



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

4524/93 (Presse 15)

1641st Council meeting

AGRICULTURE

Brussels, 9, 10, 12 and 13 February 1993

President: Mr Bjørn WESTH,
Minister for Agriculture and
Fisheries of the Kingdom of Denmark

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

Belgium:

Mr André BOURGEOIS Minister for Agriculture

Denmark:

Mr Bjørn WESTH Minister for Agriculture and Fisheries

Mr Nils BERNSTEIN State Secretary for Agriculture

Germany:

Mr Jochen BORCHERT Federal Minister for Food, Agriculture and Forestry

Mr Franz-Josef FEITER State Secretary, Federal Ministry of Food, Agriculture and Forestry

Greece:

Mr Christos KOSKINAS Minister for Agriculture

Spain:

Mr Pedro SOLBES MIRA Minister for Agriculture

France:

Mr Jean-Pierre SOISSON Minister for Agriculture and Rural Development

Ireland:

Mr Joe WALSH Minister for Agriculture, Food and Forestry

Italy:

Mr Giovanni FONTANA Minister for Agriculture

Luxembourg:

Mrs Marie-Josée JACOBS Minister for Agriculture, Viticulture and Rural Development

Netherlands:

Mr Piet BUKMAN Minister for Agriculture, Nature Conservation and Fisheries

Mr Piet DANKERT State Secretary for Foreign Affairs

Portugal:

Mr Arlindo CUNHA Minister for Agriculture

United Kingdom:

Mr John GUMMER Minister for Agriculture, Fisheries and Food

Mr David CURRY Minister of State, Ministry of Agriculture, Fisheries and Food

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Commission:

Mr René STEICHEN Member

FARM PRICES AND RELATED MEASURES FOR 1993/1994

In line with the Edinburgh European Council's conclusions on transparency, the Council held a discussion in public. This began with the Commission outlining its proposals on prices and related measures for 1993/1994. These basically involved the continuation of current prices, especially in sectors not covered by the reform. The main decisions for the other sectors had been taken in the context of the reform.

When the delegations had given their initial reactions the Council instructed the Special Committee on Agriculture to start examining the proposals and report back at its next meeting.

BANANAS

The Council adopted by a qualified majority - the Belgian, German and Netherlands delegations voted against - a Regulation on the common organization of the market in bananas. The Regulation involves a "third country" arrangement based on a tariff quota and including a system of import licences, and an internal arrangement with among other things a system of specific aid for Community produce.

The main features of the external, "third country" aspect are:

- (a) the opening of a tariff quota of 2 million tonnes at a low rate of duty (ECU 100/tonne) with scope for raising it in accordance with the market. Imports exceeding the quota will be subject to a duty of ECU 850/tonne;

- (b) zero-duty imports from the ACP States are authorized up to the traditional level, which is laid down in the Regulation. In the case of non-traditional ACP quantities a duty of ECU 750/tonne will be levied;
- (c) the introduction of a mechanism for issuing licences which will give access to the low-duty tariff quota and ensure compliance with commitments to Community and ACP producers.

The internal aspect involves:

- the formulation of common quality and marketing standards;
- encouragement for the setting up of producers' organizations and consultation machinery;
- the introduction of structural and compensatory aid.

The Regulation will come into force in full on 1 July 1993. Its adoption will realize the aim of ensuring free movement of bananas in the Single Market.

URUGUAY ROUND - AGRICULTURE

After hearing an assessment by Commissioner STEICHEN of the current position in the Uruguay Round, the Council reaffirmed the Community's interest in a balanced and comprehensive conclusion to those negotiations being reached at an early date. It hoped the new United States Administration would be able to take up the continuing negotiations in a constructive manner, and it noted an oral interim report by the Chairman of the Special Committee on Agriculture on the preliminary discussions concerning the technical aspects of the task of considering whether the results of the prior agreement in Washington were compatible with the common agricultural policy.

The Council instructed the SCA to continue with its analysis and report back at its next meeting.

TRANSITIONAL MEASURES FOR PORTUGAL

The Council re-examined the question of the proposals for repealing or adapting transitional measures applicable to agriculture in Portugal with a view to integrating that country into the Single Market.

At the Council meeting from 14 to 17 December 1992 Portugal had been unable to accept the compensation proposals in the overall compromise.

At today's meeting the Commission put forward new suggestions concerning structural aid, aid for rice, and an increase in the suckler-cow premium and in the Portuguese reservation of such premiums.

On the basis of these suggestions the Council reached a broad political agreement. It instructed the SCA to draw up the legal texts of the various Regulations involved with a view to formal adoption.

SUPPORT SYSTEM FOR DURUM WHEAT PRODUCERS

With the abstention of Greece, the Council adopted a Regulation following on an undertaking given as part of last December's compromise and concerning the system of support for producers of durum wheat.

The Regulation:

- extends the traditional durum-wheat areas in France which

qualify for production aid;

- alters the reference period in Spain and Portugal for calculating the areas eligible for durum-wheat aid.

Following the reform, regions in which durum wheat is traditionally produced will qualify for special aid at a level higher than the aid granted in the other regions.

SHEEPMEAT AND GOATMEAT

The Council adopted a Regulation on sheepmeat following the overall compromise reached in December.

