

## Appendices

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**This publication was archived on  
31 March 2015**

## Appendix 1 How to get in touch with milk quotas staff:

### Written enquiries:

Rural Payments Agency  
Milk Quotas Section  
Sterling House  
Dix's Field  
Exeter  
EX1 1QA

Email: [Milk.Quotas@rpa.gsi.gov.uk](mailto:Milk.Quotas@rpa.gsi.gov.uk)

### Telephone enquiries:

Milk Quotas Helpline: 01392 315763

Milk Quotas Fax: 01392 315701

## Reporting Changes about your business:

### Written enquiries:

Customer Service Centre  
Rural Payments Agency  
PO Box 300  
Sheffield  
S95 1AA

Email: [csc@rpa.gsi.gov.uk](mailto:csc@rpa.gsi.gov.uk)

### Telephone enquiries:

Customer Service Centre: 0845 603 7777

### **Additional information**

Additional information on milk quotas is available on the RPA Website at [www.rpa.defra.gov.uk](http://www.rpa.defra.gov.uk)

### **Complaints**

We are committed to giving good customer service and we welcome your feedback because it helps us to improve. If you are not satisfied with the service you have received or a decision we have made and you would like to complain, you can:

- call us on 0845 603 7777;
- email us at [csc@rpa.gsi.gov.uk](mailto:csc@rpa.gsi.gov.uk); or
- write to us.

You can also complain face to face with anyone representing RPA.

For more information read the *Complaints and Appeals Guidance* on our website at [www.rpa.defra.gov.uk](http://www.rpa.defra.gov.uk) or request a copy from our Customer Service Centre by calling us on 0845 603 7777.

### **Fraud**

If you know of a fraud committed against the rules of the Milk Quotas or any other agricultural scheme, please contact the Agency's Fraud Line - 0800 347 347. Trained personnel will take your call on this line during office hours. An answer phone operates at other times. Calls to RPA's Fraud line are free and confidential. You do not have to give your name if you do not wish to.

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## Appendix 2 Contact Address

### Other contact addresses

This appendix lists the Offices in England, Wales, Scotland and Northern Ireland, which undertake certain milk quotas functions within their own areas.

#### England

**Department for Environment, Food and Rural Affairs**  
Livestock Products Division  
Area 5D  
9 Millbank  
c/o Nobel House  
17 Smith Square  
London  
SW1P 3JR  
Tel: 020 7238 3096

#### Northern Ireland

**Department of Agriculture and Rural Development**  
Farm Policy and Central Support  
Dundonald House  
Upper Newtownards Road  
Belfast  
BT4 3SB  
Tel: 028 9052 4680

#### Scotland

**Scottish Government Rural Payments and Inspections Directorate**  
Milk Branch  
B1 Spur  
Saughton House  
Broomhouse Drive  
Edinburgh  
EH11 3XD  
Tel: 0300 244 9290

#### Wales

**Welsh Assembly Government Rural Payments Division**  
Crown Buildings  
Cathays Park  
Cardiff  
CF1 3NQ  
Tel: 029 2082 3835

## Welsh Assembly Government offices

### Cardiff

Crown Buildings  
Cathays Park  
Cardiff  
CF1 3NQ  
Tel: 01222 823835

### Caernarfon Divisional Office

*(covering Gwynedd, Anglesey, Conwy, Flintshire, Denbighshire and Wrexham)*  
Government Buildings  
Penrallt  
Caernarfon Gwynedd  
LL55 1EP  
Tel: 01286 674144  
Fax: 01286 677749

### Carmarthen Divisional Office

*(covering Dyfed, Ceredigion and Pembrokeshire)*  
Government Buildings  
Picton Terrace  
Carmarthen  
Dyfed  
SA31 3BT  
Tel: 01267 225300  
Fax: 01267 235964

