INTERNATIONAL DAIRY PRODUCTS COUNCIL

Reply to Questionnaire 5 Regarding Information on Domestic Policies and Trade Measures

European Economic Community

The EC Agriculture Council decided on 24 January 1989 - following the European Court of Justice judgement on the J. Mulder case - to add 600,000 tons of milk to the Community reserve foreseen by the quota system in order to accommodate the needs of the so-called "SLOM" producers.¹

The Council also decided that the SLOM producers will receive 60 per cent of the quantities which they were producing before joining the five-year non-marketing option.

The quota is granted ad personam until the end of the eighth quota period (i.e. until 31 March 1992). The quota is granted provisionally and on the basis of the eligibility of the request and it becomes definite after a period of two years if the producer can prove to the satisfaction of the national authorities that he has become an active producer producing at least 80 per cent of his quota allocation.

The EC Agriculture Council have also decided the decrease of the intervention price for butter by 2 per cent with effect from 1 April 1989.

¹J. Mulder is the Dutch dairy farmer who contested before the European Court the initial decision of the Community not to grant quota to himself and to some other Community milk producers who received a premium for not producing milk in the period 1977 to 1981 (Slacht- en Omschakelingspremie in Dutch; hence SLOM).