in view of the production season in the Overseas Departments of France, it intends to establish reference prices for aubergines from 1 April 1984.

The proposals submitted by the Commission on 10 March 1983 concerning the processing of fruit and vegetables should be examined without delay by the Special Committee on Agriculture. The Council is to decide on them by 31 July 1983.

STRUCTURAL POLICY

Greece

The Council agreed to adopt long-term Community measures, to be implemented from the coming marketing year for

- the development of agricultural advisory services
- the launching of an agricultural irrigation programme (similar to that provided for in Regulation (EEC) No 1362/78).

12 million ECU are to be made available from the Community budget.

The Council invited the Commission to submit a proposal for this purpose forthwith.

Beef production in Ireland and Northern Ireland

The Council agreed to extend to 30 April 1984, the duration of Regulation (EEC) No 1054/81 for the development of beef production in Ireland and Northern Ireland, in particular as far as the updated aid for artificial insemination and use of lime is concerned. The financial contribution of the guidance section of the fund to the financing of this extension is estimated at 10 MECU.

The Council invited the Commission to submit a proposal for this purpose forthwith.

Italy

The Council recognized the obstacles in the way of the efficient implementation of common structural measures in Italy, in particular in the case of stockfarming; initial implementation of Regulation (EEC) No 1944/81 for adaptation and modernization of the structure of production of beef and veal, sheepmeat and goatmeat are proving difficult.



In order to facilitate effective implementation of this regulation, the Council agreed to authorize the Italian Government to grant aid to convert short-term loans contracted before 30 September 1983 by beneficiaries of this regulation into medium-term loans.

This aid may exceptionally be extended to stock holdings situated in Italian regions other than those defined in the above regulation.

The Community's contribution to expenditure relating to the application of the measures above is set at 60 million ECU to be charged to the Chapter "Other Agricultural Expenditure".

The Council invited the Commission to present proposals to this end.

#### United Kingdom

The Council, taking into account the urgent need to speed up the structural and technical modernization of pig processing in the United Kingdom, decided to grant a special aid of 10 million ECU, to be charged in 1983 and 1984 to the Chapter on "Other Agricultural Expenditure". This aid is to be used for the financing of projects submitted by the United Kingdom Government, provided they conform to the corresponding rules of Regulation (EEC) No 355/77 on the processing and marketing of agricultural products.

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The Council also invited the Commission to study urgently the effects of current inflationary trends on the efficiency of common agricultural structural measures as well as on normal management of farms.

The Council asked the Commission to submit its conclusions without delay.

FINANCIAL CONSEQUENCES

The Council took note of a Commission statement that the net impact of these decisions on the budget, that is the additional expenditure from the EAGGF minus the increase in agricultural own resources, would be about 435 million ECU in 1983 and about 810 million ECU in 1984.

The Commission will in due course present a preliminary draft supplementary budget for 1983 taking account both of the impact of the decisions on 1983/1984 agricultural prices and related measures and of recent developments on agricultural markets; this supplementary budget will respect the existing limits of the Community's own resources.

As regards 1984, the Commission estimates that the order of magnitude of EAGGF Guarantee expenditure, taking account of developments in the first part of 1983 and of the 1983/1984 price decisions, will total 16 000 to 17 000 million ECU.

The Commission drew attention to the rate of increase in EAGGF Guarantee expenditure which, in view of recent developments, is now increasing more rapidly than potential own resources. This trend is expected to continue in 1984. The Commission could offer no assurance that the demands of agricultural expenditure in 1984 together with the budgetary demands of other Community policies could be met within the existing limit of own resources.

