**CNS/1998/110: Council Regulation (EC) No 1255/1999 of 17 May 1999 on the common organization of**

**the market in milk and milk product**

<http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=1998/0110(CNS)&l=en>

**#1. Recital 2a (new) in EP 1st Reading (NOT IMPORTANT)**

EP introduced a new recital on guaranteeing milk producers in all EU regions a decent and stable income. Council did not accept it.

**FINAL ACT:**

Not adopted

**#2. Recital 3a (new) in EP 1st Reading (NOT IMPORTANT)**

EP asks for an adequate framework for programmes to reorganize and restructure the sector for young farmers. However, Council did not accept it.

**FINAL ACT:**

Not adopted

**#^3. Recital 3 in Final Act (NOT IMPORTANT)**

Council added the phrase, “establishing an additional levy in the milk and milk products sector (6)” and replaced “six” with “eight.”

***ORIGINAL PROPOSAL*:**

**RECITAL 3**

Whereas by Council Regulation (EEC) No 3950/92 of 28 December 1992 (1) an additional levy scheme for the market of milk and milk products was introduced for the purpose of reducing the imbalance between supply and demand on the milk and milk-product market and resulting structural surpluses; whereas this scheme will apply for six new consecutive periods of 12 months commencing on 1 April 2000;

***FINAL ACT*:**

**RECITAL 3**

Whereas by Council Regulation (EEC) No 3950/92 of 28 December 1992 establishing an additional levy in the milk and milk products sector (6), an additional levy scheme for the market of milk and milk products was introduced for the purpose of reducing the imbalance between supply and demand on the milk and milk-product market and resulting structural surpluses; whereas this scheme will apply for eight new consecutive periods of 12 months commencing on 1 April 2000;

**#4. Recital 4 in EP 1st Reading (NOT IMPORTANT)**

EP added the last phrase calling for this reduction to be fully offset through income support for producers. However, Council replaced the words, “encourage” with “stimulate” and “competitivity” with “competitiveness” and specified that this reduction will be carried out starting from July 1, 2005. Council did not accept EP’s addition, either.

***ORIGINAL PROPOSAL*:**

**RECITAL 4**

Whereas, in order to encourage the consumption of milk and milk products in the Community and to improve the competitivity of these products on the international markets, the level of market support should be reduced, in particular, through a gradual reduction of the target prices and intervention prices for butter and skimmed milk powder;

***FINAL ACT*:**

**RECITAL 4**

Whereas in order to stimulate the consumption of milk and milk products within the Community and to improve the competitiveness of these products on the international markets, the level of market support should be reduced, in particular, through a gradual reduction of the target prices and intervention prices for butter and skimmed milk powder starting from 1 July 2005;

**#5. Recital 4a (new) in EP 1st Reading (IMPORTANT)**

EP newly introduces this entry calling for a Community framework of aid for reorganization and restructuring to be established. Council did not accept it.

**FINAL ACT:**

Not adopted

NO CHANGE / WHITE

**#6. Recital 10 in EP 1st Reading (IMPORTANT)**

EP added the word, “milk products” on top of “milk” but Council did not adopt it.

***ORIGINAL PROPOSAL*:**

**RECITAL 10**

Whereas, in order to stimulate the consumption of milk by young people, provision should be made for the Community to defray a part of the expenditure occasioned by granting aid for the supply of milk to pupils in schools;

**FINAL ACT:**

Not adopted

NO CHANGE / WHITE

**#7. Recital 11a(new) in EP 1st Reading (NOT IMPORTANT)**

EP newly introduced this Recital calling for taking account of the fact that the milk price has fallen drastically since 1992 even before the price reductions introduced by this regulation. Council did not adopt it.

**FINAL ACT:**

Not adopted

**#^8. Recital 11 in Final Act (IMPORTANT)**

Council deleted the word, “cow” from “a dairy cow premium” in Original Proposal and also the phrase, “and the average milk yield in the Community.” And it replaced “the premium scheme” with “this Regulation.”

