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21 May 2003

REPORT

on the proposal for a Council regulation on the common organisation of the market in dried fodder for the marketing years 2004/05 to 2007/08
(COM(2003) 23 – C5-0044/2003 – 2003/0010(CNS))

Committee on Agriculture and Rural Development

Rapporteur: Dominique F.C. Souchet

Symbols for procedures

- * Consultation procedure
majority of the votes cast
- **I Cooperation procedure (first reading)
majority of the votes cast
- **II Cooperation procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- *** Assent procedure
*majority of Parliament's component Members except in cases
covered by Articles 105, 107, 161 and 300 of the EC Treaty and
Article 7 of the EU Treaty*
- ***I Codecision procedure (first reading)
majority of the votes cast
- ***II Codecision procedure (second reading)
*majority of the votes cast, to approve the common position
majority of Parliament's component Members, to reject or amend
the common position*
- ***III Codecision procedure (third reading)
majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

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PROCEDURAL PAGE

By letter of 10 February 2003 the Council consulted Parliament, pursuant to Article 37 of the EC Treaty, on the proposal for a Council regulation on the common organisation of the market in dried fodder for the marketing years 2004/05 to 2007/08 (COM(2003) 23 – 2003/0010(CNS)).

At the sitting of 13 February 2003 the President of Parliament announced that he had referred the proposal to the Committee on Agriculture and Rural Development as the committee responsible and the Committee on Budgets for its opinion (C5-0044/2003).

The Committee on Agriculture and Rural Development had appointed Dominique F.C. Souchet rapporteur at its meeting of 23 January 2003.

The committee considered the Commission proposal and draft report at its meetings of 18 March, 24 April, 12 May and 20 May 2003.

At the last meeting it adopted the draft legislative resolution by 33 votes to 1, with 1 abstention.

The following were present for the vote: Joseph Daul (chairman), Friedrich-Wilhelm Graefe zu Baringdorf, Albert Jan Maat and María Rodríguez Ramos (vice-chairmen), Dominique F.C. Souchet (rapporteur), Gordon J. Adam, Danielle Auroi, Alexandros Baltas (for María Izquierdo Rojo), Carlos Bautista Ojeda, Niels Busk, Giorgio Celli, Arlindo Cunha, Michl Ebner, Christel Fiebiger, Francesco Fiori, Christos Folias, Jean-Claude Fruteau, Georges Garot, Lutz Goepel, María Esther Herranz García (for Encarnación Redondo Jiménez), Liam Hyland, Elisabeth Jeggle, Salvador Jové Peres, Hedwig Keppelhoff-Wiechert, Heinz Kindermann, Dimitrios Koulourianos, Wolfgang Kreissl-Dörfler (for Willi Görlach), Vincenzo Lavarra, Jean-Claude Martinez, Véronique Mathieu, Xaver Mayer, Jan Mulder (Giovanni Procacci), Karl Erik Olsson, Neil Parish, Mikko Pesälä, Agnes Schierhuber and Robert William Sturdy.

The Committee on Budgets decided on 29 April 2003 not to deliver an opinion.

The report was tabled on 21 May 2003.

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the proposal for a Council regulation on the common organisation of the market in dried fodder for the marketing years 2004/05 to 2007/08
(COM(2003) 23 – C5-0044/2003 – 2003/0010(CNS))**

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2003) 23)¹,
 - having regard to Article 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C5-0044/2003),
 - having regard to Rule 67 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A5-0175/2003),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
 5. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1 Title of Regulation (EC) No 603/95

Proposal for a Council regulation on the common organisation of the market in dried fodder *for the marketing years*

Proposal for a Council regulation on the common organisation of the market in dried fodder

¹ Not yet published in OJ.

2004/05 to 2007/08

Justification

The CMO should not be discontinued at the end of the 2007/08 marketing year; rather, it should be made permanent.