MISCELLANEOUS DECISIONS

Trade questions and customs union

The Council adopted, in the official languages of the Communities,  
Regulations:

- temporarily and totally suspending the Common Customs Tariff duties on certain niobium alloy products falling within subheadings ex 81.04 H I and H II;
- temporarily suspending the autonomous Common Customs Tariff duties for certain products intended for use in the construction, maintenance and repair of aircraft;
- opening, allocating and providing for the administration of a Community tariff quota for certain eels falling within subheading ex 03.01 A II of the Common Customs Tariff (1 July 1983 to 30 June 1984);
- opening, allocating and providing for the administration of a Community tariff quota for processing work in respect of certain textile products under the Community outward processing traffic;
- temporarily suspending the autonomous Common Customs Tariff duties on certain industrial products;
- opening, allocating and providing for the administration of a Community tariff quota for yarn of poly ("p"-phenyleneterephthalamide) for use in the manufacture of tyres or of products used in the manufacture of tyres falling within subheading ex 51.01 A of the Common Customs Tariff;
- opening, allocating and providing for the administration of a Community tariff quota for sweet clear fleshed cherries, marinated in alcohol and intended for the manufacture of chocolate products, falling within subheading ex 20.06 B I e) 2bb) of the Common Customs Tariff;
- temporarily suspending the autonomous Common Customs Tariff duties on a number of agricultural products;
- opening, allocating and providing for the administration of a Community tariff quota for certain wines having a registered designation of origin, falling within subheading ex 22.05 C of the Common Customs Tariff and originating in Morocco (1983/1984);
- opening, allocating and providing for the administration of a Community tariff quota for new potatoes falling within subheading 07.01 A II b) of the Common Customs Tariff and originating in Cyprus (1983).

The Council also adopted in the official languages of the Communities, the Decision concerning the conclusion of the Agreement in the form of agreed minutes between the European Economic Community and the Republic of Austria negotiated pursuant to Article XXVIII of the GATT with regard to certain frozen, prepared or preserved vegetables.

Elimination of technical barriers

The Council adopted in the official languages of the Communities,  
Directives:

- amending Directive 77/728/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to the classification, packaging and labelling of paints, varnishes, printing inks, adhesives and similar products;
- amending for the fourth time Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations.

Additional agricultural decision

The Council adopted, in the official languages of the Communities a Council Regulation amending Regulation (EEC) No 1431/82 laying down special measures for peas and field beans.

Bruxelles, le 17 mai 1983  
Note BIO(83)218 aux Bureaux Nationaux  
c.c. aux membres du groupe du Porte-Parole

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CONSEIL AGRICOLE (M. Vasey)  
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Après une séance de nuit qui a duré jusqu'à près de 5 heures ce mardi matin, le Conseil agricole est parvenu à un accord sur les prix agricoles pour 1983/84 ainsi que sur les adaptations agri-monnaies et autres mesures connexes. Ce faisant, les ministres de l'Agriculture ont évité un échec qui aurait pu avoir des conséquences graves pour la cohésion communautaire et alourdir sensiblement les perspectives du Conseil Européen de Stuttgart. Le Président Thorn a fait un appel dans ce sens dans lequel il a répété ce qu'il avait écrit la veille aux dix Chefs d'Etat et de Gouvernement. Presque tous les ministres avaient des motifs d'insatisfaction plus ou moins sérieux, mais visiblement ils voulaient tous aboutir.

Pour la première fois depuis des années, le Conseil a accepté sans changements les propositions de la Commission relatives aux prix communs, sous réserve des ajustements mineurs prévus dans le premier compromis du 20 avril qui ne concernaient ni le niveau général des prix ni ceux des principaux produits. Ce fait, mérite d'être souligné.

En deuxième lieu, le Conseil a approuvé sans changements les propositions de la Commission relatives à l'application des seuils de garantie pour le lait, les céréales et le colza, y compris celles concernant la fixation des seuils de garantie pour cette année. Ce fait mérite également d'être souligné.

L'essentiel de la négociation a porté sur les ajustements agri-monnaies. Les MCM résultant du realignement monétaire du 21 mars seront réduits de la façon suivante :

MCM positifs :  
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R.F.A. : - 3,2  
sauf - 2,2 pour les produits laitiers (2,6 pour le lait liquide)  
et - 2,7 pour les céréales  
(avec rattrapage au début de la campagne 1984/85).  
Pays-Bas: - 2,65  
sauf - 1,85 pour les produits laitiers  
- 2,25 pour les céréales  
(avec rattrapage au début de la campagne 1984/85)

