

EXECUTIVE NOTE

THE DAIRY PRODUCE QUOTAS (SCOTLAND) AMENDMENT REGULATIONS 2006 SSI/2006/119

POWERS

1. The above Instrument was made in exercise of the powers conferred upon the Scottish Ministers by section 2(2) of the European Communities Act 1972

PARLIAMENTARY PROCEDURE

2. This SSI is subject to the negative resolution procedure.

POLICY OBJECTIVE

3. The purpose of these Regulations is to make minor amendments to the Dairy Produce Quotas (Scotland) Regulations 2005 (DPQR) to correct a small number of errors and omissions.

BACKGROUND

4. The milk quotas system is subject to Community law. Under the system all Member States are allocated a national milk quota. If in a quota year production exceeds the quota, then all over-quota producers have to pay a levy on their over-production. Administration of the quota system is complex and is carried out in the UK by the Rural Payments Agency.

5. The Dairy Produce Quotas (Scotland) Regulations 2005 consolidated and amended the Dairy Produce Quotas (Scotland) Regulations 2002 (SSI 2002/110). Most of the amendments were necessary to implement new European Community legislation. The 2005 Regulations constituted a major review and consolidation of the legislation. In the process, certain provisions were redrafted with unintended effects, or omitted.

PROPOSED AMENDMENTS TO THE 2005 REGULATIONS

6. The 2005 Regulations inadvertently prevent the transfer of quota necessary to cover production before the date of transfer. The instrument provides that such quota may be transferred, but cannot be identified as unused quota.

7. The instrument amends certain provisions requiring milk producers and purchasers to provide information to the Scottish Ministers by specified dates to make clear these dates refer to the date the information is dispatched, not the date of receipt by the Scottish Ministers.

8. Provision has been made for correction of certain penalty regulations. Thus, the penalty for purchasers who fail to submit accurate declarations of milk production, which was inadvertently omitted from the 2005 Regulations, is to be restored. It is also made clear that the penalty for purchasers who fail to submit a summary before 1 July in the year in which it is required, applies 30 days after the service of a notice by the Scottish Ministers.

CONSULTATION

9. We have not consulted on these proposals as the changes correct errors in the 2005 DPQRs and are therefore mandatory. Explanatory notes were, however, issued to stakeholders and posted on the Scottish Executive website.

FINANCIAL IMPLICATIONS

10. The provisions of the proposed SSI will not result in any extra cost to the Executive or to business. Accordingly, a regulatory impact assessment has not been prepared.

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