

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(93) 211 final

Brussels, 17 May 1993

Amended proposal for a

COUNCIL REGULATION (EEC)

amending Regulation (EEC) No 986/86 laying down general rules
for granting aid for skimmed milk and skimmed-milk powder for use as feed

(presented by the Commission pursuant to Article 149(3)
of the EEC-Treaty)

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EXPLANATORY MEMORANDUM

The purpose of this proposal is to amend the proposal for a Council Regulation which is the subject of document COM(90) 104 final of 26 March 1990, that in turn supplemented the original proposal contained in document COM(89) 448 final of 9 October 1989.

This additional proposal aims to limit the amount of aid for skimmed milk or skimmed-milk powder originating in third countries to the amount levied upon their importation into the Community. The proposed provision ensures that the price of the products involved cannot fall excessively to the detriment of the EAGGF budget thereby causing, moreover, distortions of competition with Community production.

Amendment to the proposal for a

COUNCIL REGULATION (EEC) No

amending Regulation (EEC) No 986/86 laying down general rules
for granting aid for skimmed milk and skimmed-milk powder for use as feed

The proposal for a Council Regulation which is the subject of document
COM(90) 104 final is hereby amended as follows:

1. The recitals of the proposal for a Regulation are replaced by the following:

"Whereas Article 1(d) of Council Regulation (EEC) No 986/86 , as last amended by Regulation (EEC) No 1115/89 , defines skimmed-milk powder in particular as the by-product of the processing of milk or cream into butter, even though naturally or artificially soured, in the form of powder; whereas the manufacturing technique requires that soured buttermilk be neutralized before being processed into powder; whereas that definition should be supplemented by explicitly authorizing the neutralization of soured buttermilk prior to its processing into powder;

Whereas Article 2a(3) of the said Regulation fixes a scale for the amount of aid for skimmed-milk powder; whereas application of this provision to products imported from third countries qualifying for a reduced levy may result in excessive reductions in their price on the Community market, thereby causing distortions of competition with Community production; whereas the amount of aid in such cases should be limited to the amount levied upon importation;

Whereas the second subparagraph of Article 3(1) of that Regulation provides, by way of derogation, that the Member States which consign skimmed-milk powder to another Member State are to be authorized to pay the aid in the place of the Member State where the skimmed-milk powder is denatured or incorporated into compound feedingstuffs; whereas because of the trend in the market situation that derogation need no longer be maintained;".

2. Article 1 of the proposal for a Regulation is replaced by the following:

"Article 1

Regulation (EEC) No 986/68 is hereby amended as follows:

1. The following sentence is added to Article 1(d):

"Naturally or artificially soured buttermilk may be neutralized with a view to its processing into powder."

2. The following paragraph is added to Article 2a:

"5. Paragraph 3 notwithstanding, the amount of aid for skimmed milk or skimmed-milk powder imported from third countries may in no case exceed the amount levied upon importation into the Community."

3. The second subparagraph of Article 3(1) is deleted."

FINANCIAL STATEMENT

(PLAI/EN/1552)

DATE: 19 April 1993

1. BUDGET HEADING:
31-2020

APPROPRIATIONS: ECU 538 million

2. TITLE: Amendment to the proposal for a Council Regulation amending Regulation (EEC) No 986/68 laying down general rules for granting aid for skimmed milk and skimmed-milk powder as feed

3. LEGAL BASIS:
Article 10(2) of Regulation (EEC) No 804/68

4. AIMS OF PROJECT:
To limit the amount of aid for skimmed milk or skimmed-milk powder originating in third countries to the amount levied upon their importation into the Community

5. FINANCIAL IMPLICATIONS	Period of 12 months	Current Financial Year	Following Financial Year	
	1994 (ECU million)	1993 (ECU million)	1994 (ECU million)	
5.0 EXPENDITURE				
- CHARGED TO THE EC BUDGET	- 1.6	- 0.1	- 1.1	
- (REFUNDS/INTERVENTION)				
- NATIONAL ADMINISTRATION				
- OTHER				
5.1 REVENUE				
- OWN RESOURCES OF THE EC (LEVIES/CUSTOMS DUTIES)				
- NATIONAL				
	1995	1996	1997	1998
5.0.1 ESTIMATED EXPENDITURE	- 1.6	- 1.8		
5.1.1 ESTIMATED REVENUE	-	-		

5.2 METHOD OF CALCULATION:

See Annex

6.0 CAN THE PROJECT BE FINANCED FROM APPROPRIATIONS ENTERED IN THE RELEVANT CHAPTER OF THE CURRENT BUDGET?
YES

6.1 CAN THE PROJECT BE FINANCED BY TRANSFER BETWEEN CHAPTERS OF THE CURRENT BUDGET?
YES/NO

6.2 IS A SUPPLEMENTARY BUDGET NECESSARY?
NO

6.3 WILL FUTURE BUDGET APPROPRIATIONS BE NECESSARY?
YES/NO

OBSERVATIONS:

Annex

1. Elements of the calculation

Reduced levy: 1993 : ECU 980.4/t - 40% = ECU 588.2/t
1994 - 1996: ECU 980.4/t - 60% = ECU 392.2/t

Reduced aid: 1993 : ECU 592.5/t - ECU 588.2/t = ECU 4.3/t
1994 - 1996: ECU 592.5/t - ECU 392.2/t = ECU 200.3/t

Quantities imported at reduced levy:

1993: 5 950 t
1994: 6 550 t
1995: 7 000 t
1996: 7 500 t

2. Calculation (calendar year)

1993: 5 950 t x - ECU 4.3/t x 1.205 (DT) = ECU 0.3 million (B)
1994: 6 550 t x - ECU 200.3/t x 1.205 (DT) = ECU 1.6 million (B)
1995: 7 000 t x - ECU 200.3/t x 1.205 (DT) = ECU 1.7 million (B)
1996: 7 500 t x - ECU 200.3/t x 1.205 (DT) = ECU 1.8 million (B)

3. Implication for the financial year

1993: - ECU 0.1 million (B)
1994: - ECU 1.1 million (B)
1995: - ECU 1.6 million (B)
1996: - ECU 1.8 million (B)

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DOCUMENTS

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