MCM négatifs :  
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France : - 2 (en plus des 3 points de réduction déjà  
decidés)  
sauf - 3 pour les produits laitiers  
- 6,4 pour le porc (-4,2 immédiatement et - 2,2  
au 1.11.1983)  
Irlande : - 2,3 (réduction de l'écart monétaire de 3,8)  
Italie : - 2,5 (réduction de l'écart monétaire de 4,0)  
Grèce : - 6,1 (réduction de l'écart monétaire de 8,0)

Aucun changement :  
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Danemark

Royaume-Uni

Belgique/Luxembourg : (avec réduction des MCM déjà décidée)

L'accord sur le demantelement des MCM repose sur l'hypothese d'une modification de la valeur de l'ECU par l'incorporation de la livre sterling a sa valeur du 13 mai, qui fera l'objet d'une procedure a part dans le cadre du Comite Monetaire. Cette reevaluation de l'ECU aura pour effet une reduction des MCM positifs allemands de 1,1 points et une augmentation des MCM negatifs francais de 1,3 points. Ainsi, les MCM allemands passeront de 13 a 11,9 points et a 9,8 au debut de la campagne pour chaque produit (10,9 pour le lait, 11,4 pour les cereales), et les MCM francais de - 8,1 a 9,4 et a 4,4 au debut de la campagne sauf pour le lait (-3,4) et le porc (-2,2 passant a 0 au 1er novembre 1983).

La nouvelle valeur de l'ECU s'appliquera a partir du 23 mai prochain en meme temps que la nouvelle campagne pour les produits laitiers, les viandes bovine et ovine et les fourrages seches. A noter que les decisions concernant le demantelement des MCM s'appliqueront a partir du debut de la campagne pour chaque produit sauf dans les cas de l'Italie, de l'Irlande et de la Grece (application immediate a partir du 23 mai).

Il convient de relever que certains pays beneficent d'une augmentation supplementaire des prix en monnaie nationale, grace a la devaluation des taux verts (France, Italie, Grece et Irlande). En plus, l'accord prevoit des mesures speciales en faveur de certains pays connaissant des difficultes particulieres.

Italie :

- 60 MECU pour reduire le cout du credit dans le secteur de l'elevage bovin et ovin dans le cadre de la mise en oeuvre des mesures structurelles prevues par la directive 1944/81;
- 20 MECU en faveur des agriculteurs dans les regions affectees par le seisme (regl. 482/82);
- transfert de 450.000 tonnes de cereales fourrageres et de 50.000 tonnes de poudre de lait ecreme des stocks d'intervention dans d'autres Etats membres.

Grece :

6 MECU pour la vulgarisation agricole et 6 MECU pour l'irrigation.

Irlande et Irlande du Nord :

- Prolongation d'un an de mesures speciales en faveur de la production de viande bovine (cout : 10 MECU)
- Augmentation de 3 points des coefficients pour le calcul des prix d'intervention en Irlande;
- transfert de 50.000 tonnes de ble fourrager dans les stocks d'intervention vers l'Irlande et 50.000 tonnes vers l'Irlande du Nord.

Par ailleurs, le Royaume-Uni beneficiera de 10 MECU pour le financement de projets dans le secteur porcin sur 2 ans, ainsi que d'une augmentation de l'aide a la consommation de beurre (6 MECU par an).

La Commission a exprime sa satisfaction de l'accord du Conseil sur les prix, ainsi qu'en temoignent les declarations du President Thorn (voir IP(83)168) et de M. Dalsager (voir IP(83)167). M. Dalsager souligne que les augmentations de prix, pour la nouvelle campagne (4,2% en ECU et 6,9 en monnaie nationale par rapport a la campagne 1982/83) est raisonnable pour les agriculteurs. L'impact maximal sur les prix a la consommation sera inferieur a 3% en moyenne. Les depenses additionnelles nettes pour le budget sont estimees a environ 435 millions d'ECU en 1983 et a 745 millions d'ECU en 1984. M. Dalsager a confirme que la Commission presentera incessamment un projet de budget supplementaire, qui refletera non seulement les consequences du paquet prix mais surtout la deterioration de la

situation des marches.

