SCHEDULE 1

Regulation 2(1)

SENSITIVE ZONES

Less-favoured farming areas in England

1. The areas of England that are disadvantaged land or severely disadvantaged land.

Less-favoured farming areas in Wales

2. The areas of Wales that are disadvantaged land or severely disadvantaged land.

Less-favoured farming areas in the Scottish Highlands and Islands

3. The areas of Scotland that are disadvantaged land or severely disadvantaged land and that are within the areas of operation of the Highlands and Islands Enterprise designated by or under section 21 of the Enterprise and New Towns (Scotland) Act 1990(1).

Other less-favoured farming areas in Scotland

4. The areas of Scotland that are disadvantaged land or severely disadvantaged land and that are not within sensitive zone 3.

The rest of Great Britain

5. The areas of Great Britain that are not within sensitive zones 1 to 4.

Northern Ireland

6. The whole Province.

In this Schedule, "disadvantaged land" and "severely disadvantaged land" have the same meanings as in regulation 2(1) of the Hill Livestock (Compensatory Allowances) Regulations 1999(2).

SCHEDULE 2

Regulation 6(2) and (3)

PART I

CASES IN WHICH SUCKLER COW PREMIUM QUOTA SHALL BE TAKEN TO BE TRANSFERRED TOGETHER WITH THE HOLDING

Case A

Where—

- (a) the holding is transferred—
 - (i) during a period within which a notification of a transfer of suckler cow premium quota may be made in respect of a given calendar year pursuant to regulation 4,

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^{(1) 1990} c. 35.

⁽²⁾ S.I.1999/3316.

- (ii) at least 4 weeks before the expiry of the deadline for submitting a claim for suckler cow premium in respect of that calendar year, and
- (iii) before the transferee submits an application for suckler cow premium in respect of that calendar year; and
- (b) the suckler cow premium quota concerned is transferred during the period referred to in paragraph (a)(i) above.

Case B

Where—

- (a) the holding is transferred—
 - (i) during a period within which a notification of a transfer of suckler cow premium quota may be made in respect of a given calendar year pursuant to regulation 4, but
 - (ii) either after the transferee has submitted a claim for suckler cow premium in respect of the calendar year in question or less than 4 weeks before the expiry of the deadline for submitting such a claim; and
- (b) the suckler cow premium quota concerned is transferred before the transferee submits a claim for suckler cow premium in respect of the following calendar year.

Case C

Where-

- (a) the holding is transferred outside any period within which a notification of a transfer of suckler cow premium quota may be made in respect of a given calendar year pursuant to regulation 4; and
- (b) the suckler cow premium quota concerned is transferred before the transferee submits a claim for suckler cow premium in respect of the following calendar year.

PART II

CASES IN WHICH SHEEP ANNUAL PREMIUM QUOTA SHALL BE TAKEN TO BE TRANSFERRED TOGETHER WITH THE HOLDING

Case A

Where—

- (a) the holding is transferred—
 - (i) during a period within which a notification of a transfer of sheep annual premium quota may be made in respect of a given scheme year,
 - (ii) at least 4 weeks before the expiry of the deadline for submitting a claim for sheep annual premium in respect of that scheme year; and
 - (iii) before the transferee submits a claim for sheep annual premium in respect of that scheme year; and
- (b) the sheep annual premium quota concerned is transferred during the period referred to in paragraph (a)(i) above.

Case B

Where—

- (a) the holding is transferred—
 - (i) during a period within which a notification of a transfer of sheep annual premium quota may be made in respect of a given scheme year, but
 - (ii) either after the transferee has submitted a claim for sheep annual premium in respect of the scheme year in question or less than 4 weeks before the expiry of the deadline for submitting such a claim; and
- (b) the sheep annual premium quota concerned is transferred before the end of the next period within which a notification of a transfer of sheep annual premium quota may be made in respect of a given scheme year pursuant to regulation 4.

Case C

Where—

- (a) the holding is transferred outside any period within which a notification of a transfer of sheep annual premium quota may be made in respect of a given scheme year, and
- (b) the sheep annual premium quota concerned is transferred before the end of the next such period.

