17.12.62

COUNCIL DECISION

of 4 December 1962

on the co-ordination of policies on the structure of agriculture

THE COUNCIL OF THE EUROPEAN ECONOMIC COMMUNITY,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof;

Having regard to the proposal from the Commission;

Having regard to the Opinion of the European Parliament;

Whereas the operation and development of the common market in agricultural products must be accompanied by the establishment of a common agricultural policy, of which a policy on the structure of agriculture constitutes an integral part;

Whereas under Article 39 (1) (a) and (b) of the Treaty one of the objectives of the common agricultural policy is to increase agricultural productivity and thus to ensure a fair standard of living for the agricultural community, in particular by increasing the individual earnings of persons engaged in agriculture; whereas if these objectives are to be attained the sound elements in the structure of agriculture must be conserved and defects in the structure eliminated;

Whereas in implementing a policy on structure within the framework of the common agricultural policy account must be taken of trends in agricultural markets; whereas close co-ordination is consequently necessary between policy on agricultural markets and policy on agricultural structure; whereas it is, furthermore, essential to bear in mind that the structure of agriculture is closely linked to the economy as a whole;

Whereas it is therefore necessary both to co-ordinate structural policy with regional development policy and, within the framework of regional development policy, to take additional measures designed to facilitate the adjustment of agriculture to economic and social trends; Whereas structural defects exist at local and regional level and structural improvements are possible only with the active co-operation of those directly concerned; whereas the implementation of a policy on structure is thus primarily the responsibility of the Member States;

Whereas steps should, however, be taken within the framework of the Community to stimulate efforts to improve the structure of agriculture and to do everything possible to increase the economic potential and competitiveness of agriculture;

Whereas co-ordination by the Community of the structural policies of Member States affords a means of harmonising such policies with the common agricultural policy and with the other objectives of the Community;

Whereas co-ordination of structural policies calls for close and sustained co-operation between Member States and the Commission; whereas this can most effectively be brought about by the creation of a Standing Committee consisting of representatives of each of the Member States, with a representative of the Commission as chairman;

Whereas it is necessary that the Commission submit annually to the European Parliament and to the Council a report on structure, setting out the overall situation in the Community as regards the structure of agriculture and including an assessment of the structural policies of the Member States in relation to the objectives of the common agricultural policy;

Whereas as part of the co-ordination of structural policies steps should be taken to ensure that adequate and co-ordinated use is made of Community financing facilities for the purpose of benefiting the structure of agriculture, the facilities in question being those afforded by, principally, the Guidance and Guarantee Fund (in respect of action covered by Articles 3 (1) (d) and 2 (2) (c) of Council Regulation No 25 on the financing of the common agricultural policy), by the European Social Fund and by the European Investment Bank;

Whereas it is necessary that the Commission, basing itself in particular on the report on structure, submit to the Council for adoption under Article 43 of the Treaty proposals designed to improve the structure of agriculture and to make it possible for the structural policies of Member States to be co-ordinated;

Whereas to co-ordinate structural policies it is essential to be informed of the situation in Member States with regard to the structure of agriculture and of their agricultural policies, and in particular of measures taken to improve that structure and also of conditions at regional level; whereas Member States should provide the Commission with the necessary information;

Whereas if effective co-ordination of structural policies is to be achieved the Commission needs to be provided by Member States with particulars of all proposed multiannual plans and regional programmes and with drafts of all proposed laws, regulations and administrative provisions or, where these do not exist in draft form, with a description in broad outline of the provisions envisaged;

Whereas effective co-ordination of the structural policies of Member States can be ensured in respect of such proposals only if the Commission is empowered to express its opinion on the proposals and is required to make known its opinion when so requested by a Member State;

Whereas, with a view in particular to the harmonisation of national legislation, the co-ordination of structural policies requires a knowledge of all relevant laws, regulations and administrative provisions in force in the Member States; whereas it is desirable that Member States provide the Commission with any other information it may need for the purposes of co-ordinating structural policies;

