Basic information

2009/0152(CNS) CNS - Consultation procedure Regulation	Procedure completed
Common organisation of agricultural markets CMO: specific provisions for certain agricultural products Amending Regulation (EC) No 1234/2007, Single CMO Regulation 2006/0269(CNS) **Subject** 3.10 Agricultural policy and economies 3.10.05.02 Milk and dairy products 3.10.12 Agrimonetary policy, compensatory amounts 3.10.15 Agricultural production, farm surpluses, shortages and quotas, non-marketing premiums	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	AGRI Agriculture and Rural Development		
Council of the European Union	**Council configuration**	**Meetings**	**Date**
	Agriculture and Fisheries	2976	2009-11-20
	Agriculture and Fisheries	2966	2009-10-19
European Commission	**Commission DG**	**Commissioner**	
	Agriculture and Rural Development		

Key events

Date	Event	Reference	Summary
09/10/2009	Legislative proposal published	COM(2009)0539	Summary
19/10/2009	Committee referral announced in Parliament		
19/10/2009	Vote in committee		
20/10/2009	Debate in Parliament		
22/10/2009	Decision by Parliament	T7-0054/2009	Summary
22/10/2009	Results of vote in Parliament		

20/11/2009	Act adopted by Council after consultation of Parliament		
20/11/2009	End of procedure in Parliament		
27/11/2009	Final act published in Official Journal		

Technical information

Procedure reference	2009/0152(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation (EC) No 1234/2007, Single CMO Regulation 2006/0269(CNS)
Legal basis	EC Treaty (after Amsterdam) EC 037
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	AGRI/7/01230

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Text adopted by Parliament, 1st reading/single reading		T7-0054/2009	22/10/2009	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2009)0539	09/10/2009	Summary
Commission response to text adopted in plenary	SP(2009)4976	17/11/2009	

Additional information

Source	Document	Date
National parliaments	IPEX	
European Commission	EUR-Lex	

Final act

Regulation 2009/1140
OJ L 312 27.11.2009, p. 0004 Summary

Common organisation of agricultural markets CMO: specific provisions for certain agricultural products

2009/0152(CNS) - 22/10/2009 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 480 votes to 109, with 27 abstentions, a legislative resolution approving, under the consultation procedure, the proposal for a Council regulation amending Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation).

The European Parliament supports new legislative measures presented by the Commission on 9 October 2009. These proposals were made following the European Parliament's request for additional measures to be taken to solve the problems in the dairy farming sector, as outlined in its resolution adopted at plenary in September 2009.

MEPs supported the request which aims to allow the Commission to adopt measures to quickly react to market disturbances in a flexible manner (Article 186 of the single CMO Regulation). This possibility, which enables the Commission to react to significant price differences, already exists in other agricultural sectors, such as beef, hops and sugar.

MEPs made two amendments to the proposal:

- in respect of enlarging the scope of Article 186 of Regulation (EC) No 1234/2007, Parliament states that the scope is extended to milk and milk products, where the prices on the Community market for any of those products rise or fall significantly **during the 12-month periods starting on 1 April 2009 and 1 April 2010**;
- the second amendment concerns comitology. Parliament adds to Article 188 of the Single CMO Regulation that the European Parliament shall be informed by the Commission on a regular basis of the proceedings of the committee referred to in Article 195. To that end, it shall receive agendas for committee meetings, and draft measures submitted to the committee, together with the results of voting, summary records of the meeting and lists of the authorities and organisations to which the persons designated by the Member States to represent them belong.

Lastly, the European Parliament shall also be kept informed whenever the Commission transmits to the Council measures or proposals for measures to be taken.

Common organisation of agricultural markets CMO: specific provisions for certain agricultural products

2009/0152(CNS) - 20/11/2009 - Final act

PURPOSE: to amend Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

LEGISLATIVE ACT: Council Regulation (EC) No 1140/2009 amending Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation)

CONTENT: tor the purpose of restructuring milk production in the Community, Regulation (EC) No 1234/2007 gives to the Member States the possibility to grant compensation to producers who undertake to abandon permanently all or part of their milk production and place the individual quotas thus released in the national reserve.

