

Common organisation of the market in milk and milk products

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The Committee on Agriculture and Rural Development unanimously adopted the consultation report by Elisabeth **JEGGLE** (EPP- ED, DE), subject to amendments, on the proposal amending Regulation (EC) No 1255/1999 on the common organisation of the market in milk and milk products.

Parliamentarians believe that budgetary savings resulting from standardisation should be retained for the milk sector. A milk fund restructuring programme should be set up to accompany and support the reforms in the milk sector by 1 January 2008 at the latest to : a) support the restructuring process for milk producers and processors who are affected by increasing market liberalisation; b) strengthen marketing support and nutrition awareness measures (promotional activities) for the milk sector; c) maintain and modernise milk production under difficult conditions in mountain regions; d) reinforce the scheme to distribute milk to schools.

Moreover, MEPs are opposed to abolishing private storage of cream and skimmed milk powder (SMP) for the following reasons: a) even the Single Common Market Organisation proposed by the Commission as a means of simplifying and harmonising the CAP continues to provide for private storage in a large number of sectors; b) the instrument should be retained as a safety net; c) abolition of private storage is a fundamental political decision which should be kept for the general assessment to be carried out in the CAP Health Check.

On the other hand, the committee is in favour of the introduction of a single rate of aid for milk distributed in schools. The Commission proposed the Community aid to be set at 16.11 euros/100 kg however the Committee believes that it should be increased to 18.15 euros/100 kg.

MEPs have also asked the Commission to present an impact assessment on the implementation of the school milk scheme and, in this context, explore other options for widening the range of products that fall within the school milk scheme. In so doing, it shall take particular account of new, innovative and healthy products.