Council Regulation (EC) No 1406/2006 of 18 September 2006 amending Regulation (EC) No 1788/2003 establishing a levy in the milk and milk products sector

COUNCIL REGULATION (EC) No 1406/2006

of 18 September 2006

amending Regulation (EC) No 1788/2003 establishing a levy in the milk and milk products sector

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 37 thereof,

Having regard to the proposal from the Commission,

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

Whereas:

(1) According to Article 34(1)(b) of Council Regulation (EC) No 1290/2005 of 21 June 2005 on the financing of the common agricultural policy[(2)], sums which are collected or recovered under Council Regulation (EC) No 1788/2003[(3)] shall be regarded as assigned revenue within the meaning of Article 18 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities[(4)].

(2) In order to improve budgetary forecasting and make budgetary management more flexible, it is appropriate to make the levy introduced by Regulation (EC) No 1788/2003 available at the start of the budget year. Provision should be therefore made for the levy due to be paid in the period running from 16 October to 30 November of each year.

(3) In order to make the levy which is payable by Member States in respect of the 2005/2006 period, available at the start of the next budget year, it is appropriate to provide that the provision concerned applies from 1 September 2006.

(4) For the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Poland, Slovenia and Slovakia (hereinafter referred to as the 'new Member States') the reference quantities for deliveries and direct sales were initially set out in Table (f) of Annex I to Regulation (EC) No 1788/2003. Subsequently and in the light of the conversions requested by producers, those quantities were adapted for each Member State by the Commission in accordance with Article 8 of that Regulation.

(5) The national reference quantities for direct sales were fixed on the basis of the situation before the accession of the new Member States. However, following the restructuring process in the dairy sectors in the new Member States and stricter hygiene provisions for direct sales, it appears that individual producers to a large extent have chosen not to apply for individual reference quantities for direct sales. Consequently, the total individual reference quantities allocated to the producers for direct sales are

Changes to legislation: *There are currently no known outstanding effects for the Council Regulation (EC) No 1406/2006. (See end of Document for details)*

substantially below the national reference quantities and important unused quantities therefore remain in the national reserves for direct sales.

(6) In order to solve this problem and to make possible the use of the direct sales quantities that may remain unused in the national reserve, it is appropriate to allow in the 2005/2006 period for a single transfer of the reference quantities for direct sales to the reference quantities for deliveries if requested by a new Member State.

(7) Regulation (EC) No 1788/2003 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1788/2003 is amended as follows:

1. In Article 3, paragraph 1 is replaced by the following:

1. Member States shall be liable to the Community for the levy resulting from overruns of the national reference quantity fixed in Annex I, determined nationally and separately for deliveries and direct sales, and between 16 October and 30 November following the twelve-month period concerned, shall pay it, within the limit of 99 % of the amount due, into the European Agricultural Guidance and Guarantee Fund (EAGGF).;

2. In Article 8(1), the following subparagraph is added:

For the 2005/2006 period, in accordance with the same procedure, and for the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Poland, Slovenia and Slovakia, the Commission may also adapt the division between “deliveries” and “direct sales” of the national reference quantities after the end of that period at the request of the Member State concerned. This request shall be submitted to the Commission before 10 October 2006. The Commission shall subsequently adapt the division as soon as possible..

Article 2

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

Article 1(1) shall apply from 1 September 2006.

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

Done at Brussels, 18 September 2006.

For the Council

The President

J. KORKEAOJA