***ORIGINAL PROPOSAL*:**

**RECITAL 11**

Whereas, as a consequence of reduced market support in the milk sector, income support measures for milk producers should be introduced; whereas these measures should take the form of a dairy cow premium the level of which should develop in parallel with the gradual reduction of market support; whereas the level of individual income support should be calculated on the basis of the individual reference quantities of the producers concerned and the average milk yield in the Community; whereas, to ensure the proper application of the scheme, to take account of the multilateral commitments of the Community and for reasons of budget control, provision should be made for keeping the overall income support at the level of the Member States' total reference quantities as applicable at the entry into force of the premium scheme;

***FINAL ACT*:**

**RECITAL 11**

Whereas, as a consequence of reduced market support in the milk sector, income support measures for milk producers should be introduced; whereas these measures should take the form of a dairy premium the level of which should develop in parallel with the gradual reduction of market support; whereas the level of individual income support should be calculated on the basis of the individual reference quantities of the producers concerned; whereas, to ensure the proper application of the scheme, to take account of the multilateral commitments of the Community and for reasons of budget control, provision should be made for keeping the overall income support at the level of the Member States' total reference quantities as applicable at the entry into force of this Regulation;

RED / BLUE

**#^9. Recital 12 in Original Proposal (Important)**

Council deleted the entire Recital 12 from Original Proposal calling for the dairy cow premium to be managed and granted together with the corresponding income support for dairy cows under the common market organization for beef and veal.

***ORIGINAL PROPOSAL*:**

**RECITAL 12**

Whereas, for reasons of simplification, the dairy cow premium should be managed and granted together with the corresponding income support for dairy cows under the common market organisation for beef and veal;

***FINAL ACT*:**

**Deleted**

RED / RED

**#10. Recital 13 in EP 1st Reading (Important)**

EP deleted the word, “additional” and replaced the phrase, “to be determined and made by Member States within fixed global amounts and in accordance with certain common criteria” with “taking into account the differences in production conditions and ensuring a fair income for all producers.” EP also deleted the latter part on detailed requirements for global amounts and the common criteria, etc. Council did not accept EP’s position in Recital 12 of Final Act.

***ORIGINAL PROPOSAL*:**

**RECITAL 13**

Whereas the conditions for milk production and the income situation of producers significantly vary in different production areas of the Community; whereas a Community-wide scheme with uniform dairy cow payments to all producers would be too rigid to respond adequately to structural and natural disparities and the diverse needs resulting therefrom; whereas, therefore, it is appropriate to provide for a flexible framework of additional Community payments to be determined and made by Member States within fixed global amounts and in accordance with certain common criteria; whereas the global amounts should be allocated to the Member States on the basis of their total reference quantity for milk; whereas the common criteria are intended, inter alia, to prevent additional payments from producing discriminatory effects and to take full account of the relevant multilateral commitments of the Community; whereas, in particular, it is essential that Member States be obliged to use their discretionary powers exclusively on the basis of objective criteria, to pay full regard to the concept of equal treatment and to avoid market and competition distortions; whereas it is appropriate to provide for the forms that additional payments may take; whereas these forms should be premium supplements and area payments;

***FINAL ACT*:**

**RECITAL 12**

NOT ADOPTED AND SAME AS ORIGINAL PROPOSAL

NO CHANGE / WHITE

**#^11. Recital 13 in Final Act (NOT Important)**

Council replaced the phrase, “the dairy cow premium units” in Original Proposal with “the amounts of dairy premium granted per tonne of available premium reference quantities” in Final Act.

***ORIGINAL PROPOSAL*:**

**RECITAL 14**

Whereas premium supplements should be granted in addition to the dairy cow premium units; whereas it is also necessary to limit the total amount of support which may be granted per premium unit per year;

***FINAL ACT*:**

**RECITAL 12**

Whereas premium supplements should be granted in addition to the amounts of dairy premium granted per tonne of available premium reference quantities; whereas it is also necessary to limit the total amount of support which may be granted per premium amount per year;

**#12. Recital 15 in EP 1st Reading (NOT IMPORTANT)**

EP newly introduced recital 15, asking for particular support measures for pastures to be adopted under Council Regulation on support for Rural development from the European Agricultural Guidance and Guarantee Fund, if necessary. However, Council did not accept it.

