





# Procedure file

Basic information	
CNS - Consultation procedure Regulation	2007/0026(CNS) Procedure completed
Common organisation of the market in milk and milk products Amending Regulation (EC) No 1255/1999 <a href="#">1998/0110(CNS)</a>	
Subject 3.10.03 Marketing and trade of agricultural products and livestock 3.10.05.02 Milk and dairy products	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	 Agriculture and Rural Development		26/02/2007
		PPE-DE <a href="#">JEGGLE Elisabeth</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	 Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Agriculture and Fisheries</a>	<a href="#">2819</a>	26/09/2007
European Commission	Commission DG	Commissioner	
	<a href="#">Agriculture and Rural Development</a>	FISCHER BOEL Mariann	

Key events			
14/02/2007	Legislative proposal published	<a href="#">COM(2007)0058</a>	Summary
15/03/2007	Committee referral announced in Parliament		
17/07/2007	Vote in committee		Summary
19/07/2007	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A6-0283/2007</a>	
04/09/2007	Debate in Parliament		
05/09/2007	Results of vote in Parliament		
05/09/2007	Decision by Parliament	<a href="#">T6-0372/2007</a>	Summary
26/09/2007	Act adopted by Council after consultation of Parliament		
26/09/2007	End of procedure in Parliament		
	Final act published in Official Journal		

Technical information	
Procedure reference	2007/0026(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amending Regulation (EC) No 1255/1999 <a href="#">1998/0110(CNS)</a>
Legal basis	EC Treaty (after Amsterdam) EC 037
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/6/47137

Documentation gateway					
Legislative proposal		<a href="#">COM(2007)0058</a>	15/02/2007	EC	Summary
Amendments tabled in committee		<a href="#">PE390.581</a>	13/06/2007	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0283/2007</a>	19/07/2007	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0372/2007</a>	05/09/2007	EP	Summary
Commission response to text adopted in plenary		<a href="#">SP(2007)5401</a>	18/10/2007	EC	

Additional information	
National parliaments	<a href="#">IPEX</a>
European Commission	<a href="#">EUR-Lex</a>

Final act
<a href="#">Regulation 2007/1152</a> <a href="#">OJ L 258 04.10.2007, p. 0003</a> Summary

## Common organisation of the market in milk and milk products

**PURPOSE:** the amendment of Council Regulation (EC) No 1255/1999 in order to simplify a number of rules.

**PROPOSED ACT:** Council Regulation.

**BACKGROUND:** this proposal is being presented as a package, alongside two other, related proposals on the dairy sector. The other two proposals concern the amendment of:

- Council Directive 2001/114/EC relating to certain partly or wholly dehydrated preserved milk for human consumption. See [CNS/2007/0025](#)
- Council Regulation (EC) No 2597/97 laying down additional rules on the common organisation of the market in milk and milk products for drinking milk. See [CNS/2007/0027](#).

**CONTENT:** the purpose of this proposal is to amend the common organisation of the market in milk and milk products by:

**Reducing the intervention price for skimmed milk powder (SMP):** The adoption of the intervention price for SMP will be strictly mathematical and follow current rules of price reduction where the SMP has a protein content lower than the intervention standard of 35.6%. The new intervention standard will lead to a new intervention price which is lower than the current one.

**Removing the intervention trigger for butter:** The proposal seeks to simplify current rules on intervention by allowing intervention agencies to simply buy butter at 90% of the intervention price from 1 March until the overall Community ceiling has been reached.

**Abolishing the national quality class for butter:** The new requirements will be ?lighter? than the current intervention requirements. Further, they

will be easy to control.

Removing certain aids for private storage: Given that aid for private storage of both cream and SMP has not been used by operators the two measures are considered obsolete and should therefore be removed from the basic dairy Regulation.

Removing the disposal aid for military forces: Similarly, the possibility of granting aid for butter purchased by military forces is considered obsolete and should therefore be removed from the Regulation.

Introducing a single rate of aid for school milk: For the sake of simplification the Commission is proposing a single rate of aid, irrespective of the sort of milk delivered to pupils. The single rate of aid will be established on the basis of past up-take under the school milk regime. For other eligible dairy products the amounts of aid should be determined in the light of that simplification.

Abandoning the use of import licences: The Commission is proposing that where import quotas are, or will, be monitored by DG TAXUD, then operators will be exempt from presenting an import licence.

As far as the financial consequences are concerned, the Commission suggests that amendments to the basic Regulation, with the exception of the SMP intervention price, are of a technical/obsolete nature and will, therefore, not lead to any saving or new expenditures for the budget. The implementation of the single rate of aid for school milk does not change the total financial envelope for the scheme.

## Common organisation of the market in milk and milk products

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The Committee on Agriculture and Rural Development unanimously adopted the consultation report by Elisabeth JEGGLE (EPP- ED, DE), subject to amendments, on the proposal amending Regulation (EC) No 1255/1999 on the common organisation of the market in milk and milk products.

