

P5_TA(2003)0261

Dairy sector levy *

European Parliament legislative resolution on the proposal for a Council regulation establishing a levy in the milk and milk-products sector (COM(2003) 23 – C5-0046/2003 – 2003/0012(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2003) 23)¹,
 - having regard to Article 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C5-0046/2003),
 - having regard to Rule 67 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A5-0177/2003),
- A. whereas the Commission proposal, as amended, is compatible with the ceiling of heading 1a of the current financial perspective 2004-2006,
- B. whereas it asks for the matter to be referred to it again once the framework of the future financial perspective is formally agreed by the budgetary authority,
1. Approves the Commission proposal as amended;
 2. Considers that the Commission proposal, as amended, is compatible with the ceiling of heading 1a of the current financial perspective 2004-2006;
 3. Asks for the matter to be referred to it again once the framework of the future financial perspective is formally agreed by the budgetary authority;
 4. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
 5. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 6. Calls for initiation of the conciliation procedure under the Joint Declaration of 4 March 1975 if the Council intends to depart from the text approved by Parliament;

¹ Not yet published in the Official Journal.

7. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
8. Instructs its President to forward its position to the Council and Commission.

Text proposed by the Commission

Amendments by Parliament

Amendment 1
Recital 1a (new)

(1a) The milk quota regulation introduced in 1984 has succeeded in reducing common agricultural policy spending in the dairy sector from approximately EUR 5.2 billion in 1984 to around EUR 2.8 billion in recent years or from 28.5% of the overall budget of the common agricultural policy to only about 6.5%.

Amendment 2
Recital 1b (new)

(1b) While the dairy sector accounts for about 6.5% of common agricultural policy spending, it represents no less than 13.8% of the total value of EU agricultural production.

Amendment 3
Recital 1c (new)

(1c) Furthermore, the EU's share of world dairy production has fallen from 25% to a current level of about 20%. Unfortunately, the less developed countries have not profited, or have hardly been able to profit, from this development.

Amendment 4
Recital 1d (new)

(1d) On the one hand, the milk quota regulation has made a significant contribution to securing the incomes of

milk producers and stabilising the market but, on the other, it has resulted in milk quotas acquiring an economic value which has pushed up the cost of milk production in some Member States.

Amendment 5
Recital 1e (new)

(1e) Under the reforms agreed in Agenda 2000, milk production is set to increase by 2.9% by 2008 compared with 2000 because of an increase in quota, producer prices are likely to fall by 12.3% with only partial compensation, and the number of dairy cows will decline with corresponding positive effects on the beef market; as a result, the sector's overall income is likely to fall by EUR 2.8 billion.

Amendment 6
Recital 1f (new)

(1f) Furthermore, it follows from the current mid-term review proposals that the more far-reaching the reforms, the more negative the consequences will be for the EU budget and the sector's overall income. Earlier reforms (for example in the arable sector) lead to the conclusion that the resulting effect on consumer prices will, however, most likely be negligible.

Amendment 7
Recital 1g (new)

(1g) Only widespread milk production will continue to ensure extensive agricultural land use, particularly in grassland and disadvantaged areas; extensive agricultural land use is the only way of preventing the formation of steppe, woodland and scrub, as well as the rural exodus.

Amendment 8
Recital 1h (new)

(1h) The milk quota system should be maintained until 2015, because this will allow an adequate balance to be maintained on the milk market and will enable the income of producers to be stabilised. Moves to adjust the size of national quotas should be carefully assessed after the Agenda 2000 decisions have been implemented in their entirety.

Amendment 9
Recital 4

(4) The target price for milk is to be gradually reduced by a total of 28% over the five marketing years beginning on 1 July 2004. The impact of this measure on internal consumption and exports of milk and milk products justifies a moderate increase in the total Community reference quantity for milk following each price reduction, with a view to keeping production in balance with the expected trend in consumption and avoiding any disturbance of the market in milk products.