Vous recevrez par courrier une note d'information dans la serie Europe Verte, ainsi que des tableaux complets des nouveaux prix.

Amities

M. SANTARELLI - COMEUR////

A handwritten signature in black ink, consisting of several overlapping, stylized strokes that form a unique, abstract shape.





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N O T E B I O 194 (83) AUX BUREAUX NATIONAUX  
CC / AUX MEMBRES DU GROUPE DU PORTE PAROLE

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LE CONSEIL AGRICOLE A REPRIS SES TRAVAUX CE MERCREDI, 27.4 A 16.00 HEURES EN VUE DE L'ADOPTION DES PRIX AGRICOLES ET MESURES CONNEXES POUR 1983 / 84, SOUS LA PRESIDENCE DE M. IGNAZ KIECHLE, MINISTRE ALLEMAND DE L'AGRICULTURE.

M. DALSAGER A INFORME LE CONSEIL DE L'INITIATIVE PRISE PAR LA PRESIDENCE ALLEMANDE AU SEIN DU COMITE MONETAIRE DE PROPOSER UNE REEVALUATION DE L'ECU D'ENVIRON 1 0/0; COMPTE TENU DE L'APPRECIATION DE LA LIVRE STERLING INTERVENUE DEPUIS LE REALIGNEMENT MONETAIRE DU 21 MARS DERNIER. LA DECISION SERAIT PRISE PAR VOIE DE PROCEDURE ECRITE; DEUX ETATS MEMBRES DEVRAIENT ENCORE SIGNALER LEUR ACCORD (RU ET ITALIE). D'AUTRE PART, M. DALSAGER A REITERE LA DECISION DE LA COMMISSION DE NE PLUS MODIFIER SES PROPOSITIONS DE PRIX. EN OUTRE; IL A INDIQUE QUE DANS LES CIRCONSTANCES BUDGETAIRES ACTUELLES; IL N'EST PAS POSSIBLE DE PREVOIR DES RESSOURCES BUDGETAIRES SUPPLEMENTAIRES DANS LE CADRE DU PAQUET PRIX. IL APPARTIENT MAINTENANT AUX MINISTRES DE PRENDRE UNE DECISION RAPIDE; C'EST LE CONSEIL QUI PORTERAIT LA RESPONSABILITE POLITIQUE DE TOUT NOUVEAU RETARD DANS LA FIXATION DES PRIX.

LE PRESIDENT A ENSUITE SUSPENDU LA SEANCE POUR PERMETTRE DES CONSULTATIONS BILATERALES AVEC LES DIFFERENTES DELEGATIONS.

AMITIES;

M. VASEY



AUX BUREAUX NATIONAUX  
CC/ AUX MEMBRES DU GROUPE DU PORTE-PAROLE

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CONSEIL AGRICOLE A LUXEMBOURG  
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VERS 7 HEURES DU MATIN LE PRESIDENT KIECHLE A CONVOQUE LE CONSEIL POUR ANNONCER QU'APRES DES CONSULTATIONS BILATERALES INTENSIVES, IL RENONCAIT A DEPOSER UN COMPROMIS GLOBAL QUI N'AURAIT AUCUNE CHANCE D'ETRE ACCEPTE PAR TOUTES LES DELEGATIONS. SUR SA PROPOSITION, LE CONSEIL A DECIDE DE REPRENDRE SES TRAVAUX LES 16 ET 17 MAI ET D'ETENDRE LES CAMPAGNES 1982/83 JUSQU'AU 22 MAI.

PLUSIEURS MINISTRES AYANT ESTIME QU'IL NE FAUDRAIT PAS LAISSER ECOULER UN TEL DELAI AVANT DE REPRENDRE LA NEGOCIATION, LE PRESIDENT A ACCEPTE DE POURSUIVRE LA DISCUSSION EN SUPER-RESTREINTE AFIN DE PERMETTRE AUX DELEGATIONS DE S'EXPLIQUER PENDANT DEUX HEURES, MAIS SANS RESULTAT.