In this Schedule, "transferee" means the person to whom the holding and quota concerned are being transferred.

SCHEDULE 3

Regulations 12(1), (2), (3), (6), (9),(10), (11), (12) and (13)

PART I

CATEGORIES OF PERSON ELIGIBLE TO BE ALLOCATED QUOTA FROM THE NATIONAL RESERVE FOR A GIVEN YEAR

CATEGORY I

- (1) Any producer who—
 - (a) in the relevant year participated in—
 - (i) the Countryside Stewardship Scheme (in England); or
 - (ii) Tir Cymen (in Wales),

(established in each case under section 4(1) of the Countryside Act 1968);

- (b) because of his participation in the relevant scheme specified in sub-paragraph (a) of this paragraph was required to reduce in (or in a period including) the relevant year the number of sheep or as the case may be suckler cows kept by him; and
- (c) can demonstrate that at the time he makes his application for an allocation of quota from the national reserve for a given year—
 - (i) his participation in the relevant scheme specified in sub-paragraph (a) of this paragraph has ended, or

(ii) he is irrevocably committed to ending his participation in the relevant scheme specified in sub-paragraph (a) of this paragraph before the close of the application period for the Sheep Annual Premium Scheme or as the case may be Suckler Cow Premium Scheme for the year corresponding with that given year.

(2) Any producer who—

- (a) in the relevant year was a party to—
 - (i) any Wildlife Enhancement Scheme management agreement entered into under section 15 of the Countryside Act 1968(3),
 - (ii) any management agreement concerning a Site of Special Scientific Interest entered into under the said section 15,
 - (iii) any management agreement concerning land adjacent to a Site of Special Scientific Interest entered into under the said section 15,
 - (iv) any management agreement concerning a National Nature Reserve entered into under section 16 of the National Parks and Access to the Countryside Act 1949(4),
 - (v) any management agreement made under section 39 of the Wildlife and Countryside Act 1981(5) or section 49A of the Countryside (Scotland) Act 1967(6);
- (b) by virtue of his being bound by the relevant agreement specified in sub-paragraph (a) of this paragraph was required to reduce in (or in a period including) the relevant year the number of sheep or as the case may be suckler cows kept by him; and
- (c) can demonstrate that at the time he makes his application for an allocation of quota from the national reserve for a given year—
 - (i) he has ceased to be a party to the relevant agreement specified in sub-paragraph (a) of this paragraph, or
 - (ii) he is irrevocably committed to ending his participation in the relevant agreement specified in sub-paragraph (a) of this paragraph before the close of the application period for the Sheep Annual Premium Scheme or as the case may be Suckler Cow Premium Scheme for the year corresponding with that given year.

In this category "relevant year" means, in the case of a sheep producer, the 1991 marketing year and, in the case of a suckler cow producer, the 1992 calendar year; and "marketing year" means a marketing year as defined in Article 3(3) of Council Regulation 3013/89 on the common organisation of the market in sheepmeat and goatmeat(7).

^{(3) 1968} c. 41; section 15 was amended by section 1 of and paragraph 9 to Schedule 1 to the Nature Conservancy Council Act 1973 (1973 c. 54), sections 72(8) and 73 and Schedule 17 to the Wildlife and Countryside Act 1981 (1981 c. 69), sections 132(1) and 162(2) of and paragraph 4(2) of Schedule 9, and Schedule 16, to the Environmental Protection Act 1990 (1990 c. 43) and section 4(10) of and paragraph 3 of Schedule 2 to the Natural Heritage (Scotland) Act 1991 (1991 c. 28) and sections 73(4) and 75(3) and paragraph 1(c)(i) of Schedule 8 of the Countryside and Rights of Way Act 2000 (2000 c. 37) and paragraphs 29(1) and (2) of Part I of Schedule 12 of the Abolition of Feudal Tenure etc (Scotland) Act 2000. (2000 asp 5).

