COUNCIL REGULATION (EEC) No 1079/77

of 17 May 1977

on a co-responsibility levy and on measures for expanding the markets in milk and milk products

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 43 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament (1),

Having regard to the opinion of the Economic and Social Committee (2),

Whereas the Community market in milk products is marked by structural surpluses arising from an imbalance between supply and demand in products covered by Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products (3), as last amended by Regulation (EEC) No 559/76 (4);

Whereas a more direct link should be established between production and outlets for milk products in order gradually to restore equilibrium between production and market requirements and to reduce the heavy costs incurred by the Community as a result of the present situation and in particular of the large surpluses which exist; whereas it is necessary, in view of the major public interest attached, to introduce a uniform co-responsibility levy for several years on all milk delivered to dairies and certain farm sales of milk products;

Whereas, in order to observe the objectives of Council Directive 75/268/EEC of 28 April 1975 on mountain and hill farming and farming in certain less-favoured areas (5), as amended by Directive 76/400/EEC (6), the mountain and hill areas listed pursuant to Article 3 (3) of that Directive should be exempted from the levy;

Whereas, taking into account the possibilities of supervision, application of the levy to farm sales should be limited to the amounts of milk used on the farm in making butter and cream and qualifying for aid for the skimmed milk thus produced, pursuant to Article 2 (1) (b) of Council Regulation (EEC) No 986/68 of 15 July 1968 laying down general rules for granting aid for skimmed milk and skimmed-milk powder for use as feed (7), as last amended by Regulation (EEC) No 876/77 (8);

Whereas, for administrative reasons, it should be laid down that, where possible, the levies must be deducted by the buyers of the milk from their payments to producers;

Whereas provision should be made for specific measures linked to the levy to encourage the expansion of markets and the disposal of surpluses on the Community and world markets;

Whereas all the measures provided for in this Regulation are designed to stabilize the market in milk products and thus to supplement the existing intervention system; whereas care should therefore be taken to ensure that the arrangements for financing the common agricultural policy take account of the levies and expenditure entailed in the specific measures,

HAS ADOPTED THIS REGULATION:

Article 1

1. During the period from 16 September 1977 to the end of the 1979/80 milk year a co-responsibility levy shall be due from all milk producers on milk supplied to an undertaking treating or processing milk and, in the cases defined in Article 3 (2), on milk sold by the producer in the form of other milk products.

2. This levy shall not be applied in the mountain and hill areas listed pursuant to Article 3 (3) of Directive 75/268/EEC.

(1) OJ No C 6, 10. 1. 1977, p. 13.
(2) OJ No C 56, 7. 3. 1977, p. 31.
(3) OJ No L 148, 28. 6. 1968, p. 13.
(4) OJ No L 67, 15. 3. 1976, p. 9.
(5) OJ No L 128, 19. 5. 1975, p. 1.
(6) OJ No L 108, 26. 4. 1976, p. 21.
(7) OJ No L 169, 18. 7. 1968, p. 4.
(8) OJ No L 106, 29. 4. 1977, p. 24.

Article 2

1. The amount of the levy shall be fixed, after the Commission has consulted producer organizations at Community level, in accordance with the procedure laid down in Article 43 (2) of the Treaty before 1 November for the following milk year.

2. The amount of the levy shall take account of the market situation, of forward estimates of supply of and demand for milk products, and of the development of stocks.

3. The levy shall be at least 1·5 % but not more than 4 % of the milk target price valid for the milk year in question.

For the period from 16 September 1977 to the end of the 1977/78 milk year, the levy shall be 1·5 % of the target price for milk.

4. If there is a considerable change affecting the criteria described in paragraph 2 during a milk year, the Council, acting by a qualified majority on a proposal from the Commission, may alter the amount of the levy, keeping within the limits laid down in the first subparagraph of paragraph 3. However, the difference between the levy fixed under paragraph 1 and the new levy may not exceed 1 % of the target price for milk.

Article 3

1. In the case of deliveries to an undertaking treating or processing milk, the levy shall be deducted by the buyer of the milk from the payment to be made to the producer, and transferred monthly in arrears by the buyer to the competent agency designated for this purpose by each Member State.

2. If a milk producer sells in the form of other milk products, the levy shall be paid to the competent agency by the producer in respect of the quantities of milk used on the farm in making butter and cream and qualifying for aid under Article 2 (1) (b) of Regulation (EEC) No 986/68.

Article 4

1. Measures to expand the markets for milk products shall be taken in accordance with the procedure referred to in Article 6.

2. The measures referred to in paragraph 1 shall be measures concerning :

— the expansion of markets within the Community,
— the expansion of markets outside the Community,
— the search for new outlets and improved products.

3. Before each period of application of the levy to be fixed pursuant to Article 2 (1), the Commission shall inform the Council of the programme of measures referred to in paragraph 2 which it is planning to take during the following milk year.

Article 5

1. With regard to the financing of the common agricultural policy, the co-responsibility levy and the measures referred to in Article 4 shall be considered as forming part of the measures to stabilize agricultural markets.

2. By way of derogation from Article 3 (1) of Regulation (EEC) No 729/70, the financing of the measures listed in Article 4 may be limited to a portion of the expenditure concerned.

3. Rules for the application of paragraph 1 may be adopted in accordance with the procedure laid down in Article 13 of Regulation (EEC) No 729/70.

Article 6

Rules for the application of this Regulation shall be adopted in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 17 May 1977.

For the Council

The President

J. SILKIN