THE COUNCIL,

Having regard to Article 5(b) and (c) of the Convention on the Organisation for Economic Co-operation and Development of 14th December 1960:

Having regard to the Decision of the Council of 4th February 1969 Establishing an OECD Scheme for the Application of International Standards for Fruit and Vegetables [Doc. No. C(68)134(Final)], as amended [Doc. Nos. C(69)118(Final), C(69)119(Final), C(70)119(Final) and C(70)181(Final)];

Having regard to the Report by the Committee for Agriculture of 17th May 1972 on Problems of Surpluses and Equilibrium in the Fruit and Vegetables Sector;

Recognising the economic and social importance of the fruit and vegetables sector, particularly for certain producer Member countries, and the difficulties of adjusting supply and demand in view of the nature of the products and the technical and economic constraints on their marketing;

Considering that it is essential:

to seek a reasonable balance between supply and demand in particular by reducing existing production surpluses and also by avoiding the development of new structural and seasonal surpluses;

to reorganise fruit and vegetable structures in the long run at a level of production, distribution, processing and trade in fresh or processed products so as to enable efficient producers to obtain an adequate income while meeting the general development requirements of the food and agriculture sector;

Considering that such objectives cannot be effectively achieved without a confrontation and harmonization of policies in the fruit and vegetables sector and the means by which they are implemented in the Member countries concerned;

On the proposal of the Committee for Agriculture;

- I. RECOMMENDS the Governments of the Member countries concerned:
- 1. to consider jointly and to harmonize the policies in the fruit and vegetables sector as far as possible, including notably within a specific framework of programme the examination of:
 - plans, programmes or objectives of production and investment together with measures aiming at a co-ordinated adjustment of production as determined by market conditions;
 - policies dealing with the structure of production;
 - marketing, market intervention and trade policies;
 - policies of quality in its various aspects (notably in connection with the work under the OECD Scheme).
- 2. to implement in a co-ordinated way, subject to the specific situation in each country, effective measures for the reorganisation of the market in its:
 - long-term structural aspects, in particular, and to the extent necessary, by the practice of controlled grubbing of orchards; and

- short-term aspects linked with the seasonal flow of a particular crop, notably by marketing restrictions connected with the application of standards under the OECD Scheme.
- 3. to this end, to strengthen their national or joint research, training and information activities regarding the quantitative and qualitative characteristics of supply and demand for fresh or processed fruit and vegetable products and the outlook for their development in all countries concerned.

II. INSTRUCTS:

- 1. the Committee for Agriculture and its Working Party on Fruit and Vegetables to take the necessary steps to facilitate the implementation of this Recommendation as part of their activities. In particular, the Working Party is instructed to contribute to a better knowledge of the short-and medium-term market and to implement a procedure for the concerted policies and measures mentioned under Section I above;
- 2. the Committee for Agriculture to report regularly to the Council on the action taken on this Recommendation and on the results obtained.

In adopting this Recommendation, the Council:

- 1. NOTED the Report by the Committee for Agriculture of 17th May 1972, referred to above;
- 2. AGREED to the derestriction of the Recommendation.