^{(4) 1949} c. 97; section 16 was amended by section 1(1)(b) of and paragraph 1 of Schedule 1 to the Nature Conservancy Council Act 1973 (1973 c. 54) and section 4(6) of and paragraph 1(3) of Schedule 2 to the Natural Heritage (Scotland) Act 1991 (1991 c. 28).

^{(5) 1981} c. 69; section 39 was amended by sections 7 and 102 of and paragraph 7(3) of Schedule 17, to the Local Government Act 1985 (1985 c. 51) and section 120 of and Schedule 24 to the Environment Act 1995 (c. 25) and section 2(5) of and paragraph 31(2) of Part I of Schedule 3 to the Norfolk and Suffolk Broads Act 1998 (1998 c. 4) and sections 96(a) and (b) and 102 and Part IV of Schedule 16 of the Countryside and Rights of Way Act 2000 (2000 c. 37).

^{(6) 1967} c. 86; section 49A was inserted by section 9 of the Countryside (Scotland) Act 1981 (1981 c. 44) and amended by paragraph 4(3) of Schedule 10 to the Natural Heritage (Scotland) Act 1991 (1991 c. 28), and section 76 of and paragraph 28(6) of Schedule 12 to the Abolition of Feudal Tenure (Scotland) Act 2000 (2000 asp5).

⁽⁷⁾ OJNo. L289, 7.10.99, p. 1.

CATEGORY II

Any producer who can demonstrate that at the time he makes his application for an allocation of quota from the national reserve for a given year—

- (a) he has in any capacity taken over any part of any land from which any amount of quota of the corresponding kind acquired under the Community legislation other than by way of lease or transfer has been removed by a departing tenant or sharefarmer whose tenancy or sharefarming agreement was made before 1st January 1993; or
- (b) he has irrevocably committed himself to taking over any such part by the close of the application period for the Sheep Annual Premium Scheme or as the case may be Suckler Cow Premium Scheme for the year corresponding with that given year.

CATEGORY III, GROUP (a)

Any person who at the time he makes his application for an allocation of quota from the national reserve for a given year can demonstrate that—

- (a) he has become a producer or (already being a producer) he has increased the size of his existing flock or as the case may be herd in consequence of his reverting from arable to livestock farming by virtue of his—
 - (i) making any Environmentally Sensitive Area Scheme agreement under section 18 of the Agriculture Act 1986(8) or article 3 of the Agriculture (Environmental Areas) (Northern Ireland) Order 1987(9),
 - (ii) entering into any Nitrate Sensitive Area agreement under section 112 of the Water Act 1989(10) or section 31B of the Control of Pollution Act 1974,(11)
 - (iii) participating in the Countryside Stewardship Scheme in England or Tir Cymen in Wales (established in each case under section 4(1) of the Countryside Act 1968),
 - (iv) entering into any Wildlife Enhancement Scheme management agreement under section 15 of the Countryside Act 1968,
 - (v) entering into any management agreement concerning a Site of Special Scientific Interest under the said section 15,
 - (vi) entering into any management agreement concerning land adjacent to a Site of Special Scientific Interest under the said section 15,
 - (vii) entering into any management agreement concerning a National Nature Reserve under section 16 of the National Parks and Access to the Countryside Act 1949, or
 - (viii) making or as the case may be entering into any management agreement under section 39 of the Wildlife and Countryside Act 1981, section 49A of the Countryside (Scotland) Act 1967 or article 9 of the Nature (Conservation and Amenity Lands) (Northern Ireland) Order 1985(12),

^{(8) 1986} c. 49; section 18 was amended by section 132 of and paragraph 13 of Schedule 9 to the Environmental Protection Act 1990 (1990 c. 43), section 27 and paragraph 12 of Schedule 10 to the Natural Heritage (Scotland) Act 1991 (1991 c. 28), paragraph 45 of Schedule 11 to the Agricultural Holdings (Scotland) Act 1991 (1991 c. 55) and section 73(4) and paragraph 19(j) of Schedule 8 of the Countryside and Rights of Way Act 2000 (2000 c. 37) and S.I.1994/249, S.I. 1997/1457, S.I. 1999/416 and S.I. 2002/794.