Amendment 2
Recital 2

(2) ***The main part of*** fodder production under the scheme established by Regulation (EC) No 603/95 ***relies on the use of fossil fuel for dehydrating and, in some Member States, on the use of irrigation. Due to concerns about its effects on the environment, the scheme should be discontinued; In order to ensure a transition to the industry that scheme should be maintained until the 2007/08 marketing year.***

(2) Fodder production under the scheme established by Regulation (EC) No 603/95 ***reduces the European Union's vegetable-protein deficit and its strategic dependence, helps to conserve soils in areas which are highly vulnerable to erosion, reduces the need for fertilisers and has stimulated the creation and development of an industrial sector and related activities, thereby diversifying economic activities in disadvantaged areas. Owing to the positive effects which the sector has on the EU's protein balance, the environment and rural development, the sector has achieved a high degree of multifunctionality. Hence the support scheme must be made permanent, so that the sector can acquire the viability it needs. Nonetheless, certain reforms must be carried out in order to improve the energy balance of the activity by improving the sustainability thereof and safeguarding producers' incomes.***

Justification

All agricultural activities consume fossil fuel – although that is no reason for proposing a comprehensive abolition of aid. In the EU's fodder-protein balance, dried fodder provides 16% of internal supply and the sector must be made sufficiently viable in the future to enable it to invest, with a particular view to reducing fossil-fuel consumption. Furthermore, from the point of view of regional planning the dried-fodder sector contributes to sustainable development and job preservation in rural areas.

Amendment 3
Recital 4

(4) Council Regulation (EC) No .../2003 of ... on ...establishes the single aid system. Accordingly, the two aid rates set by Regulation (EC) No 603/95 should be reduced to a single rate applicable to both dehydrated and sun-dried fodder ***and decreased by steps for the three last marketing years.***

(4) Council Regulation (EC) No .../2003 of ... on ...establishes the single aid system. Accordingly, the two aid rates set by Regulation (EC) No 603/95 should be reduced to a single rate applicable to both dehydrated and sun-dried fodder.

Justification

The CMO should not ultimately be discontinued; rather, it should be made permanent.

Amendment 4
Recital 4 a (new)

(4a) That support should be shared out between processors and producers in accordance with the provisions of Council Regulation (EC) No ... of ... 2003 establishing common rules for direct support schemes under the common agricultural policy and support schemes for producers of certain crops.

Justification

Total decoupling would bring about a reduction in production that would be incompatible with proper provisioning of dehydrating units and the Community market.

Amendment 5
Recital 8

(8) To secure respect for the guaranteed maximum quantity ***and discourage excess production throughout the Community***, the aid should be reduced if that quantity is exceeded. That reduction should be applied in each Member State in excess of its guaranteed national quantity being proportionate to the overshoot recorded for it.

(8) To secure respect for the guaranteed maximum quantity, the aid should be reduced if that quantity is exceeded. That reduction should be applied in each Member State in excess of its guaranteed national quantity ***increased by a proportionate share of the guaranteed national quantities which other Member States fail to achieve***, being proportionate to the overshoot recorded for it.

Justification

Although the guaranteed maximum quantity must be respected, there should be no penalty for failing to achieve it. It is incorrect to speak of 'excess production throughout the Community'; hence there is no reason to 'discourage' it.

Amendment 6 Recital 18

(18) ***The internal market and the custom duties could, in exceptional circumstances, prove inadequate, In such cases, so as not to leave the Community market without defence against disturbances that might ensue***, the Community should be able to take all necessary measures without delay. All such measures should be in conformity with the Community's international obligations,

(18) ***In the event of disruption to the internal market, and in particular if the volume of imports of competing products is abnormally high or if the price at which imports of such products may enter the EU customs territory is abnormally low***, the Community should be able to take all necessary measures without delay ***for active management of the market, such as:***

- the use of safeguard clauses to step up border protection;***
- the introduction of a market compensatory payment (marketing loan);***
- aid for private storage;***
- any other appropriate measure.***

All such measures should be in conformity with the Community's international obligations.

Justification

In so sensitive a sector, the EU should keep control over the market by using appropriate instruments.

Amendment 7

Recital 18 a (new)

(18a) Considerable progress has already been made by this sector in terms of economic efficiency, and in particular reduction in fossil energy consumption per tonne of dehydrated product, but, since further progress can be made in this area, aid should be made conditional on 'contracts for progress' to be concluded with dehydration units.

