

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

1998/0111(CNS) - 17/05/1999 - Final act

**PURPOSE:** on the basis of the Agenda 2000 guidelines on the reform of the common agricultural policy (CAP), this Regulation extends the milk quota system introduced by Regulation 3950/92/EEC and increases the scope for decentralised administration by giving Member States the right to implement certain provisions, in particular concerning the transfer of quotas. **COMMUNITY MEASURE:** Council Regulation 1256/1999/EC amending Regulation 3950/92/EEC establishing an additional levy in the milk and milk products sector. **CONTENT:** Under the new Regulation, all quotas will be increased by 1.5% in three steps starting in 2005, supplemented by specific increases in five Member States, i.e. Greece, Spain, Ireland, Italy and the UK (Northern Ireland) who will receive this specific increase in two steps starting in 2000. The future of the regime will be reviewed in 2003 with the aim of allowing the present quota arrangements to run out after 2006. The total quantities of quotas may be revised in the light of the market situation in general and the conditions prevailing in certain Member States in particular. The levy, which is set at 115% of the indicative price of milk, is chargeable on all quantities of milk marketed in excess of the reference quantities determined by the Council for a given 12-month period. It is divided among the producers who have contributed to the over-run. In the interests of completing the restructuring of milk production or improving the environment, Member States may: - grant compensation to producers who undertake to abandon definitively all or part of their milk production and place the reference quantities thus released in the national reserve; - determine the conditions under which producers may obtain reference quantities that have been released definitively; - in the case of land transferred with a view to improving the environment, provide for the reference quantity available on the holding concerned to be allocated to the departing producer if he intends continuing milk production; - determine the regions or collection areas within which the definitive transfer of reference quantities without transfer of the corresponding land is authorised, with the aim of improving the structure of milk production; - upon application by a producer to the competent authority or the body designated by that authority, authorise the definitive transfer of reference quantities without transfer of the corresponding land, or vice versa, with the aim of improving the structure of milk production. **ENTRY INTO FORCE:** 26/06/1999. The Regulation applies from 01/01/2000.