⁽⁹⁾ S.I. 1987/458 (N.I.3).

^{(10) 1989} c. 15; section 112 was repealed by section 3(1) of and Part I of Schedule 3 to the Water Consolidation (Consequential Provisions) Act 1991 (1991 c. 60).

^{(11) 1974} c. 40; section 31B was inserted by section 169 and Schedule 23 to the Water Act 1989 (1989 c. 15) and amended by section 88(1) and paragraph 39 of Schedule 11 of the Agricultural Holdings (Scotland) Act 1991 (1991 c. 55) and section 106 and paragraph 5 to Schedule 16 of the Environment Act 1995 (1995 c. 25).

⁽¹²⁾ S.I. 1985/170 (N.I.1), amended by S.I. 1989/492 (N.I.3).

- (ix) undertaking to comply with the requirements of a Nitrate Sensitive Area Scheme established under the Nitrate Sensitive Area Regulations 1994(13),
- (x) undertaking to comply with the management obligations of a Habitat Scheme established under the Habitat (Water Fringe) Regulations 1994(14), the Habitat (Salt-Marsh) Regulations 1994(15), the Habitats (Scotland) Regulations 1994(16), the Habitat (Broadleaved Woodland) (Wales) Regulations 1994(17), the Habitat (Water Fringe) (Wales) Regulations 1994(18), the Habitat (Coastal Belt) (Wales) Regulations 1994(19) or the Habitat (Species-Rich Grassland) (Wales) Regulations 1994(20), or
- (xi) participating in a development project or scheme established under section 5 of the Natural Heritage (Scotland) Act 1991(21); or
- (b) he has irrevocably committed himself to becoming a producer or (already being a producer) to increasing the size of his existing flock or as the case may be herd by the close of the application period for the Sheep Annual Premium Scheme or as the case may be Suckler Cow Premium Scheme for the year corresponding with that given year in consequence of his reverting from arable to livestock farming by virtue of his taking the said action or participating in any such project or scheme.

CATEGORY III, GROUP (b)

Any young natural person—

- (a) who is a newcomer to farming and whose first application for sheep annual premium or as the case may be suckler cow premium is in respect of a scheme year, or as the case may be, calendar year corresponding with the one in which he makes an application for an allocation of quota from a particular national reserve; or
- (b) who (although he was a newcomer to farming and made a successful first application for sheep annual premium or as the case may be suckler cow premium in respect of the scheme year, or as the case may be, calendar year immediately prior to the one in respect of which he makes an application for an allocation of quota from a particular national reserve) did not receive an allocation of quota from the national reserve immediately preceding that particular national reserve.

CATEGORY IV

Any other natural person—

- (a) who is a newcomer to farming and whose first application for sheep annual premium or as the case may be suckler cow premium is in respect of the scheme year, or as the case may be, calendar year corresponding with the one in which he makes an application for an allocation of quota from a particular national reserve; or
- (b) who (although he was a newcomer to farming and made a successful first application for sheep annual premium or as the case may be suckler cow premium in respect of the scheme year, or as the case may be, calendar year immediately prior to the one in respect of which

⁽¹³⁾ S.I. 1994/1729, amended by S.I. 1995/1708, S.I.1995/2095, S.I.1996/3105, S.I.1997/990 and S.I. 1998/2138.

⁽¹⁴⁾ S.I. 1994/1291, amended by S.I. 1996/1480 and S.I. 1996/3106.

⁽¹⁵⁾ S.I. 1994/1293, amended by S.I. 1995/2871 (as corrected by S.I.1995/2891), S.I.1996/1479, S.I. 1996/3108 and S.I. 1999/3161.

⁽¹⁶⁾ S.I. 1994/2710, repealed by S.I. 1996/3035.

⁽¹⁷⁾ S.I. 1994/3099, amended by S.I. 1996/3075.

⁽¹⁸⁾ S.I. 1994/3100, amended by S.I. 1996/3073.

⁽¹⁹⁾ S.I. 1994/3101, amended by S.I. 1996/3074.