***ORIGINAL PROPOSAL*:**

**RECITAL 15**

Whereas additional area payments should only be granted for permanent pasture which does not benefit from other Community market support measures; whereas area payments should be applied within the limits of regional base areas of permanent pasture which should be established by Member States according to historical reference data; whereas the maximum amount of area payment which may be granted per hectare, including additional area payments under the common market organisation for beef and veal, should be comparable with the average support per hectare under the support system for producers of certain arable crops;

***FINAL ACT*:**

**RECITAL 14**

Not adopted and same as original proposal

**#^13. Recital 33 in Final Act (not important)**

Council added two more regulations that have been incorporated into this Regulation such as (EEC) No 1422/78 (6) and (EEC) No 865/84 (10).

***ORIGINAL PROPOSAL*:**

**RECITAL 34**

Whereas the common organisation of the market in milk and milk products laid down in Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organisation of the market in milk and milk products (3) has been amended several times; whereas, by reason of their number, their complexity and their dispersal among several Official Journals, these texts are difficult to use and thus lack the clarity which should be an essential feature of all legislation; whereas, under these circumstances, they should be consolidated in a new regulation and the aforementioned Regulation (EEC) No 804/68 should be repealed; whereas the essential rules of Council Regulations (EEC) No 986/68 (4), No 987/68 (5), No 508/71 (6), No 1723/81 (7), No 2990/82 (8), No 1842/83 (9) and No 777/87 (10) have been incorporated into this Regulation, and should therefore be repealed;

***FINAL ACT*:**

**RECITAL 33**

Whereas the common organisation of the market in milk and milk products laid down in Council

Regulation (EEC) No 804/68 of 27 June 1968 on the common organisation of the market in milk and milk products(2) has been amended several times; whereas, by reason of their number, their complexity and their dispersal among several Official Journals, these texts are difficult to use and thus lack the clarity which should be an essential feature of all legislation; whereas, under these circumstances, they should

be consolidated in a new Regulation and the aforementioned Regulation (EEC) No 804/68 should be repealed; whereas the essential rules of Council Regulations (EEC) No 986/68 (3), (EEC) No 987/68 (4), (EEC) No 508/71 (5), (EEC) No 1422/78 (6), (EEC) No 1723/81 (7), (EEC) No 2990/82 (8), (EEC) No 1842/83 (9), (EEC) No 865/84 (10) and (EEC) No 777/87 (11) have been incorporated into this Regulation, and should therefore be repealed;

**#14. Article 3(1)(sub-paragraph1)(indent) in EP 1st Reading (IMPORTANT)**

EP replaced the target price for each year proposed by Original Proposal to 30.05 from 29.66 ECU for 2000-2001, to 29.12 from 28.35 ECU for 2001-2002, to 28.19 from 27.04 for 2002-2003, and to 27.27 from 25.72 for 2003 onwards. However, Council not only modified proposed target price from EP and Original Protocol but also asked for the target price for the first five years to stay at 30.98 EURO.

***ORIGINAL PROPOSAL*:**

**Article 3(1)**

The target price in the Community for milk containing 3,7 % fat, delivered to dairies and expressed in ECU per 100 kg, shall be set at:

- 29,66 for the period from 1 July 2000 until 30 June 2001,

- 28,35 for the period from 1 July 2001 until 30 June 2002,

- 27,04 for the period from 1 July 2002 until 30 June 2003,

- 25,72 as from 1 July 2003.

The target price shall be deemed to be that price which it is aimed to obtain for the aggregate of producers' milk sales on the Community market and on external markets.

***FINAL ACT*:**

**Article 3(1)**

The target price in the Community for milk containing 3,7% fat, delivered to dairies and expressed in euro per 100 kg, shall be set at:

- 30,98 for the period from 1 July 2000 until 30 June 2005,

- 29,23 for the period from 1 July 2005 until 30 June 2006,

- 27,47 for the period from 1 July 2006 until 30 June 2007,

- 25,72 as from July 2007.

The target price shall be deemed to be that price which it is aimed to obtain for the aggregate of producers' milk sales on the Community market and on external markets.

