



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 9 April 2014
(OR. en)**

8664/14

**AGRI 295
AGRIORG 72**

NOTE

From: General Secretariat of the Council
To: Delegations
Subject: The legal basis for the implementation of the EU milk quota system 2014/15 as a consequence of the repealing of Regulation (EC) no 1234/2007

Delegations will find in Annex a request from the Austrian delegation to be presented under "Any other business" at the Council ("Agriculture and Fisheries") at its session on 14 April 2014.

**Application for an AOB agenda item concerning the legal basis for
the implementation of the EU milk quota system 2014/15 as a consequence of
the repealing of Regulation (EC) no 1234/2007**

Following the discussion at the Council Agriculture on 24 March 2014 on the soft landing in the milk sector with a view to the abolition of the quota system, the surplus levy and the modification of the fat correction coefficient, Austria also asked for a statement from the Council Legal Service on the following questions:

1. Quota regime in the milk sector: Part II Title I Chapter III Section III, Article 55, Article 85, as well as Annexes IX and X for the system of milk production limitation in basic regulation 1234/2007 apply until 31 March 2015.

The surplus levy to be paid can be calculated only after the end of the twelve-month period and therefore only after the period of applicability of Council Regulation (EC) no 1234/2007.

So is there actually a legal basis for the collection and payment of the surplus levy after 31 March 2015?

2. Legal basis for Commission Regulation (EC) no 595/2004:

Regulation (EC) no 595/2004 lays down the rules for the collection of the levy. As this Regulation has regard to Regulation (EC) no 1234/2007, the question is whether it will lose effect if the legal basis is no longer applicable?

3. Payment methods for surplus levy: Is there a possibility to pay the surplus levy over a period of 5 years, in the form of an interest-free loan?

The Austrian delegation kindly requests the President of the Council to put the issue of the legal basis concerning the implementation of the EU milk quota system 2014/15 due to the abolition of Regulation (EC) no 1234/2007 on the agenda of the Agriculture Council on 14 April 2014, in order that the Council's Legal Service will have the opportunity to answer the above-mentioned questions and to allow an exchange of opinions with the Member States.