⁽²⁰⁾ S.I. 1994/3102, amended by S.I. 1996/3072.

^{(21) 1991} c. 28.

he makes an application for an allocation of quota from a particular national reserve) did not receive an allocation of quota from the national reserve immediately preceding that particular national reserve.

CATEGORY V

Any person who at the time he makes his application for an allocation of quota from the national reserve for a given year can demonstrate that—

- (a) he has become a producer or (already being a producer) he has increased the size of his existing flock or as the case may be herd in accordance with an application or plan under the Organic Farming (England Rural Development Programme) Regulations 2003(22), or the Organic Farming Scheme (Wales) Regulations 2001(23); or the Organic Farming Regulations (Northern Ireland) Regulations 2001(24); or the Organic Aid (Scotland) Regulations 1994(25); or
- (b) he has irrevocably committed himself to becoming a producer or (already being a producer) to increasing the size of his existing flock or as the case may be herd by the close of the application period for the Sheep Annual Premium Scheme or as the case may be Suckler Cow Premium Scheme for the year corresponding with that given year in accordance with an application or plan such as is described in sub- paragraph (a) above.

CATEGORY VI, GROUP (a)

Any producer who—

- (a) can produce appropriate documentary evidence that he intends to make his first application for sheep annual premium or as the case may be suckler cow premium in respect of a calendar year corresponding with the one in respect of which he makes an application for an allocation of quota from a particular national reserve; or
- (b) (although he made a successful first application for sheep annual premium or as the case may be suckler cow premium in respect of the calendar year immediately prior to the one in respect of which he makes an application for an allocation of quota from a particular national reserve) did not receive an allocation of quota from the national reserve for the immediately preceding year.

CATEGORY VI, GROUP (b)

Any producer who at the time he makes his application for an allocation of quota from the national reserve for a given year can demonstrate that—

- (a) he has acquired any part of an area—
 - (i) formerly used for sheep or as the case may be suckler cow production by another producer, and
 - (ii) which was acquired for industrial, military, commercial or construction purposes on the giving of an undertaking that it would in due course be returned to agricultural use: or
- (b) he has irrevocably committed himself to acquiring any such part of an area as is specified in paragraph (a) of this category before the close of the application period for the Sheep

⁽²²⁾ S.I. 2003/1235.

⁽²³⁾ S.I. 2001/424.(W.17).

⁽²⁴⁾ S.R. (N.I.) 2001 No. 5.

⁽²⁵⁾ S.I. 1994/1701, amended by S.I. 1996/3083 and S.S.I. 1999/107.

Annual Premium Scheme or as the case may be Suckler Cow Premium Scheme for the year following that given year.

In category II, quota which has been acquired by a tenant or sharefarmer under the Community legislation other than by way of lease or transfer shall be regarded as having been removed from land by that person where he leaves the land in question permanently, and paragraph 2 of Schedule 4 shall be construed accordingly.

PART II

CONDITION WHICH HAS TO BE SATISFIED IF A PERSON IS TO FALL WITHIN CATEGORY II

The departing tenant or sharefarmer shall have surrendered all the land in respect of which he had the relevant tenancy or as the case may be sharefarming agreement.

PART III

CONDITIONS WHICH HAVE TO BE SATISFIED IF A PERSON IS TO FALL WITHIN CATEGORY III, GROUP (B), OR CATEGORY IV

- 1. A person falls within category III, group (b), only if he is under 40 years of age on the date his application for an allocation of quota from the national reserve for any given year is received by the Minister to whom that application is required by these Regulations to be submitted.
- **2.** A person falls within category IV only if he is at least 40 years of age on the date his application for an allocation of quota from the national reserve for any given year is received by the Minister to whom that application is required by these Regulations to be submitted.
- **3.** In the case of category III, group (b), and category IV, the applicant concerned shall not previously have been the sole trader of or a manager in an enterprise, or a partner in a firm, involving the production of an agricultural commodity, although he may have owned no more than 5% of the issued share capital of any such enterprise of which he was a director or an employee.
 - 4. In the case of category III, group (b), and category IV, the applicant concerned shall—
 - (a) hold an appropriate certificate relating to the possession of agricultural skill and competence issued by an establishment recognised for that purpose by the Minister to whom he is required by these Regulations to submit his application; or
 - (b) produce appropriate documentary evidence that, whilst not holding any such certificate as is specified in sub-paragraph (a) of this paragraph, he nevertheless possesses at least one year's relevant agricultural experience.

