COUNCIL REGULATION (EEC) No 2128/84

of 17 July 1984

amending Regulation (EEC) No 986/68 laying down general rules for granting aid for skimmed milk and skimmed-milk powder for use as feed

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products (1), as last amended by Regulation (EEC) No 856/84 (2), and in particular Article 10 (2) thereof,

Having regard to the proposal from the Commission,

Whereas Article 10 (1) of Regulation (EEC) No 804/68 provides that aid may be granted for skimmed-milk powder for use as feed ; whereas Regulation (EEC) No 986/68 (3), as last amended by Regulation (EEC) No 867/84 (4), provides for the granting of aid for skimmed-milk powder of a fat content of up to 11 % ; whereas market prices for powder with a fat content of up to 7 % and for powder with a fat content of between 9 and 11 % differ ; whereas, moreover, the aims of granting aid for the two products, namely reduction of the quantity of skimmed-milk powder qualifying for intervention and reduction of the quantity of butterfat available on the market, differ ; whereas Regulation (EEC) No 986/68 must as a result be adjusted ;

Whereas, for reasons of monitoring, and bearing in mind the high level of aid, it is appropriate that skimmed-milk powder of a fat content between 9 and 11 % and milk containing between 0,8 and 1 % butterfat should not contain buttermilk and should be produced in dairies direct from liquid milk ;

Whereas Article 2a (3) of Regulation (EEC) No 986/68 specifies the band within which aid for skimmed-milk powder may be fixed ; whereas, in view of the criteria set out in paragraph 1 of that Article, the limits of that band should be adjusted and an additional band specified for skimmed-milk powder of a fat content of between 9 and 11 % ;

Whereas the application of this new scheme calls for new provisions, in particular as regards monitoring ; whereas, as a result, the way in which the scheme operates should be re-examined before the end of the 1985/86 milk marketing year, in the light of experience,

HAS ADOPTED THIS REGULATION :

Article 1

Articles 2, 2a and 3 of Regulation (EEC) No 986/68 are hereby replaced by the following :

'*Article 2*

1. Aid shall be granted for :

(a) skimmed milk and buttermilk produced and processed in a dairy, differentiated from other skimmed milk in a manner to be specified or subject to administrative control offering safeguards equivalent to denaturing and sold to farms where they are used as feed at a price not exceeding any maximum price which may be fixed ;

(b) skimmed milk and buttermilk used as feed on the farm where they were produced ;

(c) skimmed-milk powder and buttermilk powder with a fat content not exceeding 7 %, denatured according to methods to be determined ;

(d) skimmed-milk powder and buttermilk powder with a fat content not exceeding 7 %, on the one hand, and skimmed milk and buttermilk produced and processed in a dairy, on the other hand, used in the manufacture of compound feedingstuffs. The aid for a given quantity of skimmed milk used in the manufacture of compound feedingstuffs shall be equal to the

(1) OJ No L 148, 28. 6. 1968, p. 13.
(2) OJ No L 90, 1. 4. 1984, p. 10.
(3) OJ No L 169, 18. 7. 1968, p. 4.
(4) OJ No L 90, 1. 4. 1984, p. 29.

aid which would be granted for the quantity of skimmed-milk powder which can be obtained from that quantity of skimmed milk ;

(e) skimmed-milk powder with a fat content to be determined between 9 and 11 %, not containing buttermilk powder, produced in a dairy directly from liquid milk and used in the manufacture of compound feedingstuffs ;

(f) skimmed-milk powder with a fat content to be determined between 9 and 11 %, not containing buttermilk powder, produced in a dairy directly from liquid milk and denatured according to methods to be determined with a view to its use in the manufacture of compound feedingstuffs.

2. Where milk used in the manufacture of a compound feedingstuff contains between 0,8 and 1 % fat not containing buttermilk, provision may be made under the procedure laid down in Article 30 of Regulation (EEC) No 804/68 for aid equal to the corresponding quantity of milk powder.

3. Before the end of the 1985/86 milk marketing year, the Council shall review the operation of the scheme adopted in this Regulation, in particular in order to define further the characteristics and the system for monitoring of the products referred to in paragraphs 1 (e) and (f) and 2 above. Where appropriate, acting by a qualified majority on a proposal from the Commission, it will reinforce the existing monitoring arrangements.