RED / RED

**#15. Article 4(1)(a) in EP 1st Reading (important)**

EP replaced the intervention price for the first three years and from 2003 onwards proposed by Original Proposal. (Regarding butter, from 315.89 to 319.99 for 2000-2001; from 303.59 to 311.78 for 2001-2002; from 291.28 to 303.58 for 2002-2003, and from 278.97 to 295.38 for 2003 onwards). However, Council even further modified these intervention prices both from EP and from Original Proposal. It also asked for the intervention price for the first five years to stay at 328.20 EURO.

***ORIGINAL PROPOSAL*:**

**Article 4(1)(a)**

The intervention prices in the Community, expressed in ECU per 100 kg, shall be set:

(a) for butter at:

- 315,89 for the period from 1 July 2000 until 30 June 2001,

- 303,59 for the period from 1 July 2001 until 30 June 2002,

- 291,28 for the period from 1 July 2002 until 30 June 2003,

- 278,97 as from 1 July 2003;

***FINAL ACT*:**

**Article 4(1)(a)**

1. The intervention prices in the Community, expressed in euro per 100 kg, shall be set:

1. for butter at:

- 328,20 for the period from 1 July 2000 until 30 June 2005,

- 311,79 for the period from 1 July 2005 until 30 June 2006,

- 295,38 for the period from 1 July 2006 until 30 June 2007,

- 278,97 as from 1 July 2007;

RED / RED

**#16. Article 4(1)(b) in EP 1st Reading (important)**

***ORIGINAL PROPOSAL*:**

**Article 4(1)(b)**

(b) for skimmed milk powder at:

- 197,81 for the period from 1 July 2000 until 30 June 2001,

- 190,11 for the period from 1 July 2001 until 30 June 2002,

- 182,40 for the period from 1 July 2002 until 30 June 2003,

- 174,69 as from 1 July 2003.

***FINAL ACT*:**

**Article 4(1)(b)**

(b) for skimmed milk powder at:

- 205,52 for the period from 1 July 2000 until 30 June 2005,

- 195,24 for the period from 1 July 2005 until 30 June 2006,

- 184,97 for the period from 1 July 2006 until 30 June 2007,

- 174,69 as from 1 July 2007.

RED / RED

**#17. Article 10 in EP 1st Reading (IMPORTANT)**

EP replaced “Article 41” with “Article 43 of the EC Treaty” in introduction. It added the phrase, “the quality and hygiene requirements for milk products and” in (a). It moved (c) in Original Proposal to second paragraph in 1st Reading and added the phrase, “shall be adopted in accordance with the procedure laid down in Article 41 of this Regulation.” Council mostly goes back to the Original Proposal except for replacing “Article 41” with “42” and “Title” with “Chapter.”

***ORIGINAL PROPOSAL***:

**Article 10**

There shall be adopted in accordance with the procedure laid down in Article 41:

(a) the detailed rules for the application of this Title and, in particular, those for establishing the market prices for butter,

(b) the amounts of aid for private storage referred to in this Title,

(c) the other decisions and measures which may be taken by the Commission under this Title.

***FINAL ACT***:

**Article 10**

There shall be adopted in accordance with the procedure laid down in Article 42:

(a) the detailed rules for the application of this *chapter* and, in particular, those for establishing the market prices for butter;

(b) the amounts of aid for private storage referred to in this chapter;

(c) the other decisions and measures which may be taken by the Commission under this chapter.

HARD TO TELL / WHITE

**#^18. Article 12 in Final Act (NOT IMPORTANT)**

Council deleted the third paragraph of Article 12, Original Proposal, asking for detailed rules for the application of this article to be adopted by the Commission in accordance with the procedure laid down in Article 41. It incorporated this part into Article 15 of the Final Act.

***ORIGINAL PROPOSAL***:

**Article 12**

1. Under the conditions determined in accordance with paragraphs 2 and 3, aid shall be granted for Community-produced skimmed milk processed into casein and caseinates, if such milk and the casein or caseinates produced from it reach certain standards.

2. The aid may vary, according to whether the skimmed milk is processed into casein or caseinates and according to the quality of those products.

Aid shall be fixed taking into account the following factors:

- the intervention price for skimmed-milk powder, or the market price for first-quality spray-process skimmed-milk powder, if that price exceeds the intervention price,

- the market prices for casein and caseinates on the Community and world markets.

3. Detailed rules for the application of this Article, and in particular the conditions under which such aid may be granted and the amount of the aid, shall be adopted by the Commission in accordance with the procedure laid down in Article 41.