HAS ADOPTED THIS DECISION:

Article 1

- 1. With a view to furthering co-ordination of policies on the structure of agriculture and to achieving closer and more sustained co-operation between Member States and the Commission, there shall be attached to the Commission a Standing Committee on Agricultural Structure (hereinafter called the 'Committee').
- 2. The Committee shall be responsible for studying the structural policies of Member States, together with any measures and programmes proposed by them for improving the structure of

agriculture. In carrying out these studies, account shall be taken of the interrelation of structural policy with regional development policy and with policy on agricultural markets, and also of trends in agricultural markets. The Committee shall be responsible for ensuring an exchange of information between Member States and the Commission with regard to matters concerning structural policy. The Commission shall consult the Committee on problems relating to the structure of agriculture. The Committee shall assist the Commission in the preparation of Part (a) of the report on structure provided for in Article 2.

- 3. The Committee shall consist of representatives of each of the Member States with a representative of the Commission as chairman.
- 4. The Commission shall provide secretarial services for the Committee.
- 5. The Committee shall adopt its own rules of procedure.

Article 2

The Commission shall submit annually to the European Parliament and to the Council a report on structure containing:

- (a) a review of the situation as regards agricultural structure in the Member States and their policies thereon, together with a schedule listing the measures taken in pursuance of such policies;
- (b) a study examining the nature, geographical distribution, scope and financing of these measures, considered in the context of the structural policies of Member States, and examining also the effectiveness of such measures in relation to the objectives of the common agricultural policy and to the long-term potential outlets normally to be anticipated for agricultural products;
- (c) information in respect of the following items concerning the co-ordination at Community level of policies on the structure of agriculture:
 - (1) measures taken with a view to such co-ordination;
 - (2) financing by the Community;
 - (3) the results of such measures and financing.

Article 3

Acting under Article 43 of the Treaty, the Council shall, on the basis in particular of the report on

structure, adopt the measures necessary to co-ordinate the structural policies of Member States. In proposing such measures, the Commission shall take into account existing means of Community financing, provided the proposed measures warrant financing from that source having regard to the Council Decisions relating to Community financing.

Article 4

- 1. Member States shall provide the Commission annually with the documentary information necessary for compiling the report on the structure of agriculture. Such information shall relate in particular to:
- the situation as regards the structure of agriculture, taking into account regional conditions and regional development policies;
- the relationship between the structure of agriculture and market policies;
- the nature, scope and financing of measures for structural improvement taken during the past year;
- the nature and scope of measures for structural improvement envisaged for the current year.
- 2. After consulting the Committee, the Commission shall determine the form in which this information is to be supplied by Member States and the date for its submission.

Article 5

Member States shall in good time communicate to the Commission such of the following as contain measures for structural improvement:

- to the fullest extent possible, drafts of proposed laws, regulations or administrative provisions or, where these do not exist in draft form, a description in broad outline of the provisions envisaged;
- drafts of multiannual plans and regional programmes.

Article 6

The Commission

- may express an opinion on any draft law, regulation or administrative provision, multiannual plan or regional programme communicated to it under Article 5;
- shall express an opinion thereon if so requested by a Member State.

The Commission shall in either case consult the Committee.

Article 7

Within three months of the entry into force of this Decision Member States shall, with a view in particular to the harmonisation of national legislation, supply the Commission with particulars of all existing laws, regulations or administrative provisions relating to the improvement of the structure of agriculture. Without prejudice to the provisions of Article 5, particulars of all laws, regulations or administrative provisions adopted after that date shall be supplied immediately following their entry into force.

Article 8

Member States shall, if so requested by the Commission, provide the Commission with any other information it may need for the purposes of co-ordinating policies on the structure of agriculture at Community level.

Article 9

This Decision is addressed to the Member States.

Done at Brussels, 4 December 1962.

For the Council
The President
E. COLOMBO