

# **Agenda 2000: milk and milk products, additional levy (amend. regul. 3950/92/EEC)**

1998/0111(CNS) - 18/03/1998 - Legislative proposal

**OBJECTIVE:** the proposed regulation forms part of the group of proposals on the reform of the common agricultural policy and translates the guidelines of Agenda 2000 in the milk and milk products sector (milk quotas). **SUBSTANCE:** Regulation 3950/92/EEC establishing an additional levy in the milk and milk products sector remains necessary in a mid-term perspective in order to maintain a reasonable market balance. It is therefore proposed to continue to apply the scheme for six further consecutive years from 1 April 2000. The main elements of the proposal are as follows: - The effects of the price support reduction on internal consumption and export of milk and milk products justify a 2% increase in the total reference quantity for milk in the Community. This increase will be applied in four steps in line with the price reductions. The additional reference quantities should be distributed in such a way as to improve the situation of certain categories of farmers who need particular support (priority to young farmers and producers in mountain areas). Measures are therefore envisaged to prevent the distribution criteria from being circumvented. - in order to strengthen the reference quantities' character as a means of regulating the market of milk and milk products, provision is made that in cases of non-permanent transfers a certain part of the relevant reference quantities be returned to the national reserve for re-distribution to active producers (the Member States will have the possibility of derogating from this redistribution clause in certain cases). Moreover, where reference quantities fall back to persons who did not actively produce milk or milk products during a given reference period, Member States should have the possibility to provide that the relevant reference quantities should revert to the national reserve unless they are permanently transferred to an active producer within a certain period.