### Llandrindod Wells Divisional Office

*(covering Powys, Gwent, Mid, South and West Glamorgan)*  
Government Buildings  
Spa Road East  
Llandrindod Wells  
Powys  
LD1 5HA  
Tel: 01597 823777  
Fax: 01597 828304

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## Appendix 3 List of milk quotas forms

MQ/1	Application to register the permanent transfer of milk quota
MQ/3	Notification of temporary transfer (lease) of milk quota
MQ/6	Application for permanent conversion of milk quota
MQ/8	Prospective apportionment of quota to land
MQ/9	Request for information held on the quota register
MQ/10	Movement of milk quota between purchasers
MQ/11	Application for approval as a purchaser
MQ/12	Purchaser's monthly return
MQ/13	Purchaser's annual return
MQ/15	Annual declaration of direct sales and application for temporary conversion of quota
MQ/16	Application for temporary reallocation of quota: herd movement restrictions
MQ/25D	Direct seller's monthly records
MQ/25W	Wholesale producer's monthly records
MQ/26	Temporary movement of milk quota between purchasers
MQ/42	Authority to release information held on the milk quota register
MQ/43	Request for Restoration of Quota

### Other leaflets about the scheme

#### Record Keeping

- MQ Purchaser's Handbook.
- Copies of forms, explanatory notes and leaflets may be obtained from our website at [www.rpa.defra.gov.uk](http://www.rpa.defra.gov.uk), or by contacting us (see Appendix 1) or through a quota broker.

## Appendix 4 Regulations and penalties relating to milk quotas

### Regulations

The administration of milk quotas is governed by the following Regulations:

**Council Regulation (EEC) No 1234/2007** – how the levy in the milk and milk products sector is established

Article		Guide Section(s)
65	Definitions	Appendix 7
66	Continuation of quota scheme for 7 years from 1/4/2008 and setting national quotas	Part 2-1
67	Allocation of quota to producers	Part 2-2
70	National and individual butterfat bases	Part 10
71	National reserves	Part 14-1
72	Confiscation for non-use of quotas	Part 14
73	Temporary transfer of quota	Part 9
74	Permanent transfer of quota	Part 8
75	Restructuring of milk production	Part 8-9
79	Responsibility of producers for their share of the levy	Part 13-2
80	Wholesale levy	Part 13-2
81	The role of purchasers	Part 7
82	Purchaser approval	Part 7
83	Direct sales levy	Part 6

**Commission Regulation (EEC) No 595/2004** – the rules about the application of the levy on milk and milk products

Article		Guide Section(s)
6	All milk which leaves a producer's holding counts against quota	Parts 5-1 & 6-1
	Milk deliveries for contract processing are classed as wholesale deliveries	Part 6-1
6	Calculation of levy at national level	Part 13
7	Butterfat bases applying when quota is allocated, transferred or converted	Part 10-1
8	At the end of the quota year purchasers must prepare a statement for each producer stating quota and butterfat base, plus deliveries and fat content	Part 7-2
8	Submission of purchasers' annual returns and penalties for late return	Part 7-2
8	Calculation of butterfat adjusted deliveries	Part 10-2
11	Direct sales	Part 6

Article		Guide Section(s)
12	Producers must prove that the whole milk equivalent for deliveries of skimmed milk is correctly calculated	Part 6-3
12	Calculation of whole milk equivalents of dairy produce	Part 6-3
13	Notification of levy to purchasers	Part 13
13	Quota not allocated to producers to go into the national reserve	Part 13
13-15	Payment of levy and penalty for late payment	Part 13-4
18	Authorises Member States to take additional measures necessary to ensure the payment of levy by the deadline	Part 13
24	Record-keeping and verification	Parts 5, 7 & 15

**Council Regulations (EEC) Nos. 764/89, 1639/91, 2055/93 and Commission Regulation (EEC) 2562/93 – the allocation of special quota to certain producers and the rules for applying these allocations.**