***FINAL ACT***:

**Article 12**

1. Under the conditions determined in accordance with paragraph 2, aid shall be granted for

Community-produced skimmed milk processed into casein and caseinates, if such milk and the casein or caseinates produced from it reach certain standards.

2. The aid may vary, according to whether the skimmed milk is processed into casein or caseinates and according to the quality of those products. Aid shall be fixed taking into account the following factors:

- the intervention price for skimmed-milk powder, or the market price for first-quality spray-process skimmed-milk powder, if that price exceeds the intervention price,

- the market prices for casein and caseinates on the Community and world markets.

**Article 15**

The following shall be adopted in accordance with the procedure laid down in Article 42:

(a) the detailed rules for the application of this chapter and, in particular, the conditions under which the aids set out therein may be granted,

(b) the amounts of the aids referred to in this chapter,

(c) the lists of products referred to in Article 13(d) and Article 14(1),

(d) the other decisions and measures that may be adopted by the Commission under this chapter.

**#^19. Article 13(1) in Final Act (IMPORTANT)**

Council added “cream” and “(e) for the direct consumption of concentrated butter” with respect to the case where surpluses of milk products occur.

***ORIGINAL PROPOSAL***:

**Article 13**

1. When surpluses of milk products build up, or are likely to occur, the Commission may decide that aid shall be granted to enable butter and concentrated butter to be purchased at reduced prices by:

(a) non-profit making institutions and organisations;

(b) military forces and units of comparable status in the Member States;

(c) manufacturers of pastry products and icecream;

(d) manufacturers of other foodstuffs to be determined.

***FINAL ACT***:

**Article 13**

1. When surpluses of milk products build up, or are likely to occur, the Commission may decide that aid shall be granted to enable cream, butter and concentrated butter to be purchased at reduced prices:

(a) by non-profit making institutions and organisations;

(b) by military forces and units of comparable status in the Member States;

(c) by manufacturers of pastry products and ice-cream;

(d) by manufacturers of other foodstuffs to be determined;

(e) for the direct consumption of concentrated butter

RED / BLUE

**#^20. Article 13(2) in Original Proposal (NOT IMPORTANT)**

Council deleted the second paragraph calling for detailed rules for application to be determined by the Commission (Again, this implementation part is incorporated into Article 15 of the Final Act).

***ORIGINAL PROPOSAL***:

**Article 13(2)**

2. The measures provided for in this Article and detailed rules for its application which shall cover in particular the amount of the aid and the determination of the products in paragraph 1(d), shall be adopted by the Commission in accordance with the procedure laid down in Article 41.

***FINAL ACT***:

Deleted

**Article 15**

The following shall be adopted in accordance with the procedure laid down in Article 42:

(a) the detailed rules for the application of this chapter and, in particular, the conditions under which the aids set out therein may be granted,

(b) the amounts of the aids referred to in this chapter,

(c) the lists of products referred to in Article 13(d) and Article 14(1),

(d) the other decisions and measures that may be adopted by the Commission under this chapter.

**#21. Article 14a (new) in EP 1st Reading (NOT IMPORTANT)**

EP newly introduced this entry calling for additional measures to increase advertising and marketing for milk and milk products through support for the relevant producer organizations. And it asks for the Commission to submit an appropriate proposal for this. Council did not accept this.

**FINAL ACT:**

Not adopted

**#^22. Article 14(1) in Final Act (NOT IMPORTANT)**

Council deleted the phrase, “Subject to the conditions laid down in paragraphs 3, 4 and according to paragraph 5” from Article 14(1) of the Original Proposal.

***ORIGINAL PROPOSAL***:

**Article 14**

1. Subject to the conditions laid down in paragraphs 3, 4 and according to paragraph 5, Community aid shall be granted for supplying to pupils in educational establishments certain processed milk products falling under CN codes 0401, 0403, 0404 90 and 0406 or CN code 2202 90.

***FINAL ACT***:

**Article 14**

1. Community aid shall be granted for supplying to pupils in educational establishments certain processed milk products falling within CN codes 0401, 0403, 0404 90 and 0406 or CN code 2202 90.

