EUROPEAN PARLIAMENT

1999



2004

Session document

FINAL **A5-0403/2001**

20 November 2001

*

REPORT

on the proposal for a Council regulationamending Regulation (EEC) No 2204/90 laying down additional general rules on the common organisation of the market in milk and milk products as regards cheese (COM(2001) 410 - C5-0363/2001 - 2001/0159(CNS))

Committee on Agriculture and Rural Development

Rapporteur: Mikko Pesälä

RR\307186EN.doc PE 307.186

EN EN

Symbols for procedures

- * Consultation procedure majority of the votes cast
- **I Cooperation procedure (first reading)

 majority of the votes cast
- **II Cooperation procedure (second reading)
 majority of the votes cast, to approve the common position
 majority of Parliament's component Members, to reject or amend
 the common position
- *** Assent procedure
 majority of Parliament's component Members except in cases
 covered by Articles 105, 107, 161 and 300 of the EC Treaty and
 Article 7 of the EU Treaty
- ***I Codecision procedure (first reading)

 majority of the votes cast
- ***II Codecision procedure (second reading)

 majority of the votes cast, to approve the common position

 majority of Parliament's component Members, to reject or amend
 the common position
- ***III Codecision procedure (third reading)

 majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in *bold italics*. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). These suggested corrections are subject to the agreement of the departments concerned.

CONTENTS

	raye
PROCEDURAL PAGE	4
LEGISLATIVE PROPOSAL	5
DRAFT LEGISLATIVE RESOLUTION	6
EXPLANATORY STATEMENT	8

PROCEDURAL PAGE

By letter of 26 July 2001 the Council consulted Parliament, pursuant to Article 37 of the EC Treaty, on the proposal for a Council regulationamending Regulation (EEC) No 2204/90 laying down additional general rules on the common organisation of the market in milk and milk products as regards cheese (COM(2001) 410 - 2001/0159(CNS)).

At the sitting of 3 September 2001 the President of Parliament announced that she had referred this proposal to the Committee on Agriculture and Rural Development as the committee responsible and the Committee on Budgets for its opinion (C5-0363/2001).

The Committee on Agriculture and Rural Development appointed Mikko Pesälä rapporteur at its meeting of 12 September 2001.

The Committee considered the Commission proposal and the draft report at its meetings of 5 November and 19 November 2001.

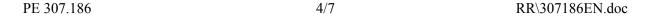
At the last meeting it adopted the draft legislative unanimously.

The following were present for the vote: Friedrich-Wilhelm Graefe zu Baringdorf, chairman; Mikko Pesälä, rapporteur; Danielle Auroi, María del Pilar Ayuso González (for Arlindo Cunha), Alexandros Baltas (for Gordon J. Adam), Avril Doyle (for Robert William Sturdy), Georges Garot, Elisabeth Jeggle, Heinz Kindermann, Astrid Lulling (for Xaver Mayer), Albert Jan Maat, Jan Mulder, (for Niels Busk), James Nicholson (for Neil Parish), Agnes Schierhuber, Struan Stevenson.

The Committee on Budgets decided on 13 September 2001 not to deliver an opinion.

The report was tabled on 20 November 2001.

The deadline for tabling amendments is 12 noon on Thursday, 6 December 2001.



LEGISLATIVE PROPOSAL

Proposal for a Council regulation amending Regulation (EEC) No 2204/90 laying down additional general rules on the common organisation of the market in milk and milk products as regards cheese (COM(2001) 410 - C5-0363/2001 - 2001/0159(CNS))

The proposal is amended as follows:

Text proposed by the Commission ¹	Amendments by Parliament

Amendment 1 Recital 2 (a) (new)

2 (a) Whereas exemptions to this regulation can be made under Commission competence, on the basis of objective criteria and technological necessity, following requests by the competent authorities.

Justification

It is important to underline that exemptions can be made to the regulation, following an implementation decision by the Commission, on the basis of objective criteria and technological criteria, providing the competent authorities have made a request for such an exemption.

EN

¹ OJ C not yet published.

DRAFT LEGISLATIVE RESOLUTION

European Parliament legislative resolution on the proposal for a Council regulation amending Regulation (EEC) No 2204/90 laying down additional general rules on the common organisation of the market in milk and milk products as regards cheese (COM(2001) 410 - C5-0363/2001 - 2001/0159(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2001) 410¹),
- having been consulted by the Council pursuant to Article 37 of the EC Treaty (C5-0363/2001),
- having regard to Rule 67 of its Rules of Procedure,
- having regard to the report of the Committee on Agriculture and Rural Development (A5-0403/2001)
- 1. Approves the Commission proposal as amended;
- 2. Calls on the Commission to alter its proposal accordingly, pursuant to Article 250(2) of the EC Treaty;
- 3. Calls on the Council to notify Parliament should it intend to depart from the text approved by Parliament;
- 4. Asks to be consulted again if the Council intends to amend the Commission proposal substantially;
- 5. Instructs its President to forward its position to the Council and Commission.

_

¹ OJ C not yet published.

Explanatory Statement

Council Regulation (EEC) N° 2204/90 states that the use of casein and caseinates in the manufacture of cheese should be subject to prior authorisation. If there is unauthorised use of these products, a penalty applies, which until now has been based on the intervention price for skimmed milk powder.

The Commission now proposes to base the penalty for non-authorised use of casein on the market price for skimmed milk powder rather than the intervention price.

The Commission argues that the use of the intervention price does not reflect the full value of skimmed milk powder which varies on a day-to-day basis with the market price.

It should be borne in mind that exemptions can be made by the Commission acting under Commission competence providing objective criteria exist and the technical conditions are appropriate. The rapporteur points out in this connection that a problem exists in two Member States (Austria and Germany) which produce a special group of cheeses. These are so called "sour milk cheeses" (Sauermilchkäse) made not directly from milk, but from thickened fat free fresh cheese with a dry matter of about 32% and a pH of about 4.6. This thickened fresh cheese is delivered by dairies to the (small) sour milk cheese producers. As there are different qualities and dry matters of the raw material (thickened fresh cheese) to be found, it is necessary to standardise the dry matter with casein to get a standardised raw material for further cheese production.

This standardised thickened fresh cheese is then enriched with ripening cultures, formed and stored for ripening. The final products are products of the group "sour milk cheeses" or traditional standards of "sour milk cheeses" like "Harzer Käse", "Mainzer Käse", "Handkäse", "Bauernhandkäse", "Korbkäse", "Stangenkäse", "Spitzkäse" and "Olmützer Quargel" as laid down in the German national cheese regulation. The use of casein is allowed by this national cheese regulation. The total production of these cheeses is about 30000 tons per year in Germany.

The German dairy industry is concerned about a possible restriction and needs an exemption from the penalty for the necessary use of casein up to 5 percent. The penalty leads to the effect that the production costs are raised by the levy. Obviously the traditional sour milk cheeses are therefore at a disadvantage.

The rapporteur believes that this may be a case for exemption, and proposes a small change to the proposed regulation in order to stress the availability of exemptions. The competent authorities in the countries concerned would have to make the necessary request.

The measure is really a technical adjustment which the European Parliament can approve with the small amendment proposed.

