WRITTEN QUESTION P-3176/06 by Sergio Berlato (UEN) to the Commission

Subject: State aids: support for the livestock sector to improve the genetic quality of Community livestock

Chapter 15 of the Community Guidelines for State aid in the agriculture sector<sup>1</sup>, which constitutes the basis for stepping up national livestock production by establishing and maintaining herd books, functional checks, genetic assessments, etc. is deleted in the new version of the Guidelines for State aid in the agriculture sector for 2007-2013. According to the Commission, the costs for this period will have to be borne by producers themselves, since they are merely 'operational costs'.

If confirmed, this move will have serious economic and social consequences, leading, inter alia, to the abandonment of practices for genetic improvement that are now widespread among Community producers, the reason being that the livestock sector, from the business point of view, does not offer profit margins sufficient to ensure the autonomous support of long-term investments such as animal selection.

Does not the Commission consider that the genetic improvement of animals, by its very nature, is not merely a production and hence cost factor of particular interest to individual producers, but, because it has a permanent and definitive impact on the animal population, is in actual fact a public investment by a country in its own livestock assets?

Does not the Commission consider that the proper functioning of a national selection system also implies greater selectiveness in imports of breeding stock and, in short, substantially improves the trade balance with other countries and prevents know-how from being concentrated in a few huge multinationals?

Does not the Commission also take account of the social repercussions of this move on operators in the sector (inspectors, IT operators, administrative staff, geneticists, laboratory technicians, etc.)?

In light of the above, does not the Commission consider that State aid should also be made available for these activities for the period 2007-2013, in order to maintain and improve the genetic quality of Community livestock?

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<sup>&</sup>lt;sup>1</sup> OJ C 28, 1.2.2000, p. 2.