**SI 2002 No. 458: The Dairy Produce Quotas (General Provisions) Regulations 2002**

**SI 2005 No 465: The Dairy Produce Quotas Regulations 2005** (*the quota regulations applying in England*)

**SI 2005 No 70: The Dairy Produce Quotas (Northern Ireland) Regulations 2005**

**SI 2005 No 91: The Dairy Produce Quotas (Scotland) Regulations 2005**

**SI 2005 No 537(W.47): The Dairy Produce Quotas (Wales) Regulations 2005**

- *rules for the administration of milk quotas within the United Kingdom. (Regulation numbers relate to the English DPQR)*

Regulation		Guide Section(s)
1	Citation and commencement	
2	Interpretation	
3	Application	
4	Registers and notices to be maintained and prepared by the Secretary of State	Part 3
5	Approval of purchasers	Part 7
6	Obligations of producers and purchasers with respect to registration and deliveries	Parts 5, 6 & 7
7	Inspection of entries in the Secretary of State's registers	Part 5
8	Registers as evidence	
9	Transfer of quota with transfer of land: general	Part 8
10	Transfer of part of holding	Part 8
11	Prospective apportionment of quota	Part 8
12	Cases where apportionment of quota by arbitration is required	
13	Transfer of quota without transfer of land	Part 8
14	Retention of quota at the end of a tenancy	Part 8



Regulation		Guide Section(s)
15	Temporary transfer of quota	Part 9
16	Restrictions on transfer of quota	Part 9
17	Consequences of failure duly to submit a transfer notice	Part 9
18	Allocation from national reserve	
19	Temporary reallocation of quota	Part 12
20	Special allocation of quota	
21	Conversion of quota: general	Part 11
22	Conversion of quota: restriction on transfers of converted quota in conversion year	Part 11
23	Adjustment of purchaser quota	Parts 3 & 7
24	Restriction on use of quota in Scottish Islands Area	Parts 8 & 9
25	Determination whether reduction in downward butterfat adjustment is required in relation to deliveries	Part 13
26	Determination whether levy on deliveries is payable	Part 13
27	Reallocation of producers' quota	Parts 12 & 13
28	Determination of liability for levy on deliveries	Parts 5 & 13
29	Notification of levy liability	Part 13
30	Determination of liability for levy on direct sales	Parts 6 & 13
31	Payment and recovery of levy	Part 13
32	Prevention of avoidance of levy	Part 13
33	Information	Parts 16 & 17
34	Keeping and retention of records	Parts 16 & 17
35	Annual declarations and summaries	Parts 6 & 7
36	Administrative penalties	Part 6
37	Withholding or recovery of compensation	
38	Confiscation of quota	Part 14
39	Restoration of quota	Part 14
40	Offences and criminal penalties	
41	Revocations and amendments	

## Penalties

### Confiscation of quota

Quota may be confiscated:

- if it has been obtained by fraud,
- if it has not been produced against during the quota year,
- if an annual declaration of direct sales has not been submitted,
- if it is not transferred to the new occupier when the land is transferred.

### Late return of annual declaration by a purchaser

The penalty will be the equivalent of the levy due on a 0.01% overrun on deliveries from producers, per day of the delay in submission. The minimum charge is 100 euros; the maximum penalty is 100,000 euros for the annual declaration, and £60 and £60,000 respectively for the revised annual declaration.

### Late return of direct sales declaration

The levy will be payable at the full rate on any excess sales.

If there are no excess sales, a levy will be payable on the equivalent of a 0.01% overrun against quota - maximum 1000 euros.

There is a minimum penalty of 100 euros.

If we need to visit the premises of a purchaser or direct seller in order to obtain an overdue annual declaration, we will also charge for any costs involved in the visit.

If quota is confiscated because a direct sales declaration has not been returned by the deadline, it will not be restored until the year after the year in which the declaration is received.

### Levy

A levy will be payable for:

- Overproduction against quota.
- Wholesale levy is payable by the purchaser, but recoverable from the producers concerned.
- Direct sales levy is payable by the producers concerned.
- Levies are calculated at a rate of €27.83 per 100kg.

