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LEGISLATIVE ACTS AND OTHER INSTRUMENTS

Subject: COUNCIL REGULATION amending Regulation (EU) No 1370/2013 as regards the quantitative limitation for buying-in skimmed milk powder

COUNCIL REGULATION (EU) 2018/...

of ...

amending Regulation (EU) No 1370/2013

as regards the quantitative limitation for buying-in skimmed milk powder

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 43(3) thereof,

Having regard to the proposal from the European Commission,

Whereas:

- (1) Article 3 of Council Regulation (EU) No 1370/2013¹ sets a quantitative limitation for buying-in skimmed milk powder at the fixed price referred to in Article 2 of that Regulation. Once this limit is reached, buying-in is to be carried out by way of a tendering procedure to determine the maximum buying-in price.
- (2) Council Regulation (EU) 2018/147² amended Regulation (EU) No 1370/2013 by setting the quantitative limitation for buying-in skimmed milk powder at a fixed price to zero for the year 2018. This was done to avoid skimmed milk powder being bought-in at a fixed price in a situation where this would not be in keeping with the objectives of the safety net.
- (3) Within the milk and milk product sector fat and protein prices continue to diverge. In 2018, Union market prices for skimmed milk powder have remained below the public intervention level, while butter prices are more than double the public intervention level.

¹ Council Regulation (EU) No 1370/2013 of 16 December 2013 determining measures on fixing certain aids and refunds related to the common organisation of the markets in agricultural products (OJ L 346, 20.12.2013, p. 12).

² Council Regulation (EU) 2018/147 of 29 January 2018 amending Regulation (EU) No 1370/2013 as regards the quantitative limitation for buying-in skimmed milk powder (OJ L 26, 31.1.2018, p. 6).

- (4) Raw milk prices paid to farmers in 2018 are at a level that renders dairy farming remunerative because of the current strong demand for butter and cheese despite the relatively low prices for dairy protein. The operation of public intervention in 2018 under a tendering procedure has not prevented raw milk prices to maintain these levels.
- (5) The fundamentals for the milk and milk product market in terms of supply, demand and price evolution are not expected to change substantially in 2019, in particular as regards the divergence between dairy fat and protein prices. It is therefore appropriate to set the quantitative limitation for buying-in skimmed milk powder at a fixed price to zero for the year 2019.
- (6) Regulation (EU) No 1370/2013 should therefore be amended accordingly.
- (7) In order to ensure that the temporary measure provided for in this Regulation has an immediate impact on the market and to allow market operators to be informed in due time before the start of the next intervention campaign, this Regulation should enter into force on the day following that of its publication,

HAS ADOPTED THIS REGULATION:

Article 1

In Article 3(1) of Regulation (EU) No 1370/2013, the following subparagraph is added:

'By way of derogation from the first subparagraph, the quantitative limitation for buying-in skimmed milk powder at a fixed price shall be 0 tonnes for the year 2019.'

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 ...,

For the Council

The President