Deleted

Amendment 10
Recital 8

(8) The Member States should be responsible for allocating the individual reference quantities, for both deliveries and sales, requiring separate accounts to be kept for quantities delivered and quantities sold and for any overruns of those quantities. This allocation should be based on the reference quantities held by producers for the twelve months period ending on 31 March **2004**. The sum of the quantities allocated to the producers by the Member States may not exceed the national reference quantities. The national

(8) The Member States should be responsible for allocating the individual reference quantities, for both deliveries and sales, requiring separate accounts to be kept for quantities delivered and quantities sold and for any overruns of those quantities. This allocation should be based on the reference quantities held by producers for the twelve months period ending on 31 March **2005**. The sum of the quantities allocated to the producers by the Member States may not exceed the national reference quantities. The national

reference quantities are to be established for the *eleven* periods from *1 April 2004* and *to* take account of the different components of the previous scheme.

reference quantities are to be established for the *ten* periods from *1 April 2005* and *should* take account of the different components of the previous scheme.

Amendment 11
Article 1, paragraph 1

1. For *eleven* consecutive periods of twelve months commencing on *1 April 2004* (hereinafter referred to as “twelve month periods”), a levy is hereby introduced (hereinafter referred to as “the levy”) on quantities of cow's milk and other milk products marketed during the twelve-month period concerned in excess of the quantities fixed in Annex I.

1. For *ten* consecutive periods of twelve months commencing on *1 April 2005* (hereinafter referred to as “twelve month periods”), a levy is hereby introduced (hereinafter referred to as “the levy”) on quantities of cow's milk and other milk products marketed during the twelve-month period concerned in excess of the quantities fixed in Annex I.

Amendment 12
Article 1, paragraph 2a (new)

The increases in reference quantities provided for in Annex I as of the 2005/2006 marketing year will come into effect only if the situation of the milk and milk-products market is favourable and, in particular, if the level of public stocks of butter and skimmed-milk powder do not exceed a limit to be determined. The decision in this regard shall be taken at the latest two months before the beginning of each of the marketing years concerned in accordance with the procedure set out in Article 21(2) and on the basis of a Commission report analysing the state of the market and the prospects for the current year.

Amendment 13
Article 5, paragraph 1a (new)

1a. As of the 2006/07 period, Member States shall assign the quantities set out in Annex I, where they reflect differences as against the 2005/06 quantities, only after authorisation from the Commission in accordance with the procedure set out in

Article 21(2).

Amendment 14
Article 6

The Member States shall adopt the necessary rules for allocating quantities from the national reserve provided for in Article 13 to active producers *or* producers wishing to commence production, on the basis of objective criteria to be notified to the *European Commission*.

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Amendment 16
Article 15, paragraph 1, subparagraph 1

1. By the end of each twelve-month period, Member States shall authorise, for the period concerned, any temporary transfers of *part of* individual reference quantities which the producers who are entitled thereto do not intend to use.

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Amendment 17
Article 16, paragraph 5

5. When transfers are made which fall under paragraphs 1 to 4, the Member States *shall* retain part of the transferred quantity for the national reserve; that part may vary depending on circumstances and according to objective criteria.

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Amendment 18
Article 19, paragraph 1a (new)

Status as a direct seller shall be subject to the filing of a prior declaration of activity with the competent authority which includes information to be determined in accordance with the procedure referred to in Article 21(2).

Amendment 19
Article 22, paragraph 1

Regulation (EEC) No 3950/92 is hereby
repealed as from **31 March 2004**.

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repealed as from **31 March 2005**.

Amendment 20
Annex I, point (a)

(a) *Period 2004/05*

Deleted

| <i>Member State</i> | <i>Quantities (tonnes)</i> |
|-----------------------|--------------------------------|
| <i>Belgium</i> | <i>3 326 983.000</i> |
| <i>Denmark</i> | <i>4 477 625.000</i> |
| <i>Germany</i> | <i>28 004 140.000</i> |
| <i>Greece</i> | <i>700 513.000</i> |
| <i>Spain</i> | <i>6 116 950.000</i> |
| <i>France</i> | <i>24 356 977.000</i> |
| <i>Ireland</i> | <i>5 395 764.000</i> |
| <i>Italy</i> | <i>10 530 060.000</i> |
| <i>Luxembourg</i> | <i>270 394.000</i> |
| <i>Netherlands</i> | <i>11 130 065.000</i> |
| <i>Austria</i> | <i>2 763 148.000</i> |
| <i>Portugal</i> | <i>1 879 823.000</i> |
| <i>Finland</i> | <i>2 419 026.324</i> |
| <i>Sweden</i> | <i>3 319 515.000</i> |
| <i>United Kingdom</i> | <i>14 682 697.000</i> |