The Regulation:

- provides that, for the purpose of calculating the ewe premium in Ireland and Northern Ireland, the 1992 marketing year will be taken as the last year of transition to a common premium;
- raises from ECU 5,5 to ECU 7, for 1992 only, the "rural world" premium applicable in the less-favoured areas in all Member States.

TOBACCO

The Greek delegation referred to the conclusions which the Council had adopted regarding tobacco (Virginia variety) as part of the compromise of December 1992, and urged that the Commission should take specific action on them.

The Commission confirmed its intention of submitting a report and suitable proposals to the Council for its next meeting.

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CONTROL OF SALMONELLOSIS

Under "Other business", at the request of the German delegation, the Council touched on the question of salmonellosis and the measures to be envisaged for controlling it.

The Commission said it was continuing to study the matter and would consider taking any necessary steps.

OTHER DECISIONS CONCERNING AGRICULTURE

The Council adopted a Regulation laying down marketing standards for poultrymeat.

After a year's implementation the Regulation is adjusted as follows:

- the definitions of poultrymeat will be amended to exclude all types of preparation;
- Member States will be allowed to set specific temperature requirements for the cutting and storage of fresh poultrymeat in the retail trade.

The Council adopted a Decision on the granting of national aid for the distillation of certain wines in the Federal Republic of Germany.

This concerns additional aid granted by the Land of Rhineland-Palatinate in the wine sector for the 1992/1993 marketing year to deal with an exceptional situation. A maximum of DM 50 per hectolitre is being granted for 50% of the maximum volume of 310 000 hectolitres of wine produced in the Land in 1992/1993 and intended for compulsory distillation. The total aid amounts to DM 7 million.

MISCELLANEOUS DECISIONS

Textiles

The Council adopted a Decision on the conclusion of the Protocol maintaining in force the Arrangement regarding international trade in textiles (MFA).

Under this Protocol, the Arrangement, including the Conclusions of the Textiles Committee adopted on 31 July 1986, as amended by the 1989 Protocol amending the 1986 Protocol extending the arrangement regarding international trade in textiles, will be maintained in force for a further period of twelve months until 31 December 1993.

Fisheries

The Council adopted a Regulation amending Regulation (EEC) No 2984/92 allocating, for 1992, certain catch quotas between Member States for vessels fishing in the Norwegian exclusive economic zone and the fishing zone around Jan Mayen.

The amendment follows consultations between the Community and Norway and allocates between Member States the increased quotas available in 1992 (9 250 tonnes of "Other Species" in the North Sea) for Community vessels fishing in the Norwegian zone, under the 1993 fishing arrangement.

Bruxelles, le 8 février 1993

NOTE BIO (93) 28 AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU SERVICE DU PORTE-PAROLE

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CONSEIL AGRICULTURE (Bruxelles les 9 et 10 février 1993)

(G. KIELY)

Le Conseil des Communautés Européennes tiendra sa 1.641ème session - Agriculture - mardi 9 février à partir de 15h00 et mercredi 10 février 1993 au Bâtiment Charlemagne à Bruxelles, sous la Présidence de Mr. Laurits TOERNAES, Ministre de l'Agriculture du Royaume du Danemark. L'ordre du jour comportera les points suivants :

Approbation de la liste des points "A".

Propositions de la Commission au Conseil concernant la fixation des prix des produits agricoles et certaines mesures connexes pour la campagne 1993/94 (doc. COM (93) 36).

Mr. STEICHEN présentera les propositions de la Commission.

Pour les céréales, le lait et la viande bovine, les principales décisions relatives aux prix et aux mesures de soutien ont été prises dans le contexte de la réforme de la PAC.

Pour les secteurs non couverts par la réforme, le présent paquet-prix se caractérise essentiellement par une reconduction des prix et des mesures de soutien. Les principaux changements prévus sont les suivants :

RIZ :

Pour poursuivre la politique visant à encourager le déplacement de la production de la variété Japonica, excédentaire, vers la variété India, il est proposé de proroger une dernière fois l'aide à la reconversion tout en diminuant son montant de 200 à 100 Ecus/hectare et de réduire de 4% le prix d'achat à l'intervention du riz Japonica.

HUILE D'OLIVE

Il est proposé de transférer un montant supplémentaire de l'aide à la consommation à l'aide à la production, comme il a été fait l'année dernière.

GRAINES DE LIN

Il est proposé que ce produit soit intégré dans le régime applicable aux cultures arables. La proposition prévoit un système transitoire pour la campagne 1993/94 et une totale intégration de ce produit l'année prochaine.

COTON

Les restrictions apportées l'année dernière à l'application du stabilisateur pour le coton n'ont pas eu l'effet escompté (meilleure garantie du prix à la production pour les producteurs). Aussi est-il proposé de les lever sans toutefois retourner à un système dépourvu de tout butoir.

VIANDE PORCINE

Suite à la réduction du prix des céréales dans le cadre de la réforme de la PAC, un réexamen du prix de base de la viande porcine doit être fait. L'opération se traduirait par une réduction de 25% du prix de base. Il est souligné cependant que cette mesure n'entraînera aucune réduction de l'aide en faveur du secteur ou des prix de marché.

Etant donné la simplicité du paquet des prix et la nécessité d'informer au plus tôt les agriculteurs sur les prix applicables cette année, la Commission espère que le Parlement et le Conseil pourront se prononcer rapidement sur ces propositions.