4. The maximum price referred to in paragraph 1 (a) shall take into account :

(a) the value of skimmed milk resulting from the intervention price for skimmed-milk powder ;

(b) the aid granted for skimmed milk ; and

(c) the prices of comparable feedingstuffs.

5. The compound feedingstuffs referred to in paragraph 1 must meet minimum standards as to composition.

6. Any product referred to in paragraph 1 in respect of which aid has been granted may be used only as feed.

7. Provisions may be made, in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68, that aid for the products referred to in paragraph 1 (c) shall not be granted in cases where, given the objective of maintaining and increasing the quantities of skimmed milk and buttermilk and of skimmed-milk powder and buttermilk powder used in feed, it might impede the effectiveness of aid for the other products.

8. Where the products referred to in paragraph 1 are exported after denaturing or in the form of compound feedingstuffs, an amount equal to the aid shall be levied.

9. The dairy processing referred to in paragraph 1 shall comprise at least purification, pasteurization and chilling operations.

Article 2a

1. Aid amounts shall be fixed taking into account the following factors :

— the intervention price for skimmed-milk powder applicable during the milk year concerned,

— development of the supply situation as regards skimmed milk and skimmed-milk powder, and developments in the use thereof as feed,

— trends in calf prices,

— trends in the market prices for competing proteins as compared with those for skimmed-milk powder,

— in the case of the aid referred to in Article 2 (1) (e) and (f), the trend in the intervention price for butter and the trend in prices for fats competing with the milk fats used as feed.

2. The amounts of aid shall be fixed each year for the following milk year within the bands defined in paragraph 3.

The amounts of aid shall not be changed during a milk year except in so far as a marked alteration in the factors specified in paragraph 1 so necessitates. However, the amount of aid referred to in Article 2 (1) (e) and (f) may be fixed by tendering procedure and divided between the fat content and the non-fat content of the milk.

3. The amount of aid for skimmed-milk powder and buttermilk powder shall be fixed within a band of 54 to 85 ECU per 100 kilograms. The total amount of aid referred to in Article 2 (1) (e) and (f) shall be fixed within a band of 74 to 105 ECU per 100 kilograms.

The amount of aid for skimmed milk and buttermilk shall be set at an appropriate level in relation to the aid fixed for skimmed-milk powder.

4. However, the amounts of aid may be fixed at levels higher than those resulting from the application of paragraph 3 if :

— the skimmed milk and buttermilk referred to in Article 2 (1) (a) are sold, at a maximum price to be fixed, to farms where they are used as feed for animals other than young calves,

— the skimmed milk and buttermilk referred to in Article 2 (1) (b) are used, on farms where they have been produced, as feed for animals other than young calves,

— the skimmed milk and buttermilk and the skimmed-milk powder and buttermilk powder referred to in Article 2 (1) (d) are used as feed for animals other than young calves.

Article 3

1. The aid shall be paid by the intervention agency of the Member State within whose territory is situated :

— the dairy which delivered the skimmed milk or buttermilk to the farm using it as feed, or

— the farm referred to in Article 2 (1) (b), or

— the undertaking which denatured the skimmed-milk powder or buttermilk powder or used it in the manufacture of compound feedingstuffs, or

— the undertaking which used the skimmed milk or buttermilk in the manufacture of compound feedingstuffs, or

— either the dairy which produced the skimmed-milk powder referred to in Article 2 (1) (e) and (f) or the undertaking which used it ; the choice shall be made in accordance with the procedure laid down in Article 30 of Regulation (EEC) No 804/68.

However, where skimmed-milk powder or buttermilk powder produced in one Member State is denatured or used in the manufacture of compound feedingstuffs within the territory of another Member State, the former Member State shall be authorized to pay the aid.

2. The aid shall be paid when proof has been furnished that the product in question :

— has been used in liquid form as feed or in the manufacture of compound feedingstuffs, or

— has been denatured or incorporated directly in the manufacture of compound feedingstuffs, or

— in the case of the skimmed-milk powder referred to in Article 2 (1) (e) and (f), has been processed for use as feed.

If necessary, additional conditions for the payment of the aid may be laid down in accordance with the procedure provided for in Article 30 of Regulation (EEC) No 804/68.'

Article 2

This Regulation shall enter into force on the third day following its publication in the *Official Journal of the European Communities.*

It shall apply until the end of the 1985/86 milk marketing year.

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

Done at Brussels, 17 July 1984.

For the Council

The President

A. DEASY