COUNCIL REGULATION (EC) No 1787/2003

of 29 September 2003

amending Regulation (EC) No 1255/1999 on the common organisation of the market in milk and milk products

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) Council Regulation (EC) No 1788/2003 of 29 September 2003 establishing a levy in the milk and milk-products sector [2] sets operational rules for a levy on milk and milk products aimed at reducing the imbalance between supply and demand on the market and removing the resulting structural surpluses; these arrangements will apply for a further eleven consecutive twelve-month periods starting on 1 April 2004.

(2) To promote consumption of milk and milk products in the Community and improve their competitiveness on international markets, the level of market support should be diminished, specifically by gradual reduction from 1 July 2004 of intervention prices for butter and skimmed milk powder set by Council Regulation (EC) No 1255/1999 [3]. To this end, the relative intervention price levels of the two products should be adjusted.

(3) The target price, constituted especially by the intervention prices for butter and skimmed milk powder, served as an indication for the support level; since intervention for both products is now only applied for a maximum quantity and during a limited period of the year, it is indicated to abolish the target price.

(4) To avoid creation of an artificial outlet of massive recourse to intervention a fixed quantity ceiling should be set for intervention purchases of butter.

(5) The direct payment measures in support of milk producers' incomes having been adjusted and set out in Regulation (EC) No 1782/2003 of 29 September 2003 establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers [4], they need therefore to be withdrawn from Regulation (EC) No 1255/1999.

(6) It is therefore necessary to amend Regulation (EC) No 1255/1999 accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 1255/1999 is hereby amended as follows:

1) Article 3 is repealed.

2) Article 4(1) shall be replaced by the following:

'1. The intervention prices in the Community expressed in euros per 100 kg, shall be as follows:

(a) butter:

— 1 July 2000 to 30 June 2004: 328,20

— 1 July 2004 to 30 June 2005: 305,23

— 1 July 2005 to 30 June 2006: 282,44

— 1 July 2006 to 30 June 2007: 259,52

— from 1 July 2007: 246,39

(b) skimmed milk powder:

— 1 July 2000 to 30 June 2004: 205,52,

— 1 July 2004 to 30 June 2005: 195,24,

— 1 July 2005 to 30 June 2006: 184,97,

— from 1 July 2006: 174,69.'

[1] Opinion delivered on 5 June 2003 (not yet published in the Official Journal).

[2] See page 123 of this Official Journal.

[3] OJ L 160, 26.6.1999, p. 48. Regulation last amended by Commission Regulation (EC) No 509/2002 (OJ L 79, 22.3.2002, p. 15).

[4] See page 1 of this Official Journal.