### **Incorrect declaration of deliveries by a purchaser**

If we find that a purchaser has not declared all of their deliveries and the UK reaches a levy position, they will have to pay levy on the butterfat adjusted volume they have under-declared.

If the delivery figures are incorrect and there is no levy due, we will charge a penalty equal to the levy that would be due on 0.5% of the volume over- or under-declared. The minimum penalty for any incorrect declaration is £60 up to a maximum of £60,000.

### **Incorrect declaration of direct sales**

If we find that a direct seller has not declared all of their direct sales and the UK is in a direct sales levy position, they must pay the levy at the full rate (usually around 25 to 30 pence per litre) on the undeclared sales.

If we find that a direct seller has overstated their sales, or if they have under-declared in a non-levy year, a penalty will be charged equal to the levy due on 0.5% of the volume concerned. The minimum penalty is £60 and the maximum penalty is £600.

### **Legal Action**

The Rural Payments Agency may consider bringing criminal proceedings against any person or company who has breached CAP regulations or who has broken EC or UK law. You should be aware that legal action may be taken in the following circumstances:

#### **Non-compliance with Regulations**

If you fail to comply with the requirements of the relevant Community legislation or the Dairy Produce Quotas Regulations, we may take legal action against you. On summary conviction, a person shall be liable to a fine not exceeding level 5 on the standard scale; or, on conviction on indictment, to a fine.

#### **Fraud**

We may take legal action against any person who knowingly makes a false statement, causes a false statement to be made or uses a document containing false information in connection with the Regulations. On summary conviction, such a person shall be liable to a fine not exceeding Level 5 on the standard scale; or, on conviction on indictment, to a fine.

#### **Non-payment of levy**

The Agency has the power to bring civil proceedings to recover any European Community debt owed by a specified person.

#### **Offences**

It is a criminal offence to dispose of quota that quota holders have reason to believe is incorrectly registered in their names.

#### **Failure to keep records**

Any person who fails to keep records as required and published in the DPQR shall be guilty of an offence. Such a person shall be liable on summary conviction to a fine not exceeding the statutory maximum (Great Britain), £2,000 (Northern Ireland), or on conviction on indictment, to a fine

A  
**Appendix 5 Example of Notification of Changes  
 letter**

A PRODUCER  
 SUN VALLEY FARM  
 SUNNYDALE  
 MILKSHIRE  
 EN1 5OB

10 March 2011

TREG No. : A12345

Milk Quotas - Notification of Changes

**It is in your interest to keep this document for future reference and to send a copy to your quota agent and/or milk purchaser if you are waiting for monies to be released.**

**The changes detailed below have been made to the quota register since your last Notification of Changes letter. Please check that these details are accurate and contact RPA immediately if you have a query.**

Quota Year : 2010/11  
 Quota Type : Ordinary Wholesale  
 Movement Type : Temporary Transfer (Lease)  
 To Producer : A Nother  
 Amount Moved : 50,000 litres @ butterfat of : 4.500000%  
 Operative Date : 01 March 2011  
 Date Authorised : 10 March 2011  
 Batch/Doc Ref/Doc No. : 853999/1/1234567  
 Purchaser : A DAIRY LTD

**Current Year Quota Details - 2010/11**

Permanent Wholesale quota (incl SLOM) : 150,000 litres @ butterfat 4.500000 %  
 Net Wholesale quota (incl SLOM) : 100,000 litres @ butterfat 4.500000 %

This section may be used to publicise milk quota matters or to give reminders of forthcoming deadlines.