SCHEDULE 4

Regulation 12(4) and (9)

AMOUNTS OF QUOTA TO BE ALLOCATED FROM THE NATIONAL RESERVE FOR ANY GIVEN YEAR

1. In the case of a successful application for an allocation of quota from the national reserve for a given year by a person falling within category I the amount of quota allocated to him shall be equivalent to the difference between the number of animals in respect of which he received sheep annual premium or as the case may be suckler cow premium in the relevant year and the number

of animals in respect of which he received that premium in the scheme year, or as the case may be, calendar year before his participation in the relevant scheme specified in that category began or he became a party to the relevant agreement specified therein.

- **2.**—(1) Subject to sub-paragraph (2) of this paragraph, in the case of a successful application for an allocation of quota from the national reserve for a given year by a person falling within category II—
 - (a) where a single producer takes over the whole of the land from which the quota has been removed, the amount of quota allocated to that producer shall correspond with the amount of quota acquired by the departing tenant or sharefarmer in respect of that land under the Community legislation other than by way of lease or transfer;
 - (b) where a single producer takes over part only of the land from which the quota has been removed, the amount of quota allocated to that producer shall equal

$$\mathbf{A} \times (\mathbf{B}/C)$$
.

where

A is the quota acquired as specified in paragraph (a) of this sub-paragraph, B is the available forage hectarage of that part and C is the available forage hectarage of that land;

- (c) where a number of producers simultaneously take over the whole of the land from which the quota has been removed—
 - (i) the total amount of quota allocated to those producers shall correspond with the amount of quota acquired by the departing tenant or sharefarmer in respect of that land under the Community legislation other than by way of lease or transfer, and
 - (ii) the amount of quota allocated to each producer shall—
 - (aa) where the producers concerned farm the land as a single holding, be that agreed between them or if there is no such agreement such amount as gives each producer an equal allocation of quota units with any surplus being carried forward for distribution from the following national reserve, or
 - (bb) where the producers concerned farm the land individually in separate holdings, be calculated by reference to the available forage hectarage of his holding; and
- (d) where a number of producers simultaneously take over part only of the land from which the quota has been removed—
 - (i) the total amount of quota allocated to those producers shall equal

$$A \propto (B/C)$$

where

A is the quota acquired as specified in paragraph (c)(i) of this sub-paragraph, B is the available forage hectarage of that part and C is the available forage hectarage of that land, and

- (ii) the amount of quota allocated to each producer shall—
 - (aa) where the producers concerned farm the land taken over as a single holding, be that agreed between them or if there is no such agreement such amount as gives each producer an equal allocation of quota units with any surplus being carried forward for distribution from the following national reserve, or

- (bb) where the producers concerned farm the land taken over individually in separate holdings, be calculated by reference to the available forage hectarage of his holding.
- (2) Notwithstanding sub-paragraph (1) of this paragraph, where the holding of the departing tenant or sharefarmer comprised both the land from which quota had been removed and other production units, the total amount of quota available for allocation to the producer taking over the land from which quota had been removed shall be that specified in the relevant tenancy or sharefarming agreement or (where that information is not available) shall equal

 $\Delta \propto (B/C)$

where

A is the amount of quota acquired by that tenant or sharefarmer other than by way of lease or transfer, B is the available forage hectarage of that land and C is the available forage hectarage of that holding.