Justification

Self-explanatory.

Amendment 8

Recital 18 b (new)

(18b) Additional fuel savings may be made by increasing the use of renewable energy sources or, in certain climates, by encouraging the predrying in the sun of fodder delivered to dehydration units, subject to compliance with the minimum standards required in order to safeguard the quality of the final product.

Or. es

Justification

The amendment as a whole is self-explanatory. Predrying is restricted by the need to ensure that the final product is of a uniform standard, that it is nutritious and that its carotenes are not damaged.

Amendment 9
Recital 18 c (new)

(18c) As the dehydration sector relies on industrial investment with a useful life of about 10 years, the firms concerned should be given a sufficiently high profile, in future, to allow them to maintain and modernise their units by means of investment flows.

Justification

Self-explanatory.

Amendment 10
Recital 18 d (new)

(18d) The groundwork for the future of the dried fodder sector should be carried out by supporting research, and by fostering and improving the dry-fodder environmental balance, without increasing the budget allocation given over to this CMO.

Justification

The dried fodder land area and the size of the firms in the sector do not allow development of private research on a sufficient scale. It is therefore prudent, within the budget allocation for aid to the sector, to earmark funding for a European research centre for:

- *agronomic research (improving techniques, seeds, varieties with a higher digestible protein content, sound farming practices);*
- *animal nutrition (impact of lucerne in feed rations, effects on cheese-making characteristics);*
- *improving industrial processes, renewable-energy sources;*

- *training for farmers.*

Amendment 11

Article 4, paragraph 2, points (a) to (d)

2. Without prejudice to Article 5, the aid shall be:

(a) EUR 33 per tonne for the 2004/05 marketing year,

(b) EUR 24.75 per tonne for the 2005/06 marketing year,

(c) EUR 16.50 per tonne for the 2006/07 marketing year,

(d) EUR 8.25 per tonne for the 2007/08 marketing year.

2. Without prejudice to Article 5, the ***total amount of aid*** shall be ***EUR 68 per tonne with effect from the 2004/05 marketing year, broken down as follows:***

- EUR 34 per tonne for processing;

- EUR 34 per tonne for production.

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Justification

A balance should be established in the division of aid between the various branches of the sector, so as to make it easier for each branch to assume its responsibilities as regards the guaranteed maximum quantity and to make contractual relations more fluid.

Amendment 12

Article 4 a (new)

4a. Both the part of the aid intended for the producer and the part intended for the processor shall be subject either to the conclusion of a contract which must be approved by the Member State or, where appropriate, to the submission of the documents required to prove that the fodder is intended for processing. The aid shall be calculated on the basis of the amounts and

the procedures laid down in Article 4(2).

Justification

If dried-fodder production is to continue, the receipt of aid must be accompanied by the conclusion of a processing contract or, where appropriate, by the submission of documents, proving that the fodder is intended for industrial purposes. Approval of the contract gives farmers a degree of protection, strengthens the guarantees for both parties and enables products to be better classified and to meet a uniform standard.

Amendment 13
Article 4 b (new)

4b. A European fund for support for dried fodder shall be established, financed from a levy of EUR 1 per tonne of dehydrated fodder, by way of groundwork for the future of the sector by funding programmes of agronomic research, and promoting and improving the environmental balance in this sector.

Justification

The dried fodder land area and the size of the firms in the sector do not allow development of private research on a sufficient scale. It is therefore prudent, within the budget allocation for aid to the sector, to earmark funding for a European research centre for:

- *agronomic research (improving techniques, seeds, varieties with a higher digestible protein content, sound farming practices);*
- *animal nutrition (impact of lucerne in feed rations, effects on cheese-making characteristics);*
- *improving industrial processes, renewable-energy sources;*
- *training for farmers.*

Amendment 14
Article 6, paragraph 1

Where during a marketing year the volume

Where during a marketing year the volume

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of dried fodder for which aid as provided for in Article 4(2) is claimed exceeds the guaranteed maximum quantity set out in Article 5(1), the aid to be paid in that marketing year shall be reduced in each Member State in which production exceeds the guaranteed national quantity ***by a percentage proportionate to that excess.***

of dried fodder for which aid as provided for in Article 4(2) is claimed exceeds the guaranteed maximum quantity set out in Article 5(1), the aid to be paid in that marketing year shall be reduced ***by a percentage proportionate to that excess*** in each Member State in which production exceeds the guaranteed national quantity ***increased by a proportionate share of the guaranteed national quantities which other Member States have failed to achieve.***

Justification

It is currently the case that penalties could be applied even though the guaranteed maximum quantity is not achieved. This state of affairs should be remedied.