**#^23. Article 14(3) in Final Act (NOT IMPORTANT)**

Council replaced the word, “content” with “components.”

***ORIGINAL PROPOSAL***:

**Article 14**

3. In the case of whole milk, the Community aid shall be equal to 95 % of the target price for milk. In the case of other milk products, the amounts of aid shall be determined taking into account the milk content of the products concerned.

***FINAL ACT***:

**Article 14**

3. In the case of whole milk, the Community aid shall be equal to 95% of the target price for milk. In the case of other milk products, the amounts of aid shall be determined taking into account the milk components of the products concerned.

**#^24. Article 14(5) in Original Proposal (NOT IMPORTANT)**

Council deleted the fifth paragraph calling for the detailed rules for the implementation to be determined by the Commission. It seems to incorporate this part into Article 15 of the Final Act.

***ORIGINAL PROPOSAL***:

**Article 14**

5. The detailed rules for the implementation of this Article and the amount of aid shall be adopted by the Commission in accordance with the procedure laid down in Article 41.

***FINAL ACT***:

DELETED

**Article 15**

The following shall be adopted in accordance with the procedure laid down in Article 42:

(a) the detailed rules for the application of this chapter and, in particular, the conditions under which the aids set out therein may be granted,

(b) the amounts of the aids referred to in this chapter,

(c) the lists of products referred to in Article 13(d) and Article 14(1),

(d) the other decisions and measures that may be adopted by the Commission under this chapter.

**#^25. Article 16(1) in Final Act (IMPORTANT)**

***ORIGINAL PROPOSAL*:**

**Article 15(1)**

Producers shall qualify for a dairy cow premium. It shall be granted per calendar year and per holding.

***FINAL ACT*:**

**Article 16(1)**

Producers shall qualify for a dairy premium. It shall be granted per calendar year, per holding and per tonne of individual reference quantity eligible for premium and available on the holding

GREEN / GREEN

**#26. Article 15(2) in EP 1ST Reading (IMPORTANT)**

***ORIGINAL PROPOSAL*:**

**Article 15(2)**

2. The amount per premium unit shall be set at:

- ECU 25 for the calendar year 2000,

- ECU 50 for the calendar year 2001,

- ECU 75 for the calendar year 2002,

- ECU 100 for the calendar year 2003 and the subsequent calendar years.

It shall be supplemented by the amounts per premium unit set out in Annex IV of Regulation (EC) No . . ./. . . (beef) for the Member State and the calendar year concerned.

***FINAL ACT*:**

**Article 16(2)**

The premium amount per tonne of individual reference quantity eligible for premium shall be set at:

- EUR 5,75 for the calendar year 2005,

- EUR 11,49 for the calendar year 2006,

- EUR 17,24 for the calendar year 2007 and the subsequent calendar years.

RED / RED

**#27. Article 15(3) in EP 1ST Reading (IMPORTANT)**

***ORIGINAL PROPOSAL*:**

**Article 15(3)**

The number of premium units to which a producer shall be entitled, shall be determined by **dividing the individual reference quantity for milk, expressed in tonnes, available on the holding on 31 March of the calendar year concerned by the figure 5,8 representing the average milk yield in the Community**.

**For the purpose of the preceding subparagrap**h, individual reference quantities which have been subject of temporary transfers in accordance with Article 6 of Regulation (EEC) No 3950/92 on 31 March of the calendar year concerned shall be deemed to be available on the holding of the transferee for that calendar year.

Where, on 31 March of a calendar year, the sum of all individual reference quantities in a Member State exceeds the sum of the corresponding total quantities of that Member State fixed for the 12 months period 1999/2000, the Member State concerned shall, on the basis of objective criteria, take the necessary steps to reduce proportionately the total number of premium units on its territory for the calendar year concerned.

***FINAL ACT*:**

**Article 16(3)**

**The individual reference quantity eligible for premium shall be equal to the individual reference quantity for milk available on the holding on 31 March of the calendar year concerned, without prejudice to reductions resulting from the application of subparagraph 2.** Individual reference quantities which have been the subject of temporary transfers in accordance with Article 6 of Regulation (EEC) No 3950/92 on 31 March of the calendar year concerned shall be deemed to be available on the holding of the transferee for that calendar year.

