

GENERAL AGREEMENT ON TARIFFS AND TRADE

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EUROPEAN ECONOMIC COMMUNITY

Resolution adopted by the Six Member States at the Agricultural Conference, Stresa, 3 to 11 July 1958

The Commission of the European Economic Community has communicated for circulation to the CONTRACTING PARTIES the following text of a Resolution adopted at the close of the Agricultural Conference held at Stresa, in accordance with Article 43 of the Treaty of Rome.

I

Having regard to the memoranda submitted by the Member States to the Conference;

Having heard the statements by the Heads of Delegations of the Member States and by the representatives of the Commission of the EEC;

Having approved the reports prepared by the three Working Parties instituted during the Conference;

Taking into account the procedures provided for in the Treaty for the establishment of proposals and the elaboration and implementation of a common agricultural policy;

II

Considering that the implementation of the common agricultural policy, as provided by the Treaty opens new perspectives for the settlement of existing problems;

Considering the situation of agriculture and the present agricultural policies of Member States of the EEC and in particular:

- the increase in agricultural production which over the last few years has been greater than the increase in consumption,
- the decrease in the gainfully employed agricultural population,
- the increase in the productivity of agricultural work,

- the relative deterioration of agricultural income which has taken place notwithstanding productivity increases,
- the fact that measures aimed at raising agricultural incomes have often led to increases in production, thereby adding to the difficulties already encountered in the markets;

Considering that there exist certain differences between Member States regarding both the structures of domestic agricultures and agricultural policies, and in particular market organization;

Considering the various conditions which govern trade for industries processing agricultural products in the Member States;

Considering the importance of the links established under the Treaty, in the field of agriculture, with the Associated Overseas Countries and Territories;

Considering the importance of trade between Member States and third countries in the agricultural as well as in the industrial fields,

III

Notes, at the close of its work that general agreement was reached on the following points:

1. Agriculture must be regarded as an integral part of the economy and as an essential factor in social life;
2. The implementation of the Treaty must naturally lead to a progressive development of trade within the Community; account will have to be taken at the same time of the necessity of maintaining commercial exchanges and contractual relations, both of a political and economic nature, with third countries, and of maintaining the possibility of protection against unfair competition from outside;
3. A close correlation will have to be established between the policy of structural adjustments and the market policy; structural adjustments must contribute to a better approximation of costs and a rational orientation of production; the market policy should be conducted in such a way as to stimulate increases in productivity;
4. An attempt must be made to reach an equilibrium between production and trade outlets taking into account possible exports and imports, on the basis of a specialization which will conform to the economic structure and to the natural conditions obtaining within the Community;
5. Such attempts to increase productivity should enable the application of a price policy, which would avoid over-production and would bring about or improve competitiveness. Simultaneously, a policy of assistance to loss-favoured areas or undertakings would make it possible to proceed with the necessary reconversion operations;

6. The elimination of subsidies contrary to the spirit of the Treaty must be regarded as essential;
7. Increases in production and demand in the Associated Countries and Territories should be taken into account in framing the common agricultural policy;
8. Structural improvements in agriculture must bring to capital and labour in European agriculture remunerations comparable to those which would accrue to them in other sectors of the economy;
9. Given the importance of family holdings in European agriculture and of the unanimous desire to safeguard this structure, it would be necessary that everything should be done in order to increase the economic and competitive abilities of family undertakings.

Vocational re-training of available agricultural manpower and greater industrialization in rural areas would make it possible gradually to resolve the problems of marginal undertakings which cannot be placed on a sound economic basis.

IV

Calls the attention of the Commission of the EEC to the necessity of:

- taking stock of existing resources and requirements on the basis of statistical data to be collected in the Six countries according to identical methods and for identical products and nomenclatures; it would also be necessary in making use of such statistics to give special importance to the evolution and trends which they indicate;
- a study of trends in the expansion of demand;
- a study of the causes of the relative decrease in agricultural income;
- a listing and a critical comparison of the problems of development and structural improvement in the Member States;
- consultations within the framework of the institutions of the Community before the implementation of major steps directed towards the structural re-adjustment of agriculture;
- a study of the needs in capital investments for the purpose of improving agricultural structures during the transition period;
- a study of the influence of national marketing organizations on production and specialization;
- a listing of the measures and factors which have a decisive influence on the conditions of competition in the field of agriculture within the Community;
- a review of trade relations and trade agreements involving the Member States;

Draws the attention of the Commission of the EEC on the need for the early submission of proposals concerning the organization of the Common Market within the meaning of Article 40, paragraph 2 of the Treaty;

Calls the attention of the Commission of the EEC to the importance of the following problems:

1. the gradual approximation of prices for primary commodities in particular for coarse grains;
2. the supply of capital to agriculture in accordance with the special needs of agriculture;
3. the harmonization of social, trade and economic legislations.

V

Notes with satisfaction the intention expressed by the Commission to maintain with governments and professional organizations close and continuous collaboration, in particular for the carrying out of the tasks provided for in this resolution.