Amendment 15

Article 7, paragraph 1, subparagraph 1, points (a) to (d)

1. Processing undertakings who apply for aid under this Regulation shall be entitled to an advance payment ***as follows:***

(a) for the 2004/05 marketing year: EUR 19,80 per tonne, or EUR 26,40 per tonne if they have lodged a security of EUR 6,60 per tonne;

(b) for the 2005/06 marketing year: EUR 14,85 per tonne, or EUR 19,80 per tonne if they have lodged a security of EUR 4,95 per tonne;

(c) for the 2006/07 marketing year: EUR 9,90 per tonne, or EUR 13,20 per tonne if they have lodged a security of EUR 3,30 per tonne;

(d) for the 2007/08 marketing year: EUR 4,95 per tonne, or EUR 6,60 per tonne if they have lodged a security of EUR 1,65

1. Processing undertakings who apply for aid under this Regulation shall be entitled to an advance payment ***of EUR 20.40 per tonne or EUR 27.20 per tonne if they have lodged a security of EUR 6.80 per tonne.***

deleted

deleted

deleted

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per tonne.

Justification

This amendment brings the amounts into line with the proposed aid scheme and with the distribution of aid on a 50-50 basis between producers and processors.

Amendment 16 Article 10, point (c)

(c) fall into at least one of the following categories:

(i) a processor who has concluded contracts with producers of fodder for drying;

(ii) an undertaking that has processed its own crop or, in the case of a group, that of its members;

(iii) undertakings which have obtained their supplies from natural or legal persons providing certain guarantees to be determined who have concluded contracts with producers of fodder for drying; such persons must be buyers approved, on terms defined in accordance with the procedure referred to in Article 18(2), by the competent authority of the Member State in which the fodder is harvested.

(c) fall into at least one of the following categories:

(i) a processor who has concluded contracts ***approved by the Member States*** with producers of fodder for drying;

(ii) an undertaking that has processed its own crop or, in the case of a group, that of its members;

(iii) undertakings which have obtained their supplies from natural or legal persons providing certain guarantees to be determined who have concluded contracts ***approved by the Member States*** with producers of fodder for drying; such persons must be buyers approved, on terms defined in accordance with the procedure referred to in Article 18(2), by the competent authority of the Member State in which the fodder is harvested.

Justification

The contractual relations between producers and the processing industry should be placed on a firm footing.

Amendment 17
Article 10, point (ca) (new)

(ca) undertake, by means of a 'contract for progress' signed with the competent authority of the Member State concerned, to reduce their fossil fuel consumption per tonne of final product by 15% by 2010, on the basis of the 2000/02 reference period, without reducing the quality of the final product. The competent authority of the Member State concerned may grant derogations from this reduction to:

- undertakings consuming less than 80% of average national fossil energy consumption per tonne of evaporated water;***
- undertakings where renewables account for more than 20% of energy consumption.***

Justification

In the interests of consistency with EU energy policy, the industry's efforts to reduce fossil energy consumption ought to be continued.

Amendment 18
Article 12, paragraph 1, point (ba) (new)

(ba) the guide to sound agricultural practises for environment-friendly cultivation.

Justification

A guide to sound agronomic and environmental practices should be drawn up by the industry in each growing region which may lay down requirements going beyond statutory obligations.

Amendment 19
Article 16, paragraph 1

1. If by reason of imports or exports the Community market in one or more of the products listed in Article 1 is affected by or threatened with serious disturbance likely to jeopardise achievement of the objectives set out Article 33 of the Treaty, appropriate measures may be applied to trade with **non-WTO member** countries until the disturbance or threat of it ceases.