- **3.** In the case of a successful application for an allocation of quota from the national reserve for a given year by a person falling within category III, group (a), the amount of quota allocated to him shall be determined—
 - (a) by the Minister with responsibility for the part of the United Kingdom in which that person's holding is situated;
 - (b) where the producer is participating in the Countryside Stewardship Scheme in England or Tir Cymen in Wales (established in each case under section 4(1) of the Countryside Act 1968) or a development project or scheme established under section 5 of the Natural Heritage (Scotland) Act 1991, after that Minister has taken into account a recommendation made by the body responsible for accepting his application to join the scheme concerned; and
 - (c) where the producer has entered into or as the case may be made—
 - (i) any Wildlife Enhancement Scheme management agreement under section 15 of the Countryside Act 1968,
 - (ii) any management agreement concerning a Site of Special Scientific Interest under the said section 15,
 - (iii) any management agreement concerning land adjacent to a Site of Special Scientific Interest under the said section 15,
 - (iv) any management agreement concerning a National Nature Reserve under section 16 of the National Parks and Access to the Countryside Act 1949, or
 - (v) any management agreement under section 39 of the Wildlife and Countryside Act 1981, section 49A of the Countryside (Scotland) Act 1967 or article 9 of the Nature (Conservation and Amenity Lands) (Northern Ireland) Order 1985,

after that Minister has taken into account a recommendation made by the body responsible for accepting his application to enter into or make the agreement concerned, so as to ensure that he receives such amount of quota as corresponds with the number of sheep or as the case may be suckler cows which is necessary to ensure that the requirements of the appropriate scheme or agreement are fulfilled.

4.—(1) In the case of a successful application for an allocation of quota from the national reserve for any given year by a person falling within paragraph (a) of category III, group (b), or paragraph (a) of category IV, the amount of quota allocated to that person shall be the amount of quota specified in that application, provided that amount is reasonable in the circumstances.

- (2) In the case of a successful application for an allocation of quota from the national reserve for any given year by a person falling within paragraph (b) of category III, group (b), or paragraph (b) of category IV, the amount of quota allocated to him shall correspond with the number of animals specified in the successful application for the immediately preceding year, unless the number of eligible animals kept on the applicant's holding throughout the retention period(26) for that last-mentioned application was lower than the number specified in it, in which case the amount of quota allocated to him shall correspond with that lower number.
- **5.** In the case of a successful application for an allocation of quota from the national reserve for a given year by a person falling within category V the amount of quota allocated to him shall correspond with the number of additional sheep or as the case may be suckler cows as are specified in the relevant approved plan.
- **6.**—(1) In the case of a successful application for an allocation of quota from the national reserve for any given year by any person falling within paragraph (a) of category VI, group (a), the amount of quota allocated to him shall correspond with the number of sheep or as the case may be suckler cows specified in that application, provided that amount is reasonable in the circumstances.
- (2) In the case of a successful application for an allocation of quota from the national reserve for any given year by a person falling within paragraph (b) of category VI, group (a), the amount of quota allocated to him shall correspond with the number of animals specified in the successful application for the immediately preceding year, unless the number of eligible animals kept on the applicant's holding throughout the retention period for that last-mentioned application was lower than the number specified in it, in which case the amount of quota allocated to him shall correspond with that lower number.
- 7. In the case of a successful application for an allocation of quota from the appropriate national reserve by a person falling within category VI, group (b), the amount of quota allocated to that person shall correspond with the number of sheep or as the case may be suckler cows which in the opinion of the Minister to whom the application was made his holding can support.

SCHEDULE 5

Regulation 12(16)

WHEN ALLOCATIONS OF QUOTA FROM A GIVEN NATIONAL RESERVE ARE TO BE EFFECTIVE AND WHEN THEY ARE TO BE REGARDED AS HAVING BEEN OBTAINED FOR THE PURPOSES OF COMMISSION REGULATIONS 2550/01 AND 2342/91.

- 1. In the case of any allocation of quota from the national reserve for any given year that quota shall be effective beginning with the scheme year, or as the case may be, calendar year corresponding with that year.
- **2.** A person obtains quota for the purposes of Article 10 of Commission Regulation 2550/01or as the case may be Article 22 of Commission Regulation 2342/99 when it becomes effective in accordance with this Schedule.

⁽²⁶⁾ The requirement to have a retention period for suckler cow premium claims is set out in Article 6(2) of Council Regulation 1254/99.