In order to stimulate further the necessary restructuring, the surplus levy payable by the milk producers should be calculated on the basis of the national quota reduced by the individual quotas bought-up under Article 75(1)(a), subject to the condition that those released quotas remain in the national reserve in the quota year concerned.

Given the necessity to reinforce the financial instruments for further restructuring of the sector, Member States should be allowed to use for the same restructuring purposes the additional money collected on the basis of the new calculation method. This calculation method should be applicable on a temporary basis, for the 12-month periods starting on 1 April 2009 and 1 April 2010 and only as regards milk deliveries in order to limit the measure to the extent necessary.

In this context, this Regulation introduces two changes to the rules applicable to the milk sector which aim to:

- extend to the dairy sector the "disturbance clause" which already exists for other farm sectors, to allow a quicker response to future market disturbances, if prices fall or rise;
- change the operation of the quota buy-up scheme for the 2009/2010 and 2010/2011 milk years. If a Member State decides to make use of this scheme, bought up quota kept in the national reserve should no longer count as part of the national quota when it comes to deciding whether a superlevy is to be paid at EU level or not. If a superlevy is then collected, the part corresponding to the bought-up quota can be allocated at national level for restructuring the sector.

This Regulation is one of the initiatives taken by the EU to stabilise the European dairy market and welcomed by the European Council conclusions of 30 October 2009 which also encouraged the Council to continue responding to the challenges facing the dairy sector.

ENTRY INTO FORCE: 30/11/2009.

Common organisation of agricultural markets CMO: specific provisions for certain agricultural products

2009/0152(CNS) - 09/10/2009 - Legislative proposal

PURPOSE: to amend Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (single CMO Regulation) with a view to providing assistance to milk producers.

PROPOSED ACT: Council Regulation.

CONTENT: the Commission is proposing **two amendments to the rules applicable to the dairy sector** and at the same time pursuing its efforts to stabilise the dairy sector:

1. Articles 65 to 84 of Council Regulation (EC) No 1234/2007 (Single CMO) lay down provisions for the management of the quota system in the dairy sector. In particular, it is provided that Member States may set up a national reserve as part of its national quota with a view to allocate further individual quotas to certain priority groups of milk producers, defined by the Member State concerned. The surplus levy is only liable for milk marketed in excess of the national quota incl. the national reserve. Where a surplus levy is found to be payable it shall be allocated among the producers who have overrun their individual quota. Within the quota arrangements, Member States have the possibility to encourage the restructuring process in the sector through a quota buy-out scheme where the quotas bought-out is subsequently placed in the national reserve. As a consequence, **the Commission proposes to provide for the possibility for Member States to grant compensation to producers who undertake to abandon permanently all or part of their milk production and place the individual quotas thus released in the national reserve and this during the 12-month periods starting on 1 April 2009 and 1 April 2010**.
2. Article 186 of Regulation (EC) No 1234/2007 provides that the Commission can take measures in cases of disturbances of the market of certain agricultural products where internal market prices significantly rise or fall. Milk and milk products are, however, not covered by that Article. During the discussion at the Council meeting on 7 September 2009 concerning the Communication from the Commission to the Council on the dairy market situation 2009 (COM(2009)0385), Member States required the Commission to adapt market instruments or create new ones in order to be able to react effectively to the increasing price volatility in a swift and flexible manner. In view of the serious difficulties and the increasing price volatility on the dairy market, i**t is proposed to enlarge the scope of Article 186 to milk and milk products, thus enabling the Commission to react to market disturbances in a flexible and swift manner**.

BUDGETARY IMPLICATIONS: the extension of Article 186 to cover milk and dairy products, will not in itself lead to a change of the budgetary needs. Any proposed legislation based on the proposed amendment would be subject to the usual budget procedures.

The proposal to exclude the bought up quota placed in the national reserve from the calculation of the superlevy will have two effects.

- it may slightly increase the superlevy due in the Member States in question. This additional superlevy amount will stay in the MS so there would be no change to the foreseen superlevy received by the EU-budget as assigned revenue. However, it should be underlined that following the Health Check decision, no superlevy has been foreseen to be collected as from budget year 2011;
- the quota buy-up should reduce milk supply and thereby reduce the production of surplus products needing support, leading to a reduction in budgetary needs. This reduction will depend on the market situation at the time and is not quantifiable at the moment.