1. If by reason of imports or exports the Community market in one or more of the products listed in Article 1 is affected by or threatened with serious disturbance likely to jeopardise achievement of the objectives set out Article 33 of the Treaty, appropriate measures may be applied to trade with **third** countries until the disturbance or threat of it ceases.

Or. es

Justification

The wording proposed by the Commission is so restrictive as to be virtually worthless. The measures applicable are broader than the obstacles to trade, for which reason they would not conflict with WTO rules.

Amendment 20
Article 16, paragraph 2

2. If the situation referred to in paragraph 1 arises, the Commission shall at a request of a Member State or on its own initiative decide upon the necessary measures. The Member States shall be notified of such measures which shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within three working days following receipt of the request.

2. If the situation referred to in paragraph 1 arises, the Commission shall at a request of a Member State or on its own initiative decide upon the necessary measures. ***Depending on the nature and the scale of the disturbance a choice shall be made between invoking the safeguard clause, granting market compensatory payments and adopting any other appropriate measure.*** The Member States shall be notified of such measures which shall be immediately applicable. If the Commission receives a request from a Member State, it shall take a decision thereon within three working days following receipt of the request.

Or. es

Justification

In a sensitive strategic sector the EU must maintain control over the market through the use of instruments appropriate to the nature and scale of the market disturbance.

EXPLANATORY STATEMENT

The proposal for a Council regulation on the common organisation of the market in dried fodder for the marketing years 2004/05 to 2007/08 seeks to phase out this CMO from the 2008/09 marketing year onwards. The Commission justifies its actions by citing the argument in the Court of Auditors' Special Report No 14/2000 on 'Greening the CAP' that production *'relies on the use of fossil fuel for dehydrating and, in some Member States, on the use of irrigation'*.

An end to EU dehydrated fodder production would be the likely impact of these provisions: the simulations carried out show that producers' remaining hectare margin would be markedly lower than margin for conceivable production alternatives.

Your rapporteur takes the view that the Commission's argument is extraordinarily weak in the light of the likely impact of the proposals for the sector as a whole and proposes that a fresh look be taken at the issue from the following three perspectives:

- setting dried fodder in the context of the EU's fodder protein balance;
- considering the sector global environmental balance;
- taking account of economic and social impact.

I - European fodder protein balance

Since the 1970s, there has been a considerable, steady increase in the consumption of protein-rich substances in the EU, as there has been in the rest of the world, totalling approx. 50 million tonnes of soya meal equivalent in the European Union, whereas European production has fallen during the same period, now amounting to 11.5 million tonnes of soya meal equivalent.

As Parliament stressed in its resolution of 3 September 2002 (Stevenson report), there is a very considerable fodder protein shortage in Europe: 35 million tonnes of soya equivalent. The EU now meets no more than 23% of its requirements, while the candidate countries only meet 80% of their plant protein needs and, hence, enlargement will further increase Europe's fall in this sector.

The EU is very much dependent, then, on its imports to meet its protein requirements. Soya (seeds and meal) accounts for 76% of those imports, the bulk coming from three countries: the United States, Argentina (mainly GMOs) and Brazil.

Dried fodder is derived from fodder legumes, chiefly lucerne, processed by the dehydrating industry. Lucerne is the crop providing the most protein per hectare (2600 kg as opposed to 800 kg for soya).

If dried fodder production were discontinued, the EU would have to import 2 million tonnes of soya equivalent (mainly GMOs). The proportion of requirements met would fall from 23% to 19%.

II - Fodder legumes - environmental balance

We shall focus on lucerne, which accounts for 83% of dried fodder production in the EU.

