

1987 No. 357

AGRICULTURE

Milk (Cessation of Production) Scheme (Northern Ireland) 1987

Made 9th September 1987

Coming into operation 2nd October 1987

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 (Cessation of Production) Scheme (Northern Ireland) 1987 and shall come into operation on 2nd October 1987.

Interpretation

2. In this scheme:—

- “application” means an application for payments under this scheme;
- “farming press” means any newspaper, journal or similar publication considered by the Department to be likely to be read by persons eligible for payments under this scheme;
- “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 licence to occupy; and
- “the 1986 Regulations” means the Dairy Produce Quotas Regulations 1986(b).

Persons eligible for payments

3.—(1) Subject to the provisions of this scheme the Department may make payments as compensation to any person who is or has been a registered milk producer, and who—

- (a) undertakes to cease producing milk for sale or for the manufacture of any milk product for sale and to surrender all his quota to the reserve; or

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

(b) S.I. 1986/470

- (b) (i) is entitled to a quota of at least 242,790 litres, and
 (ii) undertakes to reduce his production of milk for sale or for the manufacture of any milk product for sale and to surrender such part (representing not less than 50%) of his quota to the reserve, as he shall specify in his application.

(2) The Department shall not make payments under paragraph (1) to a person who has, at any time, received as applicant a payment under—

- (a) Council Regulation (EEC) No. 1353/73(a) and Commission Regulation (EEC) No. 1821/73(b) (which together lay down a scheme to encourage the reduction of the production of milk and milk products);
 (b) the Farm Structure (Payments to Outgoers) Scheme 1967(c); the Farm Structure (Payments to Outgoers) Scheme 1970(d); the Farm Structure (Payments to Outgoers) Scheme 1973(e); the Farm Structure (Payments to Outgoers) Scheme 1976(f);
 (c) Council Regulation (EEC) No. 1078/77(g) and Commission Regulation (EEC) No. 1307/77(h) (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;
 (e) the Milk (Community Outgoers Scheme) Regulations (Northern Ireland) 1986(i);
 (f) the Milk (Partial Cessation of Production) Scheme (Northern Ireland) 1986(j); or
 (g) any scheme which corresponds to this scheme and which applies in any other part of the United Kingdom.

Applications for payments

4.—(1) The Department shall, by advertisement published in the Belfast Gazette and the farming press, invite applications from persons eligible for payments under Article 3.

(2) For the purposes of any application, an applicant's quota shall be taken to be the amount of quota to which he is entitled at the date of the application.

(3) Applications shall be made in such form, contain such particulars and be accompanied by such documents as the Department shall determine.

(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. 1967/1609

(d) S.I. 1970/2026

(e) S.I. 1973/1403

(f) S.I. 1976/2126

(g) O.J. No. L. 131, 26.5.1977, p. 1

(h) O. J. No. L. 150, 18.6.1977, p. 24

(i) S.R. 1986 No. 299 as amended by S.R. 1987 No. 114 and S.R. 1987 No. 225

(j) S.R. 1986 No. 300 as amended by S.R. 1987 No. 64

(4) Applications shall be received by the Department not later than 15.00 hours on 29th October 1987.

(5) An application shall not be withdrawn after receipt by the Department.

Basis of compensation and calculation of payments

5.—(1) A person may apply for compensation under this scheme in respect of either—

(a) loss of profits in the seven years immediately following the date on which he ceases to produce milk for sale or for the manufacture of any milk product for sale, by reference to the amount of quota he surrenders; or

(b) the value of the quota he surrenders.

(2) Payments made by the Department in respect of any application shall be calculated—

(a) in a case falling within paragraph (1)(a), at the appropriate rate on a quantity equal to the amount of quota surrendered for each of the seven years following the date on which the applicant ceases to produce milk for sale or for processing into milk products for sale in relation to the amount of quota surrendered; and

(b) in a case falling within paragraph (1)(b), at the appropriate rate on that quantity, payable in 7 equal annual instalments.

(3) In this Article “appropriate rate” means the rate in pence per litre specified in the application for the purposes of paragraph (2).

Acceptance of applications

6.—(1) In determining whether to accept or reject applications, the Department shall accept an application specifying a lower rate for the purposes of Article 5(2) in preference to an application specifying a higher rate for those purposes.

(2) The Department shall notify an applicant in writing of the acceptance or rejection of his application.

Landlord's consent

7.—(1) A person who occupies a holding or part of a holding as a tenant shall not make an application unless he obtains the consent in writing of the landlord to that application being made.

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

Temporarily re-allocated 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 (reallocation of wholesale quota) 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, of any sum which the Department has paid to him under this scheme.

Revocation

10. The Milk (Partial Cessation of Production) Scheme (Northern Ireland) 1986 and the Milk (Partial Cessation of Production) (Amendment) Scheme (Northern Ireland) 1987(a) are hereby revoked.

Sealed with the Official Seal of the Department of Agriculture on 9th September 1987.

(L.S.)

S. R. Armstrong

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Scheme.)

This Scheme, which revokes and replaces the Milk (Partial Cessation of Production) Scheme (Northern Ireland) 1986 ("the 1986 Scheme"), enables the Department of Agriculture ("the Department") to compensate milk producers who surrender all or part of their quota to the reserve.

Article 3 lays down that compensation is payable to a producer who surrenders all of his quota or whose quota exceeds 242,790 litres and who surrenders at least 50% of it.

Article 4 provides for the method of claiming compensation and Article 5 sets out the basis on which such claims may be made and the way in which compensation is to be calculated. Instead of this calculation being done at a fixed rate per litre (as under the 1986 Scheme) an applicant under this Scheme must specify in his application the rate per litre at which he proposes to surrender quota.

Article 6 provides that the Department shall accept applications specifying a lower rate in preference to those specifying a higher rate.

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 offer in accordance with Article 4.

Under Article 9 the Department may recover payments made where a person fails to comply with a requirement under the Scheme.