Common organisation of agricultural markets CMO: specific provisions for certain agricultural products

2009/0152(CNS) - 20/11/2009 - Final act

PURPOSE: to amend Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

LEGISLATIVE ACT: Council Regulation (EC) No 1140/2009 amending Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)

CONTENT: tor the purpose of restructuring milk production in the Community, Regulation (EC) No 1234 /2007 gives to the Member States the possibility to grant compensation to producers who undertake to abandon permanently all or part of their milk production and place the individual quotas thus released in the national reserve.

In order to stimulate further the necessary restructuring, the surplus levy payable by the milk producers should be calculated on the basis of the national quota reduced by the individual quotas bought-up under Article 75(1)(a), subject to the condition that those released quotas remain in the national reserve in the quota year concerned.

Given the necessity to reinforce the financial instruments for further restructuring of the sector, Member States should be allowed to use for the same restructuring purposes the additional money collected on the basis of the new calculation method. This calculation method should be applicable on a temporary basis, for the 12-month periods starting on 1 April 2009 and 1 April 2010 and only as regards milk deliveries in order to limit the measure to the extent necessary.

In this context, this Regulation introduces two changes to the rules applicable to the milk sector which aim to:

- extend to the dairy sector the "disturbance clause" which already exists for other farm sectors, to allow a quicker response to future market disturbances, if prices fall or rise;
- change the operation of the quota buy-up scheme for the 2009/2010 and 2010/2011 milk years. If a Member State decides to make use of this scheme, bought up quota kept in the national reserve should no longer count as part of the national quota when it comes to deciding whether a superlevy is to be paid at EU level or not. If a superlevy is then collected, the part corresponding to the bought-up quota can be allocated at national level for restructuring the sector.

This Regulation is one of the initiatives taken by the EU to stabilise the European dairy market and welcomed by the European Council conclusions of 30 October 2009 which also encouraged the Council to continue responding to the challenges facing the dairy sector.

ENTRY INTO FORCE: 30/11/2009.