- Lucerne has very deep roots (three to four metres on average, whereas maize roots are 1.5 m deep), the root system enabling the plant to absorb nitrates from the soil and preventing it from migrating to free groundwater.
- The deep roots keep the soil in place, protect it against wind erosion and surface runoff, promote water infiltration and biological activity in the root area, and improve the nutrient cycle.
- Lucerne exists in symbiosis - as do all legumes - with a micro-organism capable of absorbing nitrogen from the air. The fixed nitrogen benefits not only the lucerne, for which nitrogenous fertiliser is not used, but also rotated crops, lucerne crop residues being nitrogen-rich and reducing what the next crop needs in terms of nitrogenous fertiliser. At global level, nitrogenous fertiliser production represents 1.5% of fossil fuel consumption.
- Lucerne is not susceptible to disease or parasites, and therefore phytosanitary treatment is rare.
- In a rotation arrangement, lucerne suppresses weeds common in annual crops; its dense growth and foliage creates shade for weeds, and frequent cuts prevent weeds from seeding. This enables less use to be made of herbicides for follow-on crops.
- There is no genetically modified variety of lucerne in Europe. Lucerne production - dried fodder derived from it is fully traceable - can replace imports that raise a host of GMO issues.
- Irrigation, criticised in the Court of Auditors' report, is carried out in regions where all agricultural activity is dependent on it. If this crop were discontinued, producers' alternatives would be either to give up or to replace it by another irrigated crop. The problem of irrigation water management is a local problem, and it seems inappropriate to use it as an argument to call the CMO into question.
- As regards dehydration, fossil energy use has already been reduced in previous years (by improving processes and by making greater use of renewable fuels) and there is still considerable scope for progress. The very principle of dehydrating through heating must not be called into question: the product obtained is of higher quality, more nutritional and more homogeneous than can be obtained through sun drying. In the northernmost regions of the EU, furthermore, the climate does not allow sun drying.
- Lucerne is grown in both northern and southern Europe. It is therefore a factor helping to maintain local animal production systems, while, where there is dependence on imports, animal production tends to be concentrated close to ports.

To assess the ecobalance of this sector, we must consider all the variables pertaining to it and not confine ourselves, as the Court hastily did, to mere statistical considerations regarding fossil fuel consumption and irrigation.

III - Economic and social input

Dried fodder production involves 150 000 producers and 500 000 hectares, with a production volume of 4.8 million tonnes. Downstream of production, the dehydrated fodder system is made up of 350 fodder handling and processing units, most of which are farmer-owned cooperatives. 15 000 jobs are involved. The unit plants must be located at production sites themselves; the work is intimately linked to the land.

The dried fodder sector, then, creates agricultural jobs, but also industrial jobs in rural areas; it enables an activity to be kept going in the countryside and, hence, local trading and community-based public services. It is also a vital source of budget revenue for local authorities in rural areas. Ending this activity would mean depopulation of the regions concerned; they would then be viable only on the basis of large rural-development budgets.

In regional development terms, accordingly, the dried fodder sector fits in with an approach for sustainable development and for maintaining activities in rural areas.

IV - Impact of the measures proposed by the Commission

The Commission has not submitted impact studies for its proposals. In the light of the studies carried out by the industry and local authorities concerned, however, this reform (in particular the total decoupling of aid) would result in a fall in the per-hectare income of producers to such an extent that most of them would cease production or turn to cereal production (which is already in surplus in the EU). Discontinuing aid and dismantling the dried fodder CMO would mean ultimately giving up dried fodder production in the European Union, which would involve:

- greater dependence on imports,
- adverse repercussions for the environment,
- a large number of job losses in rural areas.

Your rapporteur is therefore proposing that Parliament amend the Commission proposal and call on the Commission to submit, within two years, a study into the three aspects of the dried fodder sector referred to:

- contribution to the EU's fodder protein balance,
- agronomic and environmental balance,
- contribution to rural development and the process of striking a balance at local and regional level

plus a cost-effectiveness study into public aid in this sector by comparison with other conceivable measures for developing domestic fodder protein supplies.

Your rapporteur is therefore proposing the following measures:

- partial decoupling of production aid,
- drawing up - in collaboration with the industry (dehydrators and producers) - of 'contracts for progress' laying down objectives for reducing fossil energy use and for using renewable energies,
- rules on the granting of aid for dehydration which encourage partial sun-drying, where climatic conditions permit, so as to reduce artificial-energy needs,
- giving the sector a sufficiently high profile to enable investment to be continued,
- compliance with sound agricultural and environmental practices,
- a levy of EUR 1 per tonne on direct aid to the sector for a European research and incentives fund (programme of agronomic research, animal nutrition, industrial processes, alternative-energy use, and training for farmers).