

1986 No. 300

AGRICULTURE

**The Milk (Partial Cessation of Production) Scheme
(Northern Ireland) 1986**

Made 17th September 1986

Coming into operation 19th September 1986

The Department of Agriculture, in exercise of the powers conferred on it by Article 3(3), (4), (5) and (7) of the Milk (Cessation of Production) (Northern Ireland) Order 1985(a) and of every other power enabling it in that behalf, hereby makes the following scheme:

Citation and commencement

1. This scheme may be cited as the Milk (Partial Cessation of Production) Scheme (Northern Ireland) 1986 and shall come into operation on 19th September 1986.

Interpretation

2. In this scheme:—

“farming press” means any newspaper, journal or similar publication considered by the Department to be likely to be read by interested persons;

“Gazette” means the Belfast Gazette;

“holding” has the same meaning as in the 1986 Regulations;

“landlord” includes a superior landlord and a licensor;

“milk” means cows’ milk;

“quota” in relation to a holding means milk quota;

“tenant” means a person who occupies a holding or part of a holding by virtue of a tenancy or a licence to occupy and “tenancy” shall be construed accordingly;

“the 1986 Regulations” means the Dairy Produce Quotas Regulations 1986(b).

Persons eligible for payment

3.—(1) The Department may make payments to a person the total of whose wholesale and direct sales quota is at the time of his application at least 242 790 litres provided he undertakes—

(a) to surrender an amount of quota, which represents not less than 50% and not more than 95% of his quota to be specified in his application and accepted by the Department, and

(b) not to produce milk for sale, or for processing into cream, cheese or butter for sale beyond the limit of his reduced quota for a period of 7 years immediately following the date on which he ceases production in relation to the amount of quota surrendered.

(2) The Department shall not make a payment under paragraph (1) to any person who has received a payment under—

(a) S.I. 1985/958 (N.I. 9)

(b) S.I. 1986/470

- (a) Council Regulation (EEC) No. 1353/73(a) and Commission Regulation (EEC) 1821/73(b) (which together lay down a scheme to encourage the reduction of the production of milk and milk products);
- (b) the Farm Structures (Payments to Outgoers) Scheme 1976(c);
- (c) Council Regulation (EEC) No. 1078/77(d) and Commission Regulation No. 1307/77(e) (which together lay down schemes to encourage the reduction of the production of milk and milk products);
- (d) a non-statutory scheme under which a person receiving payments from public funds undertook to cease milk production for the period specified in, and in accordance with the terms of, that scheme; or
- (e) the Milk (Community Outgoers Scheme) Regulations (Northern Ireland) 1986(f), or any other scheme corresponding with this scheme which applies in any other part of the United Kingdom.

Basis of claims and rates of compensation under this scheme

4.—(1) A person may claim compensation under this scheme in respect of either—

- (a) loss of profits in the 7 years immediately following the date on which he ceases to produce milk for sale or for processing into cream, butter or cheese for sale by reference to the amount of eligible quota he surrenders; or
- (b) the value of the amount of the eligible quota he surrenders.

(2) Payments made by the Department under this scheme shall be calculated—

- (a) in a case falling within sub-paragraph (1)(a), at the rate of 2·618 pence per litre on a quantity equal to the amount of eligible quota surrendered for each of the 7 years immediately following the date on which the applicant ceases to produce milk for sale or for processing into cream, butter or cheese for sale in relation to the amount of quota surrendered; and
- (b) in a case falling within sub-paragraph (1)(b), at the rate of 18·326 pence per litre on that quantity, payable in 7 equal annual instalments.

(3) Where an applicant's quota consists of other than eligible quota compensation shall only be paid in respect of that proportion of the quota surrendered which corresponds to the proportion which his eligible quota bears to his total quota.

(4) In this article "eligible quota" means quota allocated otherwise than in accordance with Article 3(1) or 4(1)(c) of Council Regulation (EEC) No. 857/84(g).

Oversubscription

5.—(1) The total amount of quota by reference to which the Department may make payments under this scheme shall not exceed 8 million litres.

(2) In determining whether to accept or reject an application the Department shall give preference to applications in order of their receipt.

(3) The Department shall give notice of acceptance or rejection of an application to the applicant.

(4) An applicant may withdraw an application before the end of the period of 14 days beginning with the date of service on the applicant of a notice of acceptance served on him under paragraph (3).

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- (a) O.J. No. L 141, 28.5.1973, p. 18
 - (b) O.J. No. L 184, 6.7.1973, p. 24
 - (c) S.I. 1976/2126
 - (d) O.J. No. L 131, 26.5.1977, p. 1
 - (e) O.J. No. L 150, 18.6.1977, p. 24
 - (f) S.R. 1986 No. 299
 - (g) O.J. No. L. 90, 1.4.1984, p. 13

Application for compensation

6. The Department shall by advertisement published in the Gazette and the farming press announce the opening and closing dates of the period and the procedural requirements in respect of applications.

Landlord's consent

7.—(1) A person who occupies a holding or part of a holding as a tenant shall not make an application for compensation unless the consent in writing of the landlord to that application has been obtained.

(2) The consent referred to in paragraph (1) shall be produced to the Department at the time of making the application.

Temporarily reallocated quota

8. For the purposes of this scheme quota which has been temporarily reallocated from one holding to another under Regulation 11(2) of the 1986 Regulations shall be treated as if it had not been temporarily reallocated.

Recovery of compensation

9. Where any person fails to comply with a condition or requirement under this scheme he shall repay to the Department the whole, or such part as the Department may determine, or any sum which the Department has paid to him under this scheme.

Sealed with the Official Seal of the Department of Agriculture on 17th September 1986.

(L.S.)

J. Murray

Under Secretary

EXPLANATORY NOTE

(This note is not part of the Scheme.)

This Scheme, made under the Milk (Cessation of Production) (Northern Ireland) Order 1985, fixes compensation for the surrender of part of a producer's milk quota. It lays down general rules for the application of the above Scheme. Under the Scheme compensation is to be paid to any producer who gives up part of the milk quota registered in his name provided the entire quota is more than 242 790 litres, and at least 50% and not more than 95% is surrendered.

The Scheme lays down the rules for the acceptance of applications in the event of too many applications being submitted (Article 5). Article 6 states that the time limits and procedural requirements for applications for compensation shall be published in the Gazette and farming press.

Article 7 requires that a producer who does not own all the land he occupies shall have the landowner's written consent prior to making an application.

The Department may recover compensation where a person fails to comply with a requirement under the Scheme (Article 9).