Commission Delegated Regulation (EU) 2016/558 of 11 April 2016 authorising agreements and decisions of cooperatives and other forms of producer organisations in the milk and milk products sector on the planning of production

COMMISSION DELEGATED REGULATION (EU) 2016/558

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/2001 and (EC) No 1234/2007[(1)], and in particular Article 219(1) in conjunction with Article 228 thereof,

Whereas:

(1) The milk and milk products sector is experiencing a prolonged period of severe market imbalance. Farm gate milk prices have been under pressure for the last 18 months due to imbalance between increased production and decelerating demand growth on the world market.

(2) Despite the effectiveness of the measures already taken by the Commission, the situation continues deteriorating due to the fact that the closure of the Russian market and lower demand from China have hit the milk and milk products sector at a time where investments in production had been made in view of milk quota expiry on 31 March 2015 and positive prospects on the world market. On the basis of the available market analysis, any significant decrease in production volumes is not to be expected in the next two years.

(3) Commission Implementing Regulation (EU) 2016/559[(2)] authorises recognised producer organisations, their associations and recognised interbranch organisations in the milk and milk products sector to conclude voluntary joint agreements and take common decisions on the planning of milk production on a temporary basis for a period of six months. Given that the milk and milk products sector is predominantly characterised by cooperative structures, it is appropriate to extend that authorisation, including the related notification obligations to those entities established by milk producers. The same goes for other forms of producer organisations that have been established by milk producers in compliance with national law and are active in the milk and milk products sector, in view of maximising the measure's coverage.

(4) In order to ensure the effectiveness of this Regulation, it should apply as soon as possible in parallel with Implementing Regulation (EU) 2016/559. Therefore, this Regulation should enter into force on the day following that of its publication,

HAS ADOPTED THIS REGULATION:

Article 1

Without prejudice to the provisions of Article 209(1) of Regulation (EU) No 1308/2013, Implementing Regulation (EU) 2016/559 shall apply *mutatis mutandis* to cooperatives and other forms of producer organisations that have been established by milk producers in compliance with national law and are active in the milk and milk products sector.

Article 2

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

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

Done at Brussels, 11 April 2016.

For the Commission

The President

Jean-Claude JUNCKER