

Agenda 2000: milk and milk products, reform of the common organisation of the market COM

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PURPOSE: on the basis of the Agenda 2000 guidelines on the reform of the common agricultural policy (CAP), to improve by reducing the intervention price, the competitiveness of milk and milk products on internal and external markets while ensuring the stability of farm incomes by means of direct aids to farmers' incomes. **COMMUNITY MEASURE:** Council Regulation 1255/1999/EC on the common organisation of the market in milk and milk products. **CONTENT:** the Regulation establishes a new common organisation of the market in milk and milk products. Measures relating to the internal market will continue to be based on the intervention and public storage of butter and powdered skimmed milk, as well as certain systems of aids, and on specific measures with respect to marketing. The intervention prices for butter and powdered skimmed milk will be reduced by 15% in three equal steps starting in 2005: - for butter, the intervention prices per 100 kg. are set at 328.20 euros for the period running from 1 July 2000 to 30 June 2005; 311.79 euros for the period running from 1 July 2005 to 30 June 2006; 295.38 euros for the period from 1 July 2006 to 30 June 2007; 278.97 euros from 1 July 2007 onwards ; - for skimmed milk powder, the intervention prices per 100 kg. are set at 205.52 euros for the period 1 July 2000 to 30 June 2005; 195.24 euros for the period from 1 July 2005 to 30 June 2006; 184.97 euros for the period 1 July 2006 to 30 June 2007; and 174.69 euros from 1 July 2007 onwards. To ensure that farm incomes are protected, a system of aids will be introduced increasing over three years. This aid will increase in three equal steps to 17.24 euro/tonne in 2007, supplemented by a payment from the EU financial envelope allocated to Member States, which will also be increased over three years from 2005-2007. **ENTRY INTO FORCE:** 26/06/1999. The Regulation is applicable from 01/01/2000.