WRITTEN QUESTION P-5016/07 by Bernadette Bourzai (PSE) to the Commission

Subject: Rules on eligibility for the slaughter premium

There are two major types of farming of calves for slaughter in France: the traditional method in which veal is produced from suckled calves and industrial production of veal from calves which are not suckled.

Both categories of farmers are eligible for the slaughter premium provided for in Regulation (EC) No 1782/2003¹ and, previously, in Regulation (EC) No 1254/1999². 'Integrator' companies are not eligible for the slaughter premium. The French Minister for Agriculture has confirmed this several times in implementing circulars on the measure.

Farmers who practise industrial farming of calves are often tied to industrial or commercial 'integrator' companies by a contract laying down a mutual obligation to supply products or services ('contrat d'intégration').

These contracts are governed by Articles L 326-1 ff. of the Rural Code. The relevant provisions regarding such contracts give special protection to farmers in order to provide a balance to the situation of economic dependence in which they are placed as a result of this relationship.

Despite their non-eligibility, 'integrator' companies have managed to recover the majority of the slaughter premium.

That is reflected in the large number of assignments of claims signed by farmers in favour of those companies.

France has not attempted to establish whether the slaughter premium has been wrongly taken by the companies concerned, although its legislation protects farmers tied by such contracts who are in a situation of economic dependence.

Could the Commission provide clarification regarding the eligibility of those claiming the slaughter premium and the obligations of the Member States as regards compliance with European rules defining those eligible to receive the slaughter premium?

¹ OJ L 270, 21.10.2003, p. 1.

² OJ L 160, 26.6.1999, p. 21.