Agenda 2000: beef and veal, reform of the common organisation of the market COM

1998/0109(CNS) - 17/05/1999 - Final act

PURPOSE: this Regulation falls within the scope of the reform of the common agricultural policy (CAP) and reflects the Agenda 2000 guidelines with regard to the beef sector. COMMUNITY MEASURE: Council Regulation 1254/1999/EC on the common organisation of the market in beef and veal. CONTENT: Under the new regime, the basic price is to be fixed at 2224 euro/t which is equivalent to a 20% price reduction. There will be a phased introduction of the changes so that the current intervention price (2780 euro/t) will be reduced in three steps and replaced on 1 July 2002 by the basic price. This price (for private storage) will be established on the introduction of the third and final reduction in the support level. Private storage aid can be granted when, as in the pig meat sector, the average Community market price is less than 103% of the basic price. As from 1 July 2002, a 'safety net' intervention system will be set up. When the average market price for bulls or steers in a Member State (or region thereof) is less than 1560 euro/t, buying-in tenders shall be organised in that Member State by the Commission through the Management Committee procedure. The Regulation also lays down a number of provisions designed to raise the level of existing subsidies: - the basic special premium for male animals will be increased in three steps up to 210 euro for bulls and 150 euro for steers in the year 2002 and will be continued at this level in the subsequent calendar years. Payments will be one-off for bulls and twice in a lifetime for steers. The premium for bulls takes into account the benefit of retaining the arable crop payment for silage maize. The minimum ages for the payment of the two brackets of the special male premium are fixed respectively at 9 months and after 21 months. - the annual Suckler Cow premium will be increased up to 200 euro in 2002 and will continue to be based on individual ceilings; - a slaughter premium will be paid directly to the farmer, under condition of a retention period. Its amount will be 80 euro for bulls, steers, dairy cows and heifers (from 8 months for all these categories of animals), and 50 euro for calves (of more than 1 month and less than 7 months and less than 160 kg carcass weight). A financial envelope per Member State will be introduced which can be used to top up payments on male and female bovine, including dairy cows. The total number of animals qualifying for the special premium and the suckler cow premium will continue to be limited to two livestock units (LU) per hectare of forage area. The current extensification premium will be significantly increased. The criteria to qualify are made more rigorous by taking account of all the adult cattle and sheep actually present on the farm. Member States may decide to apply extensification at 100 euro per livestock unit (LU) where the stocking rate is less than 1.4 livestock units per hectare. Furthermore, the number of hectares taken into account is limited to temporary and permanent prairies and all other forage areas, except arable crops. The pasture land, to be defined by the Member States, should represent at least 50% of the total forage area declared. ENTRY INTO FORCE: 26/06/1999. The Regulation applies from01.01.2000.