

EUROPEAN PARLIAMENT

2004



2009

Session document

FINAL
A6-0282/2007

19.7.2007

REPORT

on the proposal for a Council directive amending Directive 2001/114/EC relating to certain partly or wholly dehydrated preserved milk for human consumption
(COM(2007)0058 – C6-0083/2007 – 2007/0025(CNS))

Committee on Agriculture and Rural Development

Rapporteur: Elisabeth Jeggle

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

| | Page |
|--------------------------------------------------------|-------------|
| DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION | 5 |
| EXPLANATORY STATEMENT | 6 |
| PROCEDURE..... | 8 |

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a Council directive amending Directive 2001/114/EC relating to certain partly or wholly dehydrated preserved milk for human consumption (COM(2007)0058 – C6-0083/2007 – 2007/0025(CNS))

(Consultation procedure)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2007)0058),¹
 - having regard to Article 37 of the EC Treaty, pursuant to which the Council consulted Parliament (C6-0083/2007),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on Agriculture and Rural Development (A6-0282/2007),
1. Approves the Commission proposal;
 2. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 3. Asks the Council to consult Parliament again if it intends to amend the Commission proposal substantially;
 4. Instructs its President to forward its position to the Council and Commission.

¹ Not yet published in OJ.

EXPLANATORY STATEMENT

The European Commission

The Commission proposal confines itself to amending Annex I to Directive 2001/114/EC. The Commission proposes allowing standardisation of protein content in the Community and bringing it into line with the standard of the Codex Alimentarius (a minimum protein content of 34%, expressed in fat-free dry matter).

Analysis

Standardisation of protein content is not currently allowed. The natural protein content of collected milk must be maintained in preserved milk. The natural protein content of milk powder is currently between 31 and 37%. The European milk industry and exporters of milk powder and condensed milk ('preserved milk' means milk powder and condensed milk) have long been calling for the Community rules on protein content for these products to be brought into line with international standards (Codex).

The proposed authorisation of standardisation at a minimum protein content of 34% expressed in fat-free dry matter makes it possible for European manufacturers to compete with manufacturers in third countries under the same conditions. Competitors from third countries are already allowed to produce in accordance with the Codex rules, putting them at an economic advantage.

The intervention price for skimmed milk powder (SMP) is currently based on a protein content of 35.6%. The Commission now proposes aligning the intervention standard with the value for protein standardisation of 34%, which will inevitably bring adjustments of the intervention price for SMP in its wake.

The proposal to lower the intervention price for SMP is part of the proposal to amend the common organisation of the market in milk and milk products (amendment of Regulation (EC) No 1255/1999), which is the subject of a separate European Parliament report.

The European Commission expects standardisation at 34% to mean that significant quantities of protein will come onto the EU market. The Commission expects, in view of the high demand, that the increased availability will not lead to significant, if any, additional costs for the Community.

Standardisation of preserved milk coupled with a lowering of the intervention price for SMP will probably lead to a slight increase in SMP production, while the bulk of the supplementary quantity of proteins obtained through standardisation will be absorbed by increased production of cheese and fresh dairy products. The Commission expects, in turn, that that increase will generate a higher fat use in those products and correspondingly lower butter production and butter exports.

In the view of the European Commission, the lowering of the intervention price for SMP by 28% as of 2008 and the expected lower expenditure on butter exports will lead to budgetary savings. All in all, the European Commission expects that the standardisation will lead to

budget economies of EUR 19.55 million as an annual average for the years 2008-2013 (EUR 117.3 million in total).

Rapporteur's position and conclusions

The rapporteur welcomes the standardisation of protein content, since it offers European manufacturers the chance to compete on an equal footing with imported products, as well as simplifying international trade.

The rapporteur therefore supports the Commission's proposal, suggesting no further amendments.

It must, however, be stressed that the related proposal to lower the intervention price for SMP (proposal for a Regulation amending Regulation (EC) No 1255/1999 on the common organisation of the market in milk and milk products) will be the subject of a separate report by the European Parliament.

The rapporteur also wishes to point out that the European Commission expects lower expenditure on butter exports and a lowering of the intervention price for SMP as a result of the standardisation, with consequent budgetary savings.

In the context of her opinion on the modification of the common organisation of the market in milk and milk products, and not in connection with the proposal being dealt with here, the rapporteur has recommended setting up a milk fund restructuring programme. This approach seemed preferable from a legal point of view, since although the expected savings are an indirect consequence of the protein standardisation, the savings will be obtained in the form of lower expenditure on butter exports and the intervention price for SMP as of 2008.

The milk fund restructuring programme could be used for market promotion and nutrition education measures for the milk sector, assistance towards ensuring a soft landing for milk producers in the forthcoming Health Check or support for any accompanying measures that may be needed in the milk sector between now and 2013.

PROCEDURE

| | | | |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|-----------|
| Title | Certain partly or wholly dehydrated preserved milk for human consumption (amendment of Directive 2001/114/EC) | | |
| References | COM(2007)0058 - C6-0083/2007 - 2007/0025(CNS) | | |
| Date of consulting Parliament | 7.3.2007 | | |
| Committee responsible Date announced in plenary | AGRI 15.3.2007 | | |
| Committee(s) asked for opinion(s) Date announced in plenary | ENVI 15.3.2007 | | |
| Not delivering opinions Date of decision | ENVI 27.3.2007 | | |
| Rapporteur(s) Date appointed | Elisabeth Jeggle 26.2.2007 | | |
| Discussed in committee | 11.4.2007 | 4.6.2007 | 17.7.2007 |
| Date adopted | 17.7.2007 | | |
| Result of final vote | +: 30 | -: 1 | 0: |
| Members present for the final vote | Katerina Batzeli, Sergio Berlato, Bernadette Bourzai, Niels Busk, Luis Manuel Capoulas Santos, Giuseppe Castiglione, Albert Deß, Michl Ebner, Duarte Freitas, Ioannis Gklavakis, Friedrich-Wilhelm Graefe zu Baringdorf, Esther Herranz García, Elisabeth Jeggle, Stéphane Le Foll, Jean-Claude Martinez, Mairead McGuinness, Rosa Miguélez Ramos, Neil Parish, Radu Podgorean, Willem Schuth, Czesław Adam Siekierski, Alyn Smith, Marc Tarabella, Witold Tomczak, Andrzej Tomasz Zapalowski | | |
| Substitute(s) present for the final vote | Alejandro Cercas, Esther De Lange, Ilda Figueiredo, Wiesław Stefan Kuc, Hans-Peter Mayer, James Nicholson | | |