PROPOSITION DE REGLEMENT DU CONSEIL PORTANT ORGANISATION COMMUNE DES MARCHES DE LA BANANE (doc. COM (92) 359).

Le Conseil sera invité à se prononcer sur la base d'un texte révisé du projet de règlement, établi à la suite de l'accord du Conseil Agriculture des 14/17 décembre 1992, prenant en compte l'avis du Parlement, étant entendu que le Conseil s'était engagé à prendre une décision avant le 1er mars 1993.

Certaines Délégations (D, NL, B) prétendent que l'accord du Conseil ne couvre que le volet externe et que la discussion sur le volet interne de la proposition de la Commission n'est pas close. Il subsiste aussi des réserves sur l'attribution des licences d'importation (Art. 19 du doc.).

URUGUAY ROUND - VOLET AGRICOLE

Mr. STEICHEN fera le bilan sur l'état des négociations à Genève. Conformément au mandat du Conseil Agriculture du 18 janvier 1993, le CSA a eu une première discussion de caractère général sur la compatibilité du pré-accord de Washington sur la réforme de la PAC.

PROPOSITION DE REGLEMENT DU CONSEIL PORTANT, EN VUE DE LA REALISATION DU MARCHÉ UNIQUE, SUPPRESSION OU ADAPTATION DES MESURES TRANSITOIRES APPLICABLES AUX PRODUITS AGRICOLES EN VERTU DE L'ACTE D'ADHESION DU PORTUGAL (doc. COM (92) 253).

Point déjà abordé lors du Conseil Agriculture des 14/17 décembre 1992 et sur lequel le Portugal n'avait pu marquer son accord.

La Commission propose douze règlements qui sont rendus nécessaires par la suppression des contrôles aux frontières et que l'on peut résumer sous trois rubriques :

- alignements des prix;
- maintien du mécanisme complémentaire aux échanges (MCE) pour un nombre réduit de produits;
- mesures de compensation aux agriculteurs affectés par la baisse des prix.

A la demande de la Commission, la Présidence a fait diffuser, à titre d'information, un document de travail destiné à compléter le compromis présenté par la Présidence anglaise lors du Conseil Agriculture des 14/17 décembre 1992.

MODIFICATION DU REGIME DE SOUTIEN A CERTAINES CULTURES ARABLES (doc. COM (93) 4)

A la suite de l'accord politique du Conseil Agriculture des 14/17 décembre 1992, le Conseil est appelé à adopter la proposition de la Commission tendant à élargir la liste des zones traditionnelles en France éligibles à l'aide au blé dur et à modifier les années de référence applicables en Espagne et au Portugal.

MODIFICATION DE L'OCM VIANDE BOVINE ET AUGMENTATION DE L'AIDE SPECIFIQUE A L'ELEVAGE OVIN DANS CERTAINES ZONES DEFAVORISEES (doc. COM (93) 8)

A la suite de l'accord du Conseil Agriculture des 14/17 décembre 1992, le Conseil est appelé à adopter la proposition de la Commission :

- de maintenir pour 1993 l'existence de la zone de cotation Irlande/Irlande du Nord (même en l'absence de prime variable à l'abattage en Grande-Bretagne);
- d'augmenter de 5,5 à 7 Ecus, le montant de la prime "monde rural", applicable aux brebis produisant des agneaux lourds. Pour les autres brebis et les chèvres, 4,9 Ecus serait le montant retenu.

CONCLUSION DE L'ACCORD CEE/USA SUR LES OLEAGINEUX DANS LE CADRE GATT (doc. SEC (93) 53)

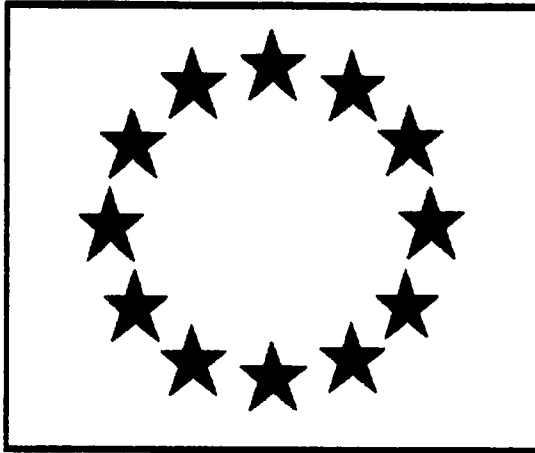
La Commission souhaite que le Conseil prenne une décision rapide sur la conclusion de l'accord avec les Etats-Unis sur les oléagineux, négocié en même temps que le pré-accord sur l'Uruguay Round. Toutefois pour une question de procédure, la discussion sur ce point devrait être reportée au prochain Conseil agricole.

Amitiés,



B. DETHOMAS





COMMISSION DES COMMUNAUTES EUROPEENNES
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BRUSSELS, 10 FEBRUARY 1993

NOTE BIO (93)28 (SUITE 1) AUX BUREAUX NATIONAUX
CC : AUX MEMBRES DU SERVICE DU PORTE PAROLE

AGRICULTURAL COUNCIL, 9 FEBRUARY 1993,
(G KIELY)

BANANAS

FOLLOWING THE ADOPTION OF THE AGENDA AND SOME A POINTS THE COUNCIL HELD A DISCUSSION ON ESTABLISHING A COMMON ORGANISATION OF THE MARKET FOR BANANAS. ON WHICH A POLITICAL AGREEMENT HAD BEEN REACHED IN DECEMBER.