## Appendix 6 Calculation of butterfat bases

### Butterfat calculation (permanent)

Current perm WS quota		Current perm butterfat base			
<input style="width: 90%;" type="text"/> ltrs	X	<input style="width: 90%;" type="text"/> %	=	<input style="width: 90%;" type="text"/>	A
					+
Unused WS quota transferred in		Butterfat base of quota transferred in			
<input style="width: 90%;" type="text"/> ltrs	X	<input style="width: 90%;" type="text"/> %	=	<input style="width: 90%;" type="text"/>	B
					=
				<input style="width: 90%;" type="text"/>	C
				TOTAL	<input style="width: 90%;" type="text"/>
					÷
Current perm WS quota		Unused WS quota transferred in			
<input style="width: 90%;" type="text"/> ltrs	+	<input style="width: 90%;" type="text"/> ltrs	=	<input style="width: 90%;" type="text"/>	D
					=
				<input style="width: 90%;" type="text"/>	E
		NEW PERMANENT BUTTERFAT BASE		<input style="width: 90%;" type="text"/> %	

#### NOTES

- 1  $A + B = C$                        $C \div D = E$                        $E =$  New butterfat base.
- 2 Current perm WS quota means the amount of permanent wholesale quota you already hold, excluding quota transferred in as used during the current quota year.
- 3 Unused WS quota means the amount of unused wholesale quota you wish to bring in.

### Butterfat calculation (ongoing – for lease or transfer of unused quota in)

Current net WS quota		Current ongoing butterfat base			
<input style="width: 90%;" type="text"/> ltrs	X	<input style="width: 90%;" type="text"/> %	=	<input style="width: 90%;" type="text"/>	A
					+
New WS quota in		Butterfat base of quota in			
<input style="width: 90%;" type="text"/> ltrs	X	<input style="width: 90%;" type="text"/> %	=	<input style="width: 90%;" type="text"/>	B
					=
				<input style="width: 90%;" type="text"/>	C
				TOTAL	<input style="width: 90%;" type="text"/>
					÷
Current net WS quota		New WS quota in			
<input style="width: 90%;" type="text"/> ltrs	+	<input style="width: 90%;" type="text"/> ltrs	=	<input style="width: 90%;" type="text"/>	D
					=
				<input style="width: 90%;" type="text"/>	E
		NEW ONGOING BUTTERFAT BASE		<input style="width: 90%;" type="text"/> %	

#### NOTES

- 1  $A + B = C$                        $C \div D = E$                        $E =$  New butterfat base.
- 2 Current net WS quota means all WS quota held, including any leased in amounts.
- 3 New WS quota means the amount of WS quota you wish to bring in by lease or permanent transfer.

Butterfat calculation (ongoing – for lease or transfer of unused quota out)

Current net WS quota		Current ongoing butterfat base		A
<input style="width: 100%;" type="text"/> ltrs	X	<input style="width: 100%;" type="text"/> %	=	<input style="width: 100%;" type="text"/>
-				
WS quota out		Perm butterfat base		B
<input style="width: 100%;" type="text"/> ltrs	X	<input style="width: 100%;" type="text"/> %	=	<input style="width: 100%;" type="text"/>
=				
C				
TOTAL				<input style="width: 100%;" type="text"/>
÷				
Current net WS quota		WS quota out		D
<input style="width: 100%;" type="text"/> ltrs	-	<input style="width: 100%;" type="text"/> ltrs	=	<input style="width: 100%;" type="text"/>
=				
E				
NEW ONGOING BUTTERFAT BASE				<input style="width: 100%;" type="text"/> %

**NOTES**

- 1 A - B = C                      C ÷ D = E                      E = New butterfat base.
- 2 Current net WS quota means all WS quota held, including any leased in amounts.
- 3 WS quota out means the amount of unused WS quota you wish to transfer or lease out.

