

**Question for written answer E-000558/2023
to the Commission**
Rule 138
Krzysztof Jurgiel (ECR)

Subject: Dairy farms will have to close if reference thresholds are not raised in the milk sector

The reference thresholds for the milk and dairy products sector have not been changed since 2007. For butter the threshold is EUR 246.39/100 kg (with an intervention threshold of 90%, i.e. EUR 221.75/100 kg). For skimmed milk powder the threshold is EUR 169.80/100 kg (100%).

In 2016 Poland asked the Commission to increase these thresholds, but the Commission did not do so. The total quantity of skimmed milk powder taken off the market at the time was more than 400 000 tonnes across 14 EU countries, including Poland, which ranked fifth in the EU with more than 40 000 tonnes purchased as part of the intervention. In 2018-2019, the Commission decided to sell and refused to raise the thresholds, fearing such action might lead to an additional supply of raw milk being brought onto the market, which would increase the amount of skimmed milk powder on sale as part of the intervention.

Operating costs have gone up by 50% in a year because the raw material is much more expensive, and energy prices have increased by almost 100%. This militates in favour of the thresholds being raised.

Costs are also rising for milk producers, and the price of the raw material is falling in proportion with the fall in prices of dairy products. Falling milk prices will lead to shrinking margins on farms, and this may force farmers to cease production.

With that in mind:

Is the Commission planning to take action on fixed higher quota levels for intervention purchases?

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