

Case T-119/95

Alfred Hauer

v

Council of the European Union and Commission of the European Communities

(Action for annulment — Regulation (EEC) No 816/92 — Time-limit for bringing proceedings — Admissibility — Action for damages — Common organisation of the market in milk and milk products — Reference quantities — Additional levy — Reduction of reference quantities without compensation)

Judgment of the Court of First Instance (First Chamber), 14 July 1998 II - 2715

Summary of the Judgment

Agriculture — Common organisation of the markets — Milk and milk products — Additional levy on milk — Reduction without compensation of the reference quantities exempt from the levy — Right to property — Principle of the protection of legitimate expectations — Principle of equality — Breach — None

(EC Treaty, Art. 39(1)(b) and Art. 40(3), second para.; Council Regulation No 816/92)

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The reduction by Regulation No 816/92 of the reference quantities exempt from the additional levy on milk for 1992/93, without compensation, did not breach the right to property, the principle of protection of legitimate expectations or the principle of equality.

First, that measure was justified by the concern to continue with the rationalisation of the milk market, following other similar measures adopted for previous years, and the reduction in question was not so large that it exceeded a tolerable interference, so that it did not affect the very substance of the right to property. Moreover, the Council could legitimately, within the framework of its wide discretion in the sphere of the common agricultural policy, give temporary priority to the objective of stabilising the market, as the measures adopted contribute, by means of a rational development of production, to maintaining a fair standard of living for the agricultural community within the meaning of Article 39(1)(b) of the Treaty.

Second, as the Council and the Commission did not create a situation in which milk producers could legitimately expect that the quantities temporarily withdrawn would be restored, and since the duration of the temporary withdrawal scheme was intrinsically linked, from its entry into force as well as from its renewal, to the duration of the additional levy scheme, those producers cannot claim that the institutions aroused a legitimate expectation on their part.

Third, since the temporary withdrawal arrangements at issue are such that the quantities withdrawn are proportional to the reference quantities, and are thus based on objective rules which are formulated to meet the needs of the general common organisation of the market, they do not constitute discrimination between producers.

The above conclusions are not affected where a trader has acquired additional reference quantities from the national authorities in addition to the reference quantity originally allocated.