A NUMBER OF DELEGATIONS QUESTIONED WHETHER THE DECEMBER AGREEMENT INCLUDED THE INTERNAL ASPECT OF THE PROPOSAL OR APPLIED ONLY TO THE EXTERNAL ASPECT. HOWEVER, A MAJORITY STATED CLEARLY THAT THE AGREEMENT COVERED ALL ESPECTS. INDEED A NUMBER OF MINISTERS RAISED THE POINT THAT THEY HAD TO MAKE SACRIFICES IN THE DECEMBER PACKAGE IN RETURN FOR SOME BENEFITS - IN OTHER WORDS CALLING THE BANANA AGREEMENT INTO QUESTION WOULD PUT THE WHOLE DECEMBER PACKAGE IN DOUBT.

GERMANY ARGUED THAT THE PROPOSAL EFFECTIVELY ABOLISHED ITS BANANA PROTOCOL AND NEEDED UNANIMITY - A POINT REJECTED BY THE COMMISSION AND THE LEGAL SERVICE OF COUNCIL ON THE BASIS THAT IT IS ONLY THE BANANA IMPORT QUOTA FOR GERMANY WHICH IS BEING REDUCED TO ZERO, WHICH IS A QUALIFIED MAJORITY DECISION

SOME MINISTERS ALSO REQUESTED CLARIFICATION OF THE PROPOSALS COMPATIBILITY WITH GATT WHICH COMMISSIONER STEICHEN GAVE AND SAID THAT THE CONSULTATIONS REQUESTED BY SOME COUNTRIES SHOULD TAKE PLACE BETWEEN ADOPTION OF THE PROPOSAL AND ITS DATE OF IMPLEMENTATION.

MR STEICHEN ALSO GAVE AN ASSURANCE THAT THE SHARES OF TARIFF QUOTA GRANTED ON THE BASIS OF SALES OF COMMUNITY OR TRADITIONAL ACP BANANAS WILL BE MANAGED SEPARATELY AND THAT IT IS NOT THE INTENTION OF THE COMMISSION THAT THERE SHOULD BE A PROGRESSIVE

INCREASE IN THE SHARE OF THE TARIFF QUOTA ATTRIBUTED TO SELLERS OF COMMUNITY OR ACP BANANAS. HE ALSO SAID THAT THE GRANTING OF LICENCES WOULD BE TO PEOPLE WHO HAVE ASSUMED THE COMMERCIAL RISK IN THE SALE OF BANANAS THE COMMISSIONER ALSO URGED THE COUNCIL TO ACCEPT THE MANAGEMENT COMMISSION PROCEDURE FOR ADJUSTING THE TARIFF QUOTA SO AS TO BE ABLE TO RESPOND RAPIDLY TO CHANGES IN

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MARKET DEMAND.

3 THE COUNCIL SUSPENDED ITS DISCUSSION TO ALLOW MINISTERS TO REFLECT ON THE PROPOSAL AND WILL RETURN TO THE SUBJECT ON WEDNESDAY.

GATT

INTRODUCING THE DISCUSSION MR STEICHEN WELCOMED THE WORK DONE BY THE CSA ON THE COMPATIBILITY OF THE BLAIR HOUSE AGREEMENT AND CAP REFORM AND PROPOSED THAT THIS WORK CONTINUES. HE HOPED THAT THE COMMISSION WOULD SOON BE ABLE TO CLARIFY THE US INTENTIONS AS

REGARD THE GATT NEGOTIATIONS. MINISTERS TENDED TO RAISE THE SAME QUESTIONS, REGARDING COMPATIBILITY, WITH REFORM AND THE IMPLICATIONS IN PARTICULAR OF THE VOLUME LIMITATION ON SUBSIDISED EXPORTS.

- 2 -

9 A NUMBER OF MINISTERS EMPHASISED THAT THE WASHINGTON AGREEMENT CONSTITUTED THE ABSOLUTE LIMIT OF CONCESSIONS ON THE PART OF THE COMMUNITY WHILE AT THE SAME TIME QUESTIONING THE US COMMITMENT TO A GATT AGREEMENT. RESPONDING MR STEICHEN GAVE AN ASSURANCE THAT A GATT AGREEMENT MUST NOT GO BEYOND THAT DECIDED ON CAP REFORM. (COMMUNITY FIGURES ON COMPATIBILITY HAVE BEEN CONFIRMED BY INDEPENDENT ANALYSTS HE TOLD COUNCIL.) HE ALSO AGREED THAT THE OILSEED ACCORD SHOULD BE EXAMINED AS A PRIORITY BY THE CSA. MR STEICHEN INFORMED THE COUNCIL THAT HE HAD TALKED TO US SECRETARY OF AGRICULTURE MR ESPY AND EMPHASISED THAT THE COMMISSION HAD REACHED THE LIMIT AS FAR AS CONCESSIONS WERE CONCERNED AND HOPED TO MEET HIM TO DISCUSS THIS AND OTHER MATTERS IN MARCH.

PORTUGAL.

WITH THE COMPLETION OF THE INTERNAL MARKET THE TRANSITIONAL MEASURES MUST BE ABOLISHED WHICH INVOLVES PRICE REDUCTIONS FOR PORTUGAL. THIS REQUIRES UNANIMITY AND WAS NOT POSSIBLE TO ACHIEVE IT IN DECEMBER.

