

EXPLANATORY MEMORANDUM TO
THE DAIRY PRODUCE (MISCELLANEOUS PROVISIONS) REGULATIONS 2007

2007 No. 477

1. This explanatory memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

2. Description

2.1 These Regulations abolish Dairy Produce Quota Tribunals (the “Tribunals”), amend various pieces of legislation to exclude references to the Tribunals and revoke the Milk (Community Outgoers) Schemes.

3. Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

4. Legislative Background

4.1 These Regulations are made under section 2(2) of the European Communities Act 1972.

4.2 They abolish the Tribunals constituted under the Dairy Produce Quotas (General Provisions) Regulations 2002 (SI 2002/458) and make consequential amendments to those Regulations and to the Agriculture Act 1986. These Regulations also revoke and repeal parts of other primary and secondary legislation (listed in Part 1 of the Schedule) to exclude references in that legislation to the Tribunals.

4.3 These Regulations also revoke various Milk (Community Outgoers) Schemes (listed in Part 2 of the Schedule).

5. Extent

5.1 The instrument applies to all of the United Kingdom.

6. European Convention on Human Rights

6.1 The Minister has made the following statement regarding Human Rights:

In my view the provisions of the Dairy Produce (Miscellaneous Provisions) Regulations 2007 are compatible with the Convention rights.

7. Policy Background

- 7.1 The milk quotas system is based in Community law and currently applies to some 20,000 milk producers and 170 milk purchasers in the UK. Under the system all Member States are allocated a national milk quota. If in a quota year national production exceeds the quota, then all producers exceeding their quota have to pay a levy on their over-production. Administration of the quota system is carried out in the United Kingdom by the Rural Payments Agency, an executive agency of the Department for Environment, Food and Rural Affairs.
- 7.2 When milk quotas were first introduced in 1984 there were many appeals from farmers against their allocations. This created a need for an independent assessment body. The Tribunals were set up in 1984 to deal with appeals against decisions on allocations of additional quota from producers and special case claims. The Tribunals have been dormant since 1994 (one case was heard that year). There are three Tribunals, one for England and Wales, one for Scotland and one for Northern Ireland.
- 7.3 Appeals from farmers concerning all aspects of quotas including allocations have, since 2004, been handled under the non-IACS Appeals procedure, which was established in England by the Common Agricultural Policy Non-IACS Support Schemes (Appeals) (England) Regulations 2004 (SI 2004/590). Equivalent Regulations establish a similar procedure in Scotland, Wales and Northern Ireland. This appeals system is operated by the Rural Payments Agency on behalf of all of the United Kingdom administrations. The Tribunals are being abolished as they are no longer required.
- 7.4 These Regulations also revoke legislation relating to obsolete Community Outgoers Schemes. These Schemes were set up to provide encouragement to milk producers to cease production but were wound up administratively before 1994.
- 7.5 A formal consultation on the proposed changes to be introduced by this instrument was not carried out, as the instrument simplifies the administration of milk quotas as well as revoking the obsolete Community Outgoers Schemes. Informal discussions were held with milk producers and other industry stakeholders on the proposed changes. An Explanatory Statement was issued and made available on the website of the Department for Environment, Food and Rural Affairs. A copy appears in the Annex.

8. Impact

- 8.1 A Regulatory Impact Assessment in respect of this instrument has not been prepared as it has no impact on business, charities or voluntary bodies.

9. Contact

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can answer any queries regarding this instrument.

DAIRY PRODUCE QUOTA APPEALS PROCEDURE 2006

Dairy Produce Quota Tribunals to end

Ministers have agreed to abolish the Dairy Produce Quota Tribunals and use instead the Rural Payments Agency's Common Agricultural Policy Non-IACS Support Schemes Appeal Procedure to hear any appeals that may come forward relating to the Milk Quota regime in the UK.

The introduction of milk quotas in 1984 created a need for an independent appeals body. The Dairy Produce Quota Tribunals (DPQT) were set up in 1984, to deal with appeals concerning allocations of quota from producers and special case claims. The DPQTs have been dormant since 1994 (one case was heard that year). There are three tribunals, one for England and Wales, one for Scotland and one for Northern Ireland. Appointments to the DPQT were made at Ministerial level.

The non-IACS Appeals procedure has been set up to deal with the schemes specified in the Schedule to the Common Agricultural Policy Non-IACS Support Schemes (Appeals) (England) Regulations 2004. This includes the milk quotas scheme. Similar regulations exist in Wales, Northern Ireland and Scotland and there are similar non-IACS appeals procedures covering these areas. The Rural Payments Agency can also undertake appeals under the milk quotas regulations on behalf of all four administrations of the UK – indeed appeals relating to milk quotas have already been heard under the non-IACS appeals system.

Background

The Tribunals were originally constituted under regulation 6 of the Dairy Produce Quotas Regulations 1984, and reconstituted under regulation 7 of the DPQR (General Provisions) 2002 S.I. 2002/458 (as amended). The 2002 regulations and the Tribunals and Inquiries Act 1992 will need to be amended in due course. The entry in the list of Public Bodies will be deleted as will entries in publications such as CS Yearbook. Annex 1 of Council Regulation 1788/2003/EC provides for a stepped increase of 0.5% in the UK quota in 2006, 2007 and 2008. This will be allocated as a top up of net quota held.

As there are technically two avenues for appeal open at the moment it is important to make sure that the Tribunals are abolished, and that the non-IACS appeals system now caters for any appeal relating to milk quotas. Guidance on this can be found on the Rural Payments Agency website;

[http://www.rpa.gov.uk/rpa/index.nsf/0/d43b332b01112a5980256f8500499dbe/\\$FILE/ATT2U69K/Non%20IACS%20Appeal%20Booklet.pdf](http://www.rpa.gov.uk/rpa/index.nsf/0/d43b332b01112a5980256f8500499dbe/$FILE/ATT2U69K/Non%20IACS%20Appeal%20Booklet.pdf)