



**COUNCIL OF
THE EUROPEAN UNION**

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NOTE

From:	Presidency
To:	Council
Subject:	Follow-up of the discussion on the outcome of the Conference on "The EU dairy sector: developing beyond 2015" (Brussels, 24 September 2013) - Policy debate

Delegations will find attached a Presidency questionnaire, in relation to point 6 of the agenda for the meeting of the Council (Agriculture and Fisheries) on 17 February 2014.

FOLLOW-UP OF THE MILK CONFERENCE OF 24 SEPTEMBER 2013

PRESIDENCY QUESTIONNAIRE

Background

The conference "The EU dairy sector: developing beyond 2015" held on 24 September 2013 brought together the actors of the milk supply chain, as well as representatives of the EU institutions, Member States and research and economic bodies. The purpose of the conference was to explore the future challenges and the likely market trends for the milk sector, and to assess whether additional instruments were needed in view of the end of the quota system in 2015.

The report of the conference was made available on 11 December 2013 (for more information see http://ec.europa.eu/agriculture/events/dairy-conference-2013_en.htm).

The conference report was presented by Commissioner Ciolos to the Council on 16 December 2013. On that occasion Ministers were invited to examine whether the market management tools available under the new CAP (Milk Package measures including on producer and interbranch organisations, market management tools including reinforced safety net and exceptional measures, direct payments and rural development programmes) would prove sufficient in case of crisis or whether other instruments were needed for fragile rural areas.

Questions

From 1 April 2015 on, milk quotas will stop existing and milk production will be guided by market-oriented decisions made by the producers. The market outlook in the medium and long term is positive in terms of demand, but the sector may have to cope with potentially dramatic price fluctuations.

Against this background and with a view to the report on the milk market situation and the functioning of the Milk Package to be submitted by the Commission to the European Parliament and the Council by June 2014, delegations are invited to answer the following questions:

Question 1:

What are in your opinion the main challenges that the milk sector is likely to face both in the short/medium term and in the longer term?

Question 2:

Are the provisions of the new CAP sufficient to prevent severe market crises or the obvious risk of severe market crises in the future, with particular regard to disadvantaged regions with a more fragile milk production? Do these provisions adequately protect all players and segments in the milk market?

Question 3:

If you consider that the new CAP provisions are not sufficient, what tools could in your opinion contribute to effectively face severe market crises or the obvious risk of severe market crises in the future? If you consider that not all players and segments in the milk market are adequately protected, which targeted tools could be envisaged?