ESSENTIALLY THE PROPOSAL INVOLVES

- AID TO THE AGRICULTURAL PROCESSING SECTOR
- COMPENSATION FOR THE PRICE REDUCTIONS FOR RICE (25 ECU INSTEAD OF 20 ECU)
- CONTROL ON THE IMPORT OF PIGS INTO PORTUGAL I.E. APPLICATION OF STM
- AN INCREASE OF 12,000 HEAD IN ITS SHARE OF THE COMMUNITY RESERVE FOR SUCKLER COWS I.E. 17,761 IN TOTAL.
- THE TOTAL COST OF ALL THE MEASURES I.E. DECEMBER PROPOSALS PLUS IMPROVED OFFER IS ECU 487 M IN TOTAL DURING THE PERIOD 1993-2000. (THE COMMISSION'S ORIGINAL PROPOSALS WOULD HAVE COST 595 M ECU).

MR STEICHEN URGED MINISTERS TO ACCEPT THIS PROPOSAL SO THAT THE INTERNAL MARKET MAY BE COMPLETED IT WAS NOT POSSIBLE TO

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CONCLUDE THIS POINT DUE TO THE OPPOSITION OF ONE MEMBER STATE WHO
LINKED IT WITH ANOTHER ELEMENT OF THE DECEMBER PACKAGE, FOR WHICH
NO PROPOSAL HAS BEEN PRESENTED (GREEK TOBACCO)

COUNCIL RESUMES AT 10 O' CLOCK ON WEDNESDAY

REGARDS,

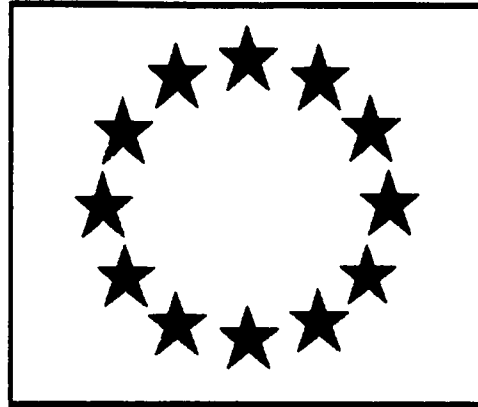
B DETHOMAS

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COMMISSION DES COMMUNAUTES EUROPEENNES
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BRUSSELS, 10 FEBRUARY 1993

NOTE BIO (93) 28 (SUITE 2) AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU SERVICE DU PORTE PAROLE

AGRICULTURAL COUNCIL, 10 FEBRUARY 1993
(G. KIELY)

PRICE PACKAGE.

THE COUNCIL HELD A FIRST ROUND OF DISCUSSIONS ON THE PRICE
PACKAGE AND RELATED MEASURES FOR THE 1993/94 MARKETING YEAR

INTRODUCING THE PROPOSALS COMMISSIONER STEICHEN SAID: (FULL TEXT
DISTRIBUTED)

- HE HAD DECIDED ON A MODEST PACKAGE TO RESTORE CALM TO THE
AGRICULTURAL SECTOR AND TO ALLOW MINISTERS TO CONCENTRATE ON CAP
REFORM IMPLEMENTATION, WHOSE SUCCESS IS IMPERATIVE

- THAT HE DOES NOT WANT TO COMPLICATE THE PACKAGE WITH THE
PROPOSALS FOR REFORM IN OTHER SECTORS, WHICH WILL BE PRESENTED
LATER I.E. SUGAR, WINE AND FRUIT AND VEGETABLES.

- THAT THE STUDY ON NON-ROTATIONAL SET-ASIDE WILL BE AVAILABLE
BEFORE THE END OF THE MONTH AND A PROPOSAL WILL THEN BE MADE ON
THE 0/0 SET-ASIDE REQUIRED IF A FARMER WANTS TO ENGAGE IN NEW
ROTATIONAL SET ASIDE

- THAT HE WISHES TO ABOLISH THE MILK CO-RESPONSIBILITY LEVY ON
MILK AT THE END OF MARCH, THAT THIS DEPENDS ON A DECISION ON THE
PACKAGE BEING TAKEN BY THEN

- THAT CURRENCY REALIGNMENTS WILL INCREASE THE COST OF CAP BY
ECU 1.6B, WHILE POOR ECONOMIC GROWTH WILL REDUCE THE GUIDELINE BY
ECU 1.4B COMPARED TO ESTIMATES MADE IN JULY 1992. THE RESULT HE
SAID IS THAT THE ROOM FOR MANOEUVRE IS VERY LIMITED AND ANY
FURTHER DEMANDS RESULTING IN INCREASED EXPENDITURE MUST BE OFFSET
BY SAVINGS ELSEWHERE.

IN GENERAL MINISTERS AGREED THAT IT WAS TIME FOR STABILITY AND
THAT MEMBER STATES MUST CONCENTRATE ON THE IMPLEMENTATION OF
REFORM. THE MAIN CRITICISM OF THE PACKAGE WAS IN RELATION TO
WHAT IT LACKED RATHER THAN CONTAINED I.E. SOME MINISTERS WANT
PROPOSALS FOR REFORM OF THE SUGAR, WINE, FRUIT AND VEGETABLE

SECTOR TOGETHER WITH FURTHER ACTION IN THE BEEF SECTOR.