Parliamentarians believe that budgetary savings resulting from standardisation should be retained for the milk sector. A milk fund restructuring programme should be set up to accompany and support the reforms in the milk sector by 1 January 2008 at the latest to : a) support the restructuring process for milk producers and processors who are affected by increasing market liberalisation; b) strengthen marketing support and nutrition awareness measures (promotional activities) for the milk sector; c) maintain and modernise milk production under difficult conditions in mountain regions; d) reinforce the scheme to distribute milk to schools.

Moreover, MEPs are opposed to abolishing private storage of cream and skimmed milk powder (SMP) for the following reasons: a) even the Single Common Market Organisation proposed by the Commission as a means of simplifying and harmonising the CAP continues to provide for private storage in a large number of sectors; b) the instrument should be retained as a safety net; c) abolition of private storage is a fundamental political decision which should be kept for the general assessment to be carried out in the CAP Health Check.

On the other hand, the committee is in favour of the introduction of a single rate of aid for milk distributed in schools. The Commission proposed the Community aid to be set at 16.11 euros/100 kg however the Committee believes that it should be increased to 18.15 euros/100 kg.

MEPs have also asked the Commission to present an impact assessment on the implementation of the school milk scheme and, in this context, explore other options for widening the range of products that fall within the school milk scheme. In so doing, it shall take particular account of new, innovative and healthy products.

## Common organisation of the market in milk and milk products

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The European Parliament adopted a resolution drafted by Elisabeth JEGGLE (EPP, ED, DE), and made some amendments to the proposal amending Regulation (EC) No 1255/1999 on the common organisation of the market in milk and milk products.

Parliament made the following amendments:

a) budgetary savings resulting from standardisation should be retained for the milk sector. Accordingly, a milk fund restructuring programme shall be set up by 1 January 2008 at the latest to accompany and support the reform measures in the milk sector.

- The objectives of the milk fund restructuring programme shall include, inter alia: supporting the restructuring process for milk producers and processors who are affected by increasing market liberalisation;
- strengthening marketing support and nutrition awareness measures (promotional activities) for the milk sector;
- maintaining and modernising milk production under difficult conditions in mountain regions;
- reinforcing the scheme to distribute milk to schools;

b) Parliament was in favour of the introduction of a single rate of aid for milk distributed in schools. The Commission had proposed the Community aid to be set at 16.11 euros/100 kg however the Committee believes that it should be increased to 18.15 euros/100 kg;

c) private storage of cream and skimmed milk powder (SMP) should not be abolished;

d) the Commission shall present an impact assessment on the implementation of the school milk scheme and, in this context, explore other options for widening the range of products that fall within the school milk scheme. In so doing, it shall take particular account of new, innovative and healthy products.

It should be noted that, to simplify the common market organisation (CMO) in milk and milk products, the Commission proposed three sets of amendments to current legislation. This proposal is closely related to the proposal on amending Directive 2001/114/EC relating to certain partly or wholly dehydrated preserved milk for human consumption (CNS/2007/0025) and the proposal amending Regulation (EC) No 2597/1997 laying down additional rules on the common organisation of the market in milk and milk products for drinking milk (CNS/2007/0027.)

## Common organisation of the market in milk and milk products

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PURPOSE: the amendment of Council Regulation (EC) No 1255/1999 in a bid to simplify certain rules.

LEGISLATIVE ACT: Council Regulation (EC) No 1152/2007 amending Regulation (EC) No 1255/1999 on the common organisation of the market in milk and milk products.

BACKGROUND: this act forms part of a package that has been approved alongside two other related legislative instruments concerning the dairy sector. The other two acts adopted concern amendment of:

- Council Directive 2001/114/EC relating to certain partly or wholly dehydrated preserved milk for human consumption. See [CNS/2007/0025](#)
- Council Regulation (EC) No 2597/97 laying down additional rules on the common organisation of the market in milk and milk products for drinking milk. See [CNS/2007/0027](#).

CONTENT: the purpose of this Regulation is to amend the common organisation of the market in milk and milk products by:

- Reducing the intervention price for skimmed milk powder (SMP): The protein content of European milk will be aligned to the international standard, set at 34%.
- Removing the intervention trigger for butter: The amendments simplify current rules on intervention by allowing intervention agencies to simply buy butter at 90% of the intervention price from 1 March until the overall Community ceiling has been reached.
- Abolishing the national quality class for butter: The application of different quality grades in Member States has led to different treatment with respect to the aid. In order to provide for equal treatment and simplify the administration for the aid for private storage, the national quality criteria has been replaced by Community criteria used for other market support.
- Removing certain aids for private storage: Given that aid for private storage of both cream and SMP has not be used by operators the two measures are considered obsolete and have, therefore, been removed from the basic dairy Regulation.
- Removing the disposal aid for military forces: Similarly, the possibility of granting aid for butter purchased by military forces is considered obsolete and has therefore been removed from the Regulation.
- Introducing a single rate of aid for school milk: For the sake of simplification a single rate of aid, irrespective of the sort of milk delivered to pupils has been approved. The new flat rate will be set at ? 18,15/100 kg. This amount is in line with Parliamentary proposals.
- Abandoning the use of import licences: The Commission is proposing that where import quotas are, or will, be monitored by DGTAXUD, then operators will be exempt from presenting an import licence.

ENTRY INTO FORCE: 7 October 2007.

APPLY: 1 January 2008.