Butterfat calculation (future – from the start of the next quota year)

Current perm WS quota		Current future butterfat base		A
<input style="width: 100%;" type="text"/> ltrs	X	<input style="width: 100%;" type="text"/> %	=	<input style="width: 100%;" type="text"/>
+				
WS quota transferred in		Butterfat base of quota transferred in		B
<input style="width: 100%;" type="text"/> ltrs	X	<input style="width: 100%;" type="text"/> %	=	<input style="width: 100%;" type="text"/>
=				
C				
TOTAL				<input style="width: 100%;" type="text"/>
÷				
Current perm WS quota		WS quota transferred in		D
<input style="width: 100%;" type="text"/> ltrs	+	<input style="width: 100%;" type="text"/> ltrs	=	<input style="width: 100%;" type="text"/>
=				
E				
NEW FUTURE BUTTERFAT BASE				<input style="width: 100%;" type="text"/> %

**NOTES**

- 1 A + B = C                      C ÷ D = E                      E = New butterfat base.
- 2 Current perm WS quota means the amount of permanent wholesale quota you already hold, including used quota transferred in during the current quota year.
- 3 WS quota transferred in means the total amount of wholesale quota you wish to bring in, used or unused.

## Appendix 7 Glossary of terms

We give below definitions of terms and abbreviations in common use in the administration of milk quotas.

### **Allocation of quota:**

The original or primary allocation of quota, which was made to producers in 1984

*It was based on their production in 1981 for Direct Sales quota, or 1983 for wholesale quota. These are known as the 'reference years'*

### **Apportionment of quota:**

The dividing up of quota between different parts of a holding, when the land is being sold or leased out. Everyone with an interest in the holding must agree to the apportionment

### **Approved purchaser:**

A person or firm approved by the Rural Payments Agency to buy milk

*Each producer and non-producer with wholesale quota must register the quota with an approved milk purchaser*

### **Arbiter:**

The term used in Scotland for an Arbitrator

### **Arbitrator:**

A person appointed to decide the dividing up (apportionment) of quota when part of a holding is being sold or transferred out

*In reaching his decision, an arbitrator will take account of the areas used for milk production*

### **BACS (Bankers' Automated Clearing System):**

A system for making payments direct to a bank or building society account, without the need to issue a cheque

### **Butterfat:**

The fat content of milk or milk products. The butterfat content is established when the milk is sampled and analysed

### **Butterfat adjustment:**

A producer's wholesale delivery figures will be adjusted up or down according to the fat content of the milk

*The adjusted figure will be used when calculating any levy*

### **Butterfat base:**

Each producer with wholesale quota has a butterfat base attached to that quota. Direct sales quota does not have a butterfat base

*The butterfat base was originally assigned to each wholesale producer in 1987*

### **Butterfat reference figure:**

Another way of describing 'Butterfat base'

### **Clean quota:**

Another term for 'unused quota'

### **Colostrum:**

A thick yellow liquid produced from the udders in the immediate hours after calving. It contains the important antibodies required by the calf to assist in its survival

### **Confiscation of quota:**

We may confiscate all or part of a producer's quota if he does not keep to the rules

*A producer can apply for the quota to be restored.*

### **Conversion:**

Producers can change or 'convert' their quota from wholesale to direct sales, or vice versa

*A conversion can be temporary or permanent*

### **CPH No County/Parish/Holding Number:**

Used to identify a particular area of land

### **Customer Service Centre:**

RPA unit, based in Workington, responsible for maintaining the Customer Register. Telephone No. 0845 603 7777

### **Cuts:**

See 'Quota cuts'

### **DARD:**

Department of Agriculture and Rural Development (Northern Ireland)

**Declaration:**

A statement or 'return' from:

- a wholesale purchaser, stating the amount of milk that producers delivered to the purchaser
- a direct seller, stating the amount of milk or milk products marketed direct to the public

**Defra:**

Department for Environment, Food and Rural Affairs

**Deliveries:**

Milk supplied by a wholesale producer to his milk purchaser(s)

**Direct sales:**

Produce which a producer markets direct to the public

**Direct sales quota:**

See 'Quota'

**DPQR - The Dairy Produce Quotas Regulations 2005:**

The UK legislation governing milk quotas. There are separate versions of the DPQR for England, Scotland, Wales and Northern Ireland