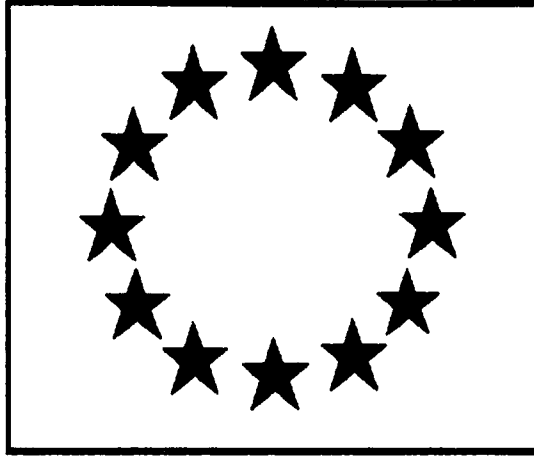
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A NUMBER OF MINISTERS OBJECT TO THE REDUCTION IN MONTHLY INCREMENTS FOR CEREALS (WHICH FOLLOWS FROM THE CEREALS PRICE REDUCTION UNDER REFORM) AND RAISED THE DIFFICULTIES ARISING FROM THE 1.250/0 REDUCTION IN INSTITUTIONAL PRICES ARISING FROM THE AUTOMATIC REDUCTION OF 250/0 OF THE INCREASE CAUSED BY THE SWITCH OVER MECHANISM WHILE SOME MINISTERS REJECTED THE REDUCTION IN THE MILK QUOTA (NOT IN THE PROPOSALS) OTHERS CALLED FOR THE RESTORATION OF THE 4.50/0 OF MILK QUOTA SUSPENDED (AND PAID FOR). THE PROPOSALS IN RELATION TO COTTON WAS ALSO CRITICISED GIVEN THAT THE COMMUNITY IS NOT SELF-SUFFICIENT.
REGARDS,

B DETHOMAS

SENT BY SPP AT : WED FEB 10 14 35 52 MET 1993

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COMMISSION DES COMMUNAUTÉS EUROPÉENNES
COMMISSION OF THE EUROPEAN COMMUNITIES

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BRUSSELS, 11 FEBRUARY 1993

NOTE BIO (93) 28 (SUITE 3) AUX BUREAUX NATIONAUX
CC. AUX MEMBRES DU SERVICE DU PORTE PAROLE

COUNCIL OF AGRICULTURAL MINISTERS, 10 FEBRUARY 1993
(G KIELY)

BANANAS.

IN SPITE OF THE FACT THAT THE MINISTERS VOTED FOR AN AGREEMENT IN
DECEMBER ON BANANAS, IT HAS NOT YET BEEN POSSIBLE TO CONCLUDE ON
THE LEGAL TEXT COUNCIL AGREED WITH THE SUPPORT OF THE
COMMISSION TO SOME ADJUSTMENTS TO THE TEXT TO TAKE ACCOUNT OF
CONCERNS EXPRESSED BY TWO MINISTERS OR TO MAKE THE OBJECTIVES OR
OPERATION OF THE REGIME MORE EXPLICIT. NEVERTHELESS TWO
MINISTERS (WHO VOTED FOR THE PROPOSAL IN DECEMBER) COULD NOT TAKE
A DECISION WITHOUT CONSULTING THEIR GOVERNMENTS. MR STEICHEN,
WITH THE SUPPORT OF MANY MINISTERS, INSISTED THAT THE COUNCIL
RESPECT ITS SELF-IMPOSED DEADLINE FOR A DECISION I.E 1 MARCH.
IT WAS AGREED THEREFORE TO SUSPEND COUNCIL AND TO RECONVENE AT
18.00H ON FRIDAY 12 FEBRUARY, FOLLOWING CABINET MEETINGS OF THE
TWO GOVERNMENTS CONCERNED.

A.O.B.

SHEEPMET MARKET SITUATION (FR)

THE FRENCH DELEGATION ASKED THAT THE EWE PREMIUM BE INCREASED BY
1 ECU/HEAD FOR THE 1992 PREMIUM AND THAT THE FINAL INSTALLMENT BE
MADE AS SOON AS POSSIBLE. FRANCE WOULD BE PREPARED TO PAY THIS
FROM NATIONAL FUNDS. THE MARKET SITUATION, SAID MR STEICHEN IS
DUE TO THE MONETARY REALIGNMENTS AND AN INCREASE IN SLAUGHTERINGS
DUE TO THE CAP REFORM CEILINGS. HOWEVER HE POINTED OUT THAT A
REDUCTION IN MARKET PRICES IS COMPENSATED BY AN INCREASE IN THE
EWE PREMIUM. HE HAS ALSO REQUESTED HIS SERVICES TO ESTABLISH THE
FINAL AMOUNT OF THE PREMIUM (FOR 1992) AT THE MANAGEMENT
COMMITTEE ON 19 FEBRUARY. ON THE PAYMENT OF NATIONAL AID HE
SAID, STRICT EC RULES APPLY.

