Milk: compensation for the reduction in individual referencequantities and for the discontinuation of milk production

1994/0066(CNS) - 02/03/1994 - Legislative proposal

The purpose of this proposal for a regulation is to introduce two types of allowance: - an allowance following the 1% reduction, as of 1 April 1994, in the individual reference quantities in the milk sector. This allowance will be ECU 5/100 kg for 10 years. It may be paid in the form of guaranteed transferable bonds which can be negotiated on the market; - compensation for the definitive cessation of milk production, so that the quantities released can be allocated to small and medium-sized farms. This allowance, which the Member States will be free to implement in total, regionally or not at all, will be a maximum of ECU 17/100 kg for 3 years. It may be paid in the form of guaranteed transferable bonds which can be negotiated on the market. The Member States may provide additional funding. The quantities released will be reallocated to small and medium-sized farms. In addition, the Member States which feel it is necessary may maintain a scheme for funding the cessation of milk production by making provision for a Community contribution of 50% of the compensation set by the Member State, with a maximum of ECU 2.5/100 kg for 10 years. This additional compensation may be paid in the form of guaranteed transferable bonds which can be negotiated on the market, but it will not be possible to reallocate the quantities released.