Where, on 31 March of a calendar year, the sum of all individual reference quantities in a Member State exceeds the sum of the corresponding total quantities of that Member State set out in Article 3(2) of Regulation (EEC) No 3950/92 for the 12 month period 1999/2000, the Member State concerned shall, on the basis of objective criteria, take the necessary steps to reduce accordingly the total amount of individual reference quantities eligible for premium on its territory for the calendar year concerned.

HARD TO TELL / RED

**#^28. Article 17 (1) in Final Act (NOT IMPORTANT)**

Council replaced the phrase, “within the limits of” with “totaling.”

***ORIGINAL PROPOSAL*:**

**Article 16(1)**

Member States shall make additional payments to producers in their territory within the limits of the global amounts set out in Annex I and on a yearly basis. Such payments shall be made according to objective criteria including, in particular, the relevant production structures and conditions, and in such a way as to ensure equal treatment between producers and to avoid market and competition distortions. Moreover, such payments shall not be linked to fluctuations of market prices.

***FINAL ACT*:**

**Article 17(1)**

1. Member States shall, on a yearly basis, make additional payments to producers in their territory totalling the global amounts set out in Annex I. Such payments shall be made according to objective criteria including, in particular, the relevant production structures and conditions, and in such a way as to ensure equal treatment between producers and to avoid market and competition distortions. Moreover, such payments shall not be linked to fluctuations of market prices.

**#29. Article 17(2) in EP 1st Reading (IMPORTANT)**

EP deleted the phrase, “premium supplement, including” from the opening clause of Article 17(2), Original Proposal. Council did not accept it. Council further modified Original Proposal by replacing the phrase, “dairy cow premium unit referred to” with “premium amount as set out” in the first paragraph. In the second paragraph, Could took out “cow” from “dairy cow premium” and deleted “including any other dairy cow payments under Regulation (EC) No… (beef)” and replaced “per premium unit and calendar year” with “per premium amount per tonne of individual reference quantity eligible for premium.” It asked for the total amount of dairy premium and premium supplement not to exceed EUR 13.9 for 2005 rather than ECU 90 for 2000; EUR 27.8 for 2006 rather than ECU 180 for 2001; EUR 41.7 for 2007 and subsequent calendar year rather than ECU 270 for 2002 and ECU 330 for 2003 and the subsequent calendar year.

***ORIGINAL PROPOSAL*:**

**Article 17(2)**

The total amount of dairy cow premium and premium supplement, including any other dairy cow payments under Regulation (EC) No . . . (beef), which may be granted per premium unit and calendar year shall not exceed:

- ECU 90 for the calendar year 2000,

- ECU 180 for the calendar year 2001,

- ECU 270 for the calendar year 2002,

- ECU 330 for the calendar year 2003 and the subsequent calendar years.

***FINAL ACT*:**

**Article 18(2)**

2. The total amount of dairy premium and premium supplement, which may be granted per premium amount per tonne of individual reference quantity eligible for premium, shall not exceed:

- EUR 13,9 per tonne for the calendar year 2005,

- EUR 27,8 per tonne for the calendar year 2006,

- EUR 41,7 per tonne for the calendar year 2007 and subsequent calendar years.

ORANGE / RED

**#30. Article 18 in EP 1st Reading ( IMPORTANT)**

EP deleted the entire Article 18 on area payment from the Original Proposal. Council modified the maximum area payment per hectare in Article 18(3), Original Proposal by replacing ECU 210 for 2000, ECU280 for 2001, ECU350 for 2002 and the subsequent years with “EUR 350 for 2005 and the subsequent calendar years.” It deleted fourth paragraph of Article 18 from Original Proposal, which defined permanent pasture.

***ORIGINAL PROPOSAL*:**

**Article 18(3)**

3. The maximum area payment per hectare which may be granted, including area payments pursuant to Article 15 of Regulation (EC) No. . . [beef], shall not exceed:

- ECU 210 for the calendar year 2000,

- ECU 280 for the calendar year 2001,

- ECU 350 for the calendar year 2002 and the subsequent calendar years.

4. For the purposes of this Article, 'permanent pasture` shall mean non-rotational land used for grass production (sown or natural) on a permanent basis (five years or longer).