LE COMPROMIS SUR LES M C M ENVISAGE, LE PRESIDENT ET, QUI N'AVAIT PAS PU OBTENIR L'ACCORD DE TOUS LES AUTRES MINISTRES, S'ARTICULAIT COMME SUIV :

- REINTEGRATION DE LA LIVRE DANS LE CALCUL DE L' E C U A SA VALEUR DU 22 AVRIL; CE QUI DONNERAIT UNE DIMINUTION DES M C M POSITIFS DE 0,9 ET UNE AUGMENTATION CORRESPONDANTE DES M C M NEGATIFS;
- MODIFICATION DES FRANCHISES; QUI PASSERAIENT DE 1 A 1,25 POUR LES M C M POSITIFS ET DE 1,5 A 1,25 POUR LES M C M NEGATIFS;
- UN AJUSTEMENT DU TAUX DU D M DONNANT UNE REDUCTION DES M C M POSITIFS ALLEMANDS DE 2,1 (1,6 POUR LES CEREALES; 1,1 POUR LE LAIT)

L'EFFET CUMULE SERAIT DE DONNER UNE REDUCTION DES M C M ALLEMANDS DE 3,25 PAR RAPPORT A LA SITUATION EXISTANTE TOUT EN OBTENANT UNE AUGMENTATION DES PRIX EN MONNAIE NATIONALE SUPERIEURE D'ENVIRON 1 0/0 A CELLE RESULTANT DU COMPROMIS DE LA COMMISSION. POUR FAIRE ACCEPTER CETTE SITUATION PAR LA DELEGATION FRANCAISE, LE PRESIDENT AURAIT PROPOSE, EN PLUS DE LA REDUCTION DES M C M NEGATIFS DE 4,6 DEJA PROPOSES, LE DEMANTELEMENT COMPLET DES M C M SUR LE PORC EN DEUX ETAPES D'ICI NOVEMBRE 1983.

IL N'Y AURAIT PAS DE CHANGEMENT SUPPLEMENTAIRE A CE STADE POUR LES M C M NEGATIFS BELGE, ITALIENNE ET IRLANDAISE. MERCREDI SOIR, A L'ISSUE DU PREMIER ROUND DE CONSULTATIONS BILATERALES MENEES PAR LA SEULE COMMISSION, M. DALSGER A RESUME LA SITUATION DE LA FACON SUIVANTE :

- PLUSIEURS DELEGATIONS SONT PRETES A ACCEPTER LE COMPROMIS DE LA COMMISSION;
- DEUX DELEGATIONS ONT RESERVE LEUR POSITION SUR LA PROPOSITION DE LA PRESIDENCE ALLEMANDE DE REEVALUER L' E C U ( ITALIE ET R U );
- TROIS OU QUATRE DELEGATIONS ONT ENCORE DES RESERVES AU SUJET DES SOLUTIONS POSSIBLES ENVISAGEES POUR LE PROBLEME DES M C M ;
- ET CERTAINES DELEGATIONS ONT PRESENTE DE NOUVELLES DEMANDES, AU RISQUE DE PROVOQUER UNE REACTION EN CHAINE.

LE PRESIDENT KIECHLE A FAIT APPEL AUX DIFFERENTES DELEGATIONS POUR QU'ILS FASSENT LES CONCESSIONS POLITIQUES NECESSAIRES POUR ARRIVER A UN COMPROMIS QUI NE POURRAIT ETRE TRES DIFFERENT DU COMPROMIS DEJA PRESENTE PAR LA COMMISSION.

M. MANINO A ANNONCE QUE LE COMPROMIS DE LA COMMISSION EST INACCEPTABLE POUR LA DELEGATION ITALIENNE: CAR IL ABOUTIT A DES RESULTATS INEQUITABLES POUR SON PAYS. SI L'ITALIE ACCEPTE QUE LA COMMUNAUTÉ NE PEUT PAS SE PERMETTRE D'AUGMENTER D'AVANTAGE LES PRIX; ELLE NE PEUT TOUTEFOIS PAS ACCEPTER LES PRIX PROPOSES SI L'ON N'AGIT PAS SUR LES COSTS; NOTAMMENT PAR LA CREATION D'UN INSTRUMENT COMMUNAUTAIRE DE BONIFICATION D'INTERETS. D'AUTRE PART; LE MINISTRE INDIQUE QU'IL A BESOIN D'UN "ACCORD RESPECTABLE" SUR LE DEMANTELEMENT DES M C M POSITIFS; QUI RENFORCENT INEQUITABLEMENT LA POSITION CONCURRENTIELLE DES PAYS A MONNAIE FORTE.