ASSISTANCE WITH APPLICATION OF CAP REFORM (BEL):

A NUMBER OF MINISTERS SUPPORTED THE VIEW THAT THERE SHOULD BE
SOME TECHNICAL ASSISTANCE FOR FARMERS ON THE IMPLEMENTATION OF
CAP REFORM I.E. ECONOMIC ADVICE CLARIFICATION OF REQUIREMENTS,
COMPLETION OF DOCUMENTATION ETC. WHILE SUPPORTING THE IDEA A
NUMBER OF MINISTERS SAID THAT THERE SHOULD NOT BE COMMUNITY
FINANCING OF THIS ACTION. RESPONDING MR STEICHEN SAID THAT THE
FACILITY FOR SUCH ASSISTANCE ALREADY EXISTED AND HE WOULD EXAMINE

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WHAT FURTHER ACTION THE COMMISSION COULD TAKE.

ANIMAL WELFARE (GER)

WITH THE SUPPORT OF MANY MINISTERS THE GERMAN DELEGATION SAID THAT THE QUESTION OF ANIMAL WELFARE AND THE TREATMENT OF ANIMALS DURING THE TRANSPORT SHOULD BE COVERED BY COMMUNITY LEGISLATION - CANNOT BE LEFT TO MEMBER STATES (SUBSIDIARITY) - AS IT COULD LEAD TO DISTORTION OF COMPETITION. IN REPLY THE COMMISSION SAID THAT

HE BELIEVED THAT THERE WAS A NEED FOR COMMUNITY LEGISLATION, TOGETHER WITH THE CONVENTION OF THE COUNCIL OF EUROPE.

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TRADE IN UNCASTRATED PIGS (DK)

DENMARK RAISED PROBLEMS THEY WERE ENCOUNTERING ON THE EXPORT OF UNCASTRATED PIGS TO GERMANY. GERMANY AGREED TO EXAMINE THE MATTER, WHILE THE COMMISSION SAID THAT LEGISLATION EXISTED ALLOWING THIS TRADE IN THE CONTEXT OF THE INTERNAL MARKET THIS LEGISLATION HE SAID MUST NOT BE CALLED INTO QUESTION.

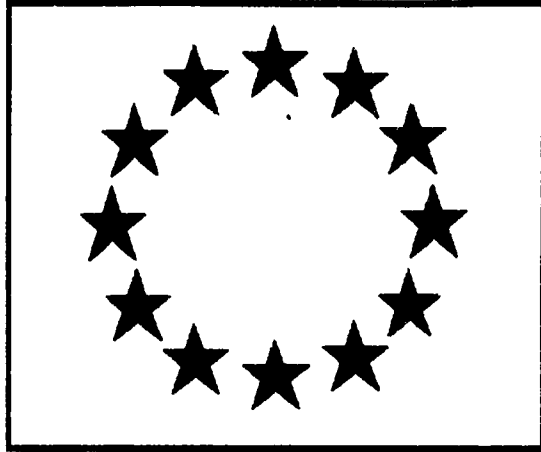
REGARDS,

B DETHOMAS

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COMMISSION DES COMMUNAUTES EUROPEENNES
COMMISSION OF THE EUROPEAN COMMUNITIES

FROM : C. E. C. - G. P. P.
TO : C. E. WASHINGTON - WASHINGTON
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BRUSSELS, 13 FEBRUARY 1993

NOTE BIO (92) 32 AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU SERVICE DU PORTE-PAROLECOUNCIL OF AGRICULTURAL MINISTERS 12.2.93
(G. KIELY)

THE COUNCIL OF AGRICULTURAL MINISTERS RESUMED THEIR DISCUSSIONS ON FRIDAY 12TH AT 18H00 IN AN EFFORT TO AGREE THE LEGAL TEXTS ON ESTABLISHING A COMMON ORGANISATION OF THE MARKET FOR BANANAS. A POLITICAL AGREEMENT HAD BEEN REACHED IN DECEMBER WITH GERMANY AND DENMARK VOTING AGAINST. HOWEVER, BELGIUM AND THE NETHERLANDS CHANGED THEIR POSITIONS AND THEREFORE CREATED A BLOCKING MINORITY.

THE BELGIAN AND DUTCH DELEGATIONS ON FRIDAY SUBMITTED TO COUNCIL A SERIES OF AMENDMENTS REQUIRED BY THEM BEFORE THEY COULD ACCEPT THE PROPOSAL. WHILE BOTH THE COMMISSION AND MINISTERS WERE WILLING TO ADAPT THE TEXT TO CLARIFY THAT WHICH WAS ALREADY IMPLICIT IN THE TEXT, THERE WAS GENERAL AGREEMENT THAT SOME OF THE DEMANDS WOULD CONSTITUTE A FUNDAMENTAL REVISION OF THE DECEMBER AGREEMENT AND COULD NOT BE ACCEPTED E.G. AUTOMATIC ANNUAL INCREASES IN THE TARIFF QUOTA ON THE BASIS OF THE HISTORIC TREND IN CONSUMPTION.

FOLLOWING SOME MINOR AMENDMENTS TO THE TEXT THE PROPOSAL WAS VOTED UPON AND ADOPTED BY QUALIFIED MAJORITY. GERMANY, THE NETHERLANDS AND BELGIUM VOTED AGAINST. ADOPTION OF THE TEXT WAS ONLY ACHIEVED BY THE DANES CHANGING THEIR VOTE COMPARED TO DECEMBER WHICH THEY DID IN THE INTEREST OF THE COMMUNITY.

MAIN POINT OF THE DECISION:

- THE NEW REGIME WILL OPERATE FROM 1.7.93.

