

Milk and milk products: direct support schemes for farmers and establishment of a levy, reference quantities and budgetary ceiling for Germany and Austria

2004/0253(CNS) - 25/10/2004 - Legislative proposal

PURPOSE : to amend Regulation 1782/2003/EC and Regulation 1788/2003/EC with specific reference to Germany and Austria.

PROPOSED ACT : Council Regulation.

CONTENT : Due to the geographic location of the Kleinwalsertal (Community of Mittelberg) and the

Community of Jungholz, which are situated within the Austrian territory and only accessible by road from Germany, the milk of their producers (988 712 kg) has been delivered to German buyers. Since the start of the Community milk quota system in 1984 the milk marketed by these producers has been taken into account in the establishment of the German milk reference quantities.

After Austria's Accession to the European Union in 1995, direct payments under the prevailing common agricultural policy (head-age premiums, arable crops) have been granted to the milk producers in Kleinwalsertal (Community of Mittelberg) and the Community of Jungholz and administered by the Austrian authorities.

Regulation 1782/2003/EC has introduced direct payment for the dairy sector (dairy premium) starting from the calendar year 2004. These payments are based on the individual reference quantities of producers concerned which are administered by Germany whilst, under that Regulation the payment regarding the dairy premium should be carried out by the Austrian authorities within the limit of their national reference quantity and their budgetary ceiling. Both the reference quantity and the ceiling have been calculated for Austria without taking into account the individual reference quantities for those regions.

To permit a practical and correct administration of the dairy premium and its inclusion into the Single Payment Scheme (in Germany from 2005), Council Regulation 1782/2003/EC needs to be amended in such a way that the reference quantities and the budgetary ceiling for Germany and Austria take into account the milk reference quantities of the producers of the regions concerned. Consequently, the German reference quantities of producers concerned under Council Regulation 1788/2003/EC have to be converted into Austrian reference quantity as from milk quota year 2004/05.

For Germany and Austria the ceiling fixed on the basis of the reference quantities for the 12-month period of 1999/2000, shall be, respectively, 27 863 827,288 and 2 750 389,712 tonnes.

The proposed amendments are clearly only technical adaptations that became necessary due to the recent reform of the milk sector.

FINANCIAL IMPLICATIONS :

- Budget headings : 05 03 01 10 and 05 03 01 11;

- Appropriations : EUR 959 million and EUR 431 million. The measure has no impact on the budget for the EU, since it is a question of transfer of quota and the corresponding premium payments from Germany to Austria, for quota so far counted within the German milk quota but originating from Austrian territory.