***FINAL ACT*:**

**Article 19(3)**

**3. The maximum area payment per hectare which may be granted, including area payments pursuant to Article 17 of Regulation (EC) No 1254/1999, shall not exceed EUR 350 for the calendar year 2005 and the subsequent calendar years.**

**Article 19(4) deleted**

RED / RED

**#31. Article 19 (1)in EP 1st Reading (NOT IMPORTANT)**

EP replaced “their national” with “the” and “concerning” with “for” in Article 19(1) of Original Proposal. Council did not accept it. Council stayed with that of Article 19(1), Original Proposal except for replacing “2000” with “2005”.

***ORIGINAL PROPOSAL***

**Article 19(1)**

Before 1 January 2000, Member States shall provide the Commission with detailed information on their national arrangements concerning the granting of additional payments. Any changes of these arrangements shall be communicated to the Commission not later than one month following adoption.

***FINAL ACT***

**Article 20(1)**

NOT ADOPTED AND ALMOST SAME AS ORIGINAL PROPOSAL

**#32. Article 19 (2)in EP 1st Reading (NOT IMPORTANT)**

In Article 19(2), Original Proposal, EP deleted “as provided for in Annex I” from the second paragraph. However, Council stayed with Original Proposal while it replaced “2004” with “2007” and “2005” with “2008.”

***ORIGINAL PROPOSAL***

**Article 19(2)**

Before 1 April 2004, Member States shall submit to the Commission detailed reports on the implementation of Articles 16, 17 and 18.

Before 1 January 2005, the Commission shall evaluate the implementation of Articles 16 to 18 and examine the distribution of Community funds between Member States as provided for in Annex I. If necessary, the Commission shall make appropriate proposals to the Council.

***FINAL ACT***

**Article 20(2)**

Before 1 April 2007, Member States shall submit to the Commission detailed reports on the implementation of Articles 17 to 19.

Before 1 January 2008, the Commission shall evaluate the implementation of Articles 17 to 19 and examine the distribution of Community funds between Member States as provided for in Annex I. If necessary, the Commission shall make appropriate proposals to the Council.

**#^33. Article 21 in Final Act (IMPORTANT)**

Council replaced “title” with “chapter” and slightly changed the wording, “as soon as the legally required inspections are carried out” with “after verification of entitlement to payment.”

***ORIGIANL PROPOSAL***:

**Article 20**

Direct payments under this title shall be made from 16 October of the calendar year concerned as soon as the legally required inspections are carried out and, save in duly justified exceptional cases, no later than 30 June of the following year.

***FINAL ACT***:

**Article 21**

Direct payments under this chapter shall be made, after verification of entitlement to payment, from 16 October of the calendar year concerned and, save in duly justified exceptional cases, no later than 30 June of the following year.

RED / RED

**#34. Article 23 in EP 1st Reading (NOT IMPORTANT)**

Regarding detailed rules for the application to be adopted, EP deleted “by the Commission” and replaced “41” with “43 of the Treaty.” Council stayed with Original Proposal but replaced “title” with “chapter.”

***ORIGINAL PROPOSAL***

**Article 23**

Detailed rules for the application of this title shall be adopted by the Commission in accordance with the procedure laid down in Article 41.

**FINAL ACT**

**Article 24**

SAME AS ORIGINAL PROPOSAL

**#35. Article 24a (new) in EP 1st Reading (IMPORTANT)**

EP newly introduces this entry calling for the Commission to submit a report on application of this regulation. Council did not accept it.

***FINAL ACT***

NOT ADOPTED IT

NO CHANGE / WHITE

**#^36. Article 48 in Final Act (NOT IMPORTANT)**

Council deleted the exception part concerning entry into force dates from the Original Protocol.

***ORIGINAL PROPOSAL***:

**Article 47**

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Communities. It shall apply as from 1 January 2000, except Article 19(1) which shall apply from the entry into force of this Regulation.

***FINAL ACT***:

**Article 48**

This Regulation shall enter into force on the day of its publication in the Official Journal of the European Communities. It shall apply as from 1 January 2000.

**#37. Annex I in EP 1st Reading (NOT IMPORTANT)**

EP deleted the entire table in Annex I (additional payment). However, Council did not adopt it.