- A TARIFF QUOTA OF 2 MILLION TONNES (1M TONNES FOR JULY-DECEMBER PERIOD OF 1993) WILL BE ESTABLISHED WHICH MAY BE IMPORTED AT A DUTY OF 100 ECU/TONNE. THIS QUOTA MAY BE ADJUSTED UPWARDS TO TAKE ACCOUNT OF DEMAND, USING THE MANAGEMENT COMMITTEE DECISION MAKING MECHANISM.

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- BANANA IMPORTS UNDER THIS QUOTA FROM NON-TRADITIONAL ACP SUPPLYING COUNTRIES WILL BE EXEMPT FROM THE 100 ECU/TONNE DUTY (BANANAS FROM TRADITIONAL ACP SUPPLYING COUNTRIES HAVE UNLIMITED DUTY FREE ACCESS TO THE EC MARKET).
- IMPORTS ABOVE THE 2 MILLION TONNE QUOTA (OR ITS' FUTURE ADJUSTED LEVEL) WILL BE SUBJECT TO A DUTY OF 850 ECU/TONNE OR 750 ECU/TONNE ON THOSE COMING FROM NON-TRADITIONAL ACP COUNTRIES
- THE TARIFF QUOTA WILL BE MANAGED THROUGH A SYSTEM OF IMPORT CERTIFICATES AND ALLOCATED ON THE BASIS OF
- 66.50/0 TO THE CATEGORY OF OPERATORS WHO MARKETED THIRD COUNTRY AND/OR NON-TRADITIONAL ACP BANANAS BETWEEN 1989 AND 1991.

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- 300/0 TO THE CATEGORY OF OPERATORS WHO MARKETED COMMUNITY AND/OR TRADITIONAL ACP BANANAS.
- 3.50/0 TO THE CATEGORY OF OPERATORS ESTABLISHED IN THE COMMUNITY WHO STARTED MARKETING BANANAS OTHER THAN COMMUNITY AND/OR TRADITIONAL ACP BANANAS FROM 1992

ON THE INTERNAL SIDE THE REGIME PROVIDES FOR A NUMBER OF AID MEASURES IE:

- COMPENSATORY AID TO COMMUNITY PRODUCERS WHICH WILL BE ESTABLISHED ON THE BASIS OF THE DIFFERENCE BETWEEN THE 'FLAT-RATE REFERENCE INCOME' FOR BANANAS PRODUCED AND MARKETED WITHIN THE COMMUNITY AND THE 'AVERAGE PRODUCTION INCOME OBTAINED ON THE COMMUNITY MARKET DURING THE YEAR IN QUESTION FOR BANANAS PRODUCED AND MARKETED WITHIN THE COMMUNITY.

THIS COMPENSATION WILL BE PAID ON A MAXIMUM OF 854.000 TONNES (NET WEIGHT) OF BANANAS FOR THE COMMUNITY AS A WHOLE.

- A PREMIUM OF 1000 ECU/HA WILL BE PAID TO PRODUCERS WHO CEASE TO PRODUCE BANANAS.
- MEASURES AIMED AT IMPROVING QUALITY, COMPETITIVENESS, MARKETING STRUCTURE, ETC, WILL ALSO BE ASSISTED.

TOTAL SUPPLIES OF BANANAS ON THE COMMUNITY MARKET IN 1991 WERE 3.678 MILLION TONNES, 2.391 MILLION TONNES OF WHICH CAME FROM THIRD COUNTRIES, 603.000 TONNES FROM ACP COUNTRIES AND 694.000 TONNES FROM THE COMMUNITY.

COMMENTING ON THE OUTCOME OF THE COUNCIL THE EC COMMISSIONER FOR AGRICULTURE AND RURAL DEVELOPMENT MR. RENE STEICHEN WELCOMED THE DECISION AND SAID THAT IT REPRESENTED A FINELY BALANCED COMPROMISE WHICH RESPECTED THE INTERESTS OF COMMUNITY CONSUMERS AND PRODUCERS WHILE AT THE SAME TIME FULFILLING THE COMMUNITY'S OBLIGATION ON THE INTERNATIONAL FRONT AND TO ACP COUNTRIES. HE CONGRATULATED THE DANISH DELEGATION FOR HAVING THE COURAGE TO TAKE THE DIFFICULT DECISION OF CHANGING ITS VOTE IN THE INTEREST OF THE COMMUNITY. MR. STEICHEN WAS MOST CRITICAL OF THE TWO COUNTRIES WHO HAVING ACCEPTED THE DECISION IN DECEMBER, CHANGED THEIR POSITION TO OPPOSE IT. WHEN MINISTERS ACCEPT A POLITICAL COMPROMISE HE SAID, THEY MUST

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STAND BY IT. COUNCIL, HE ADDED, MUST OPERATE ON THE BASIS OF TRUST AND THIS TYPE OF ACTION DOES NOT GENERATE EITHER TRUST OR GOODWILL. THE COMPLEX NATURE OF AGRICULTURAL LEGISLATION OFTEN DEMANDS THAT POLITICAL DECISIONS BE TAKEN HE SAID AND HE HOPED THAT THIS DEVELOPMENT WOULD NOT SET AN UNWELCOME PRECEDENT AND THAT AGRICULTURAL MINISTERS COULD ONCE AGAIN OPERATE ON A BASIS OF TRUST, GOOD WILL AND COOPERATION.

AMITIES,
B. DETHOMAS

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