EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Dairy Produce Quotas (Scotland) Regulations 2005 ("the principal Regulations").

The principal Regulations implement Council Regulation (EC) No 1788/2003 establishing a levy in the milk and milk products sector (O.J. No L 270, 21.10.03, p.123) ("the 2003 Regulation") and Commission Regulation (EC) No 595/2004 laying down detailed rules for applying Council Regulation (EC) No. 1788/2003 establishing a levy in the milk and milk products sector (O.J. No. L 94, 31.3.04, p.22).

The 2003 Regulation was repealed and replaced by Article 55(1)(a) and (2), in so far as it relates to milk and other milk products, and Section III of Chapter III of Part II (Articles 65 to 84) of Council Regulation (EC) No 1234/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation).

These Regulations replace references in the principal Regulations to the provisions of the 2003 Regulation with the corresponding references to the replacement provisions of the Single CMO Regulation.

Article 66(1) and Annex IX of the Single CMO Regulation fix the amount of national quotas, and Article 66(3) provides that these amounts may be reviewed. These provisions replace Article 1(1) and (3) and Annex I of the 2003 Regulation. The national quotas for the United Kingdom for the period 1st April 2008 to 1st April 2015 are increased in the Single CMO Regulation. These Regulations amend regulation 33(2) of the principal Regulations to refer to Article 66(3) of, and Annex IX of the Single CMO Regulation instead of Article 1(3) and Annex I of the 2003 Regulation (paragraph 16 of the Schedule).

Article 10(1) of the 2003 Regulation provided that in order to draw up the definitive levy statement, the quantities delivered by each producer had to be increased or reduced to reflect any difference between the real fat content and the reference fat content. Article 10(2) provided that the levy had to be calculated on the greater of the sum of the actual deliveries or the sum of the deliveries as adjusted. It also provided that if the sum of the actual deliveries was greater than the sum of the adjusted deliveries, downwards adjustments which had been made to individual deliveries should be proportionately reduced to bring the sum of the adjusted deliveries into line with the sum of the actual deliveries. Article 80(1) of the Single CMO Regulation restates Article 10(1) of the 2003 Regulation, but now provides that the levy shall in all cases be calculated on the basis of the sum of the adjusted deliveries. There is no longer a requirement to reduce downwards adjustments made to individual deliveries. These Regulations amend regulation 25 of the principal Regulations to remove the requirement to reduce downwards adjustments where the sum of the actual deliveries is greater than the sum of the adjusted deliveries, and make a consequential amendment to regulation 27 of the principal Regulations. They also amend regulation 26 of the principal Regulations to provide that the levy is payable if the sum of the deliveries as adjusted is greater than the total amount of wholesale quota available to wholesale producers (paragraphs 10 to 12 of the Schedule).

These Regulations also make some minor changes to the definitions in the principal Regulations of direct sale, holding, levy, milk, producer, purchaser, quota year and registered wholesale quota to incorporate references to the provisions of the Single CMO Regulation. There is also a change to the definition of "national reserve" to correct an error in the principal Regulations.

These Regulations also re-enact definitions in regulation 2(1) of the principal Regulations.

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

These Regulations add a new regulation 2(1A) in the principal Regulations which provides that the references to certain provisions of the Single CMO Regulation and references to Commission Regulation (EC) No 595/2004 are references to those provisions and to that Commission Regulation as amended from time to time. They also amend the Schedule to the Common Agricultural Policy Non-IACS Support Schemes (Appeals) (Scotland) Regulations 2004 to replace the reference to the 2003 Regulation with a reference to provisions of the Single CMO Regulation as amended from time to time. Any amendments to those provisions and that Commission Regulation will be published on the Europa website, (http://europa.eu/documentation/legislation/index_en.htm). Additionally the Scottish Government will publish relevant information on the Scottish Government website (www.scotland.gov.uk) and updates will be sent to interested parties where considered appropriate.

A Business and Regulatory Impact Assessment has not been produced for this instrument, as there will be no cost to business.