M. WALKER A FAIT VALOIR QUE LE ROYAUME-UNI NE POURRAIT PAS ACCEPTER UNE MODIFICATION DE L' E C U SI L'EFFET ETAIT DE PERMETTRE UNE AUGMENTATION SUPPLEMENTAIRE DES PRIX; CE QUI SERAIT CONTRAIRE A LA POSITION PRISE PAR LA COMMISSION A CE SUJET LA SEMAINE DERNIERE.

M. ROCARD A CONFIRME QUE LE COMPROMIS DE LA COMMISSION CONSTITUE UN PROGRES; MEME SI LE DEMANTELEMENT DES M C M POSITIFS PROPOSE RESTE FORT ELOIGNE DE CE QUE LE GOUVERNEMENT FRANCAIS CONSIDERE COMME L'INTERPRETATION CORRECTE DU GENTLEMEN'S AGREEMENT DE MARS 1979; LAQUELLE ABOUTIRAIT A UNE REDUCTION DE 5.1 POINTE (OU 4.9 SI L'ON GLOBALISE LES M C M CRES EN 1981 ET 1982). LA REEVALUATION DE L' E C U PAR LA PRISE EN COMPTE DE LA LIVRE STERLING A SA VALEUR DU 22 AVRIL; QUI AURAIT POUR EFFET DE DIMINUER LES M C M POSITIFS ALLEMANDS DE 0.9; COMPORTE DES INCONVENIENTS POUR LA FRANCE; A SAVOIR; L'AUGMENTATION CORRESPONDANTE DES M C M NEGATIFS FRANCAIS DE 1.1 POINT; POURRAIT MENER A DES PRESSIONS ACCRUES DES AGRICULTEURS FRANCAIS POUR LA SUPPRESSION TOTALE DES M C M AU RISQUE DE METTRE EN PERIL LA POLITIQUE DE RIGUEUR ADOPTEE PAR LE GOUVERNEMENT FRANCAIS. LA DELEGATION FRANCAISE SERAIT PRETE A FAIRE UN PAS SUPPLEMENTAIRE A CONDITION D'OBTENIR LES AVANTAGES SUPPLEMENTAIRES DE SON COTE.

LE PRESIDENT A SUSPENDU LA SEANCE APRES MINUIT AFIN DE POURSUIVRE LES TRAVAUX SUR LE PLAN BILATERAL AVEC LES RESULTATS INDIGUES PLUS HAUT. IL EST EVIDENT QUE CET ECHEC RISQUE D'AVOIR DES PROLONGEMENTS POLITIQUES.

D I S : SI LA FRANCE SERAIT PRETE A ACCEPTER LE COMPROMIS DE LA PRESIDENCE; CE DERNIER EST TOUJOURS JUGE INSUFFISANT PAR LA DELEGATION ITALIENNE; ALORS QUE NOTAMMENT LE DANEMARK NE PEUT PAS ACCEPTER LE DEMANTELEMENT ACCELERE DES M C M FRANCAIS SUR LE PORC JUGE TRES IMPORTANT PAR LA FRANCE. LE REFUS DE LA PRESIDENCE; APPUYEE PAR LA DELEGATION BRITANNIQUE; D'ENVISAGER UN DEMANTELEMENT SUPPLEMENTAIRE DES M C M NEGATIFS CREE AUSSI DES DIFFICULTES. ENFIN; LA DEMANDE ITALIENNE VISANT A OBTENIR UN PROGRAMME DE BONIFICATION D'INTERETS N'A PAS PU ETRE SATISFAITE; LA COMMISSION S'Y OPPOSE EN RAISON DES IMPLICATIONS BUDGETAIRES.

FIN D I S

AMITIES

H. V A S E Y