

SCHEDULE 3

Regulations 8 and 18

REALLOCATION OF QUOTA AND CALCULATION OF LEVY LIABILITY

Wholesale quota

1. The Scottish Ministers shall determine the amount, if any, by which the wholesale deliveries of dairy produce to each purchaser exceeds the purchaser quota of that purchaser.

2. In making that determination the Scottish Ministers shall complete in sequence the steps required by paragraphs 3 to 7.

3. The Scottish Ministers shall where necessary authorise an adjustment of the amount, if any, to which the quantity of wholesale deliveries of dairy produce to each purchaser must be adjusted to take account of its fat content, calculated in accordance with Article 4(1) of the Commission Regulation.

4. The Scottish Ministers shall authorise the adjustment by purchasers (to the extent possible from within the quota available to the purchaser to whom the producer makes deliveries) of the quota of any producer making wholesale deliveries to whom a temporary reallocation of quota has been made, to take account of that reallocation and any purchaser who has insufficient quota unused by producers registered with that purchaser to meet that temporary reallocation shall notify the Scottish Ministers of the amount of the shortfall in such form as may reasonably be required by the Scottish Ministers.

5. The Scottish Ministers shall determine for each purchaser the amount, if any, by which the purchaser quota of each purchaser exceeds or falls short of the quantity of wholesale deliveries of dairy produce made to that purchaser taking into account the amount of quota converted in accordance with regulation 16, and any temporary reallocation made in accordance with paragraph 4.

6. The Scottish Ministers shall determine the total amount, if any, of excess quota remaining for any purchaser whose purchaser quota exceeds the quantity of wholesale deliveries of dairy produce made to that purchaser, as determined in accordance with paragraph 5, and shall make arrangements for that amount to be added to the national reserve.

7. The Scottish Ministers shall make arrangements for the reallocation of the amount, if any, referred to in paragraph 6—

- (a) in the first instance, to meet any award of a temporary reallocation of quota which has not been met by the adjustment referred to in paragraph 4 above;
- (b) thereafter, to offset the amount by which the deliveries made to any purchaser exceed that purchaser's purchaser quota, such allocation being made proportionately to the amount of quota; and
- (c) where the allocations referred to in sub-paragraph (b) exceed the amount required by the purchaser, the surplus shall be allocated to all purchasers where the deliveries exceed purchaser quota, until all unallocated quota has been exhausted.

8. Where a purchaser fails to notify the Scottish Ministers on or before 14th May immediately following the end of the quota year of the actual quantity of milk or milk products delivered to that purchaser in that year, the Scottish Ministers may decide that that purchaser shall not benefit from the reallocation of quota referred to in paragraph 7(b).

9. The Scottish Ministers shall determine the total amount of the levy payable by a purchaser by multiplying the amount, if any, by which deliveries to that purchaser exceed the purchaser's quota following the steps specified in paragraphs 3 to 7 by the rate of levy calculated in accordance with Article 1 of the Council Regulation.

Status: This is the original version (as it was originally made).

10. Where, for any quota year, a purchaser is unable to supply such proof of the quantities of dairy produce delivered to that purchaser that year as the Scottish Ministers may reasonably require, the Scottish Ministers shall make their own determination of those quantities, based on all the information available to them, for the purposes of calculating any levy payable by that purchaser, and shall inform the purchaser of such determination.

11. Where a purchaser—

- (a) has not been approved pursuant to regulation 24; or
- (b) has had the approval of that purchaser withdrawn by the Scottish Ministers pursuant to Article 13(3) of the Commission Regulation,

the Scottish Ministers may require any levy payable by that purchaser to be paid in such proportion as they may reasonably require by any producer whose wholesale deliveries to that purchaser have given rise to the liability for levy.

Direct sales quota

12. The Scottish Ministers shall determine for each direct seller the amount, if any, after taking into account the amount of quota converted in accordance with regulation 16, by which that direct seller's direct sales quota exceeds the quantity of dairy produce sold by direct sale by that direct seller, and shall make arrangements for this to be added to any quantities available in the national reserve.

13. The Scottish Ministers shall make arrangements for the temporary reallocation of direct sales quota, under the terms of regulation 15 from the aggregate of amounts, if any, referred to in paragraph 12.

14. The Scottish Ministers shall determine the aggregate amount, if any, by which the direct sales quota of all direct sellers falls short of the total quantity of dairy produce sold by direct sales by them, after taking into account the amount of quota converted in accordance with regulation 17, and any temporary reallocation made in accordance with paragraph 13.

15. The Scottish Ministers shall determine for each direct seller the amount, if any, by which that direct seller's direct sales quota falls short of the quantity of dairy produce sold by direct sale by that direct seller, taking into account the amount of quota converted in accordance with regulation 17, and any temporary reallocation of quota made in accordance with paragraph 13.

16. The Scottish Ministers shall determine the aggregate of the amounts, if any, referred to in paragraph 15.

17. The Scottish Ministers shall determine the total amount of the levy payable by multiplying the amount, if any, referred to in paragraph 14 by the rate of levy calculated in accordance with Article 1 of the Council Regulation.

18. The Scottish Ministers shall calculate the rate of levy per litre, if any, to be paid by each direct seller on the amount, if any, at paragraph 15 by dividing the amount calculated in accordance with paragraph 17 by the aggregate referred to in paragraph 16.

19. Where a direct seller fails to notify the Scottish Ministers on or before 14th May immediately following the end of the quota year of the total quantity of milk products sold by that direct seller by direct sales in that year, the Scottish Ministers may require that the rate of levy per litre to be paid by that direct seller on the quantity not notified shall be the rate calculated in accordance with Article 1 of the Council Regulation.

20. Where for any quota year a direct seller is unable to supply such proof as the Scottish Ministers may reasonably require of the quantities of dairy produce sold by that direct seller in that year, the Scottish Ministers shall make their own determination of those quantities, based on all the

information available to them, for the purposes of calculating any levy payable by that direct seller, and shall inform the direct seller of their determination.