**Euro:**

The monetary unit used by the European Community for accounting purposes

**Fat Content:**

See 'Butterfat'

**Herd movement restrictions:**

Regulations which apply to the movement of animals from holdings affected by certain diseases

*A producer can apply for additional quota to cover some excess production caused by such a restriction*

**Holding:**

All the production units which one producer uses. It may consist of one or more farms

**Inspections:**

Routine visits to a number of producers and purchasers, carried out in accordance with EC legislation. Visits entail checking records to ensure that the annual declarations have been completed correctly

**Lease of quota:**

An agreement between two producers to make a temporary transfer of unused quota without land

**Lessee:**

A person or firm who has agreed to lease in quota

*All holders of quota, whether permanent or temporary, must register with the Rural Payments Agency*

**Lessor:**

A producer or firm who has agreed to lease out quota

*Only permanently held, unused quota can be leased out*

**Levy:**

A fine that is charged to producers or purchasers who exceed their agreed quotas. A purchaser must then charge the levy to the producers who contributed to their levy bill.

**Levy rate:**

This is set in the EC Regulation as €27.83 per 100kg (about €0.29 per litre). This is then converted to Sterling at the exchange rate set on 31 March

**Member States:**

Countries which belong to the EU

**Milk:**

For the purposes of milk quotas, 'milk' means cows' milk

**Milk that has been marketed:**

Covers milk or milk products that leave a producer's holding during any quota year, whether sold or given away free. N.B. milk produced on or before 31 March in any quota year, but which does not leave the holding until on or after 1 April in the following quota year, will count against quota for the year in which the milk leaves the holding



**Milk Supplementary Levy:**

See 'Levy'

**National Reserve:**

Quota allocated by the European Commission to a Member State but not allocated to producers

**Ongoing butterfat base:**

A producer's permanent butterfat base, as amended for the current quota year by temporary changes to their quota

**Operative date:**

The date on which a quota movement takes effect:

- for permanent transfers with land, it is the date the land changes hands
- for permanent transfers without land, the date on which the quota changes hands
- for leases of quota - the date the lessor signs the form
- for permanent conversions - the date the producer chooses

**Ordinary quota:**

Milk Quota. There were allocations of special ('SLOM') quota, but all of the special quota has now been converted to ordinary quota

**Penalties:**

See 'Levy'; 'Confiscation'

**Permanent butterfat base:**

The butterfat base attached to a producer's permanently held quota

**Permanent conversion:**

See 'Conversion'

**Permanent Transfer:**

An agreement to transfer quota permanently from one producer to another

- with land
- without land.

Used or unused quota can be permanently transferred

**Primary quota:**

See 'Allocation of quota'

**Producer:**

A person or business farming a holding, who produces and markets milk or is preparing to do so in the very near future

**Production unit:**

A farm or part of a holding used to produce milk or milk products

**Prospective apportionment of quota to land:**

An agreement to allocate quota to each part of a holding, in advance of a planned sale or lease of the land

*The agreement is valid for six months.*

**Purchaser:**

The buyer or contract processor of milk with whom a producer's wholesale quota is registered

**Purchaser quota:**

The total amount of wholesale quota which producers have registered with a particular milk purchaser

**Quota:**

The agreed quantity of milk and milk products which a farmer or 'producer' can market during a quota year without becoming liable for a levy

There are two types:

- wholesale quota - for milk delivered to a purchaser,
- direct sales quota - for produce marketed to the public

**Quota cuts:**

A reduction in a producer's quota as a result of the EC or a Member State cutting the national quota

*When this happens, producers may receive payments to compensate them for the loss of quota*

**Quota register:**

The record, held by the Rural Payments Agency, of the details of all milk quota holders and the amount of quota they hold

**Quota year:**

Runs from 1 April until 31 March of the following year

**Reallocation:**

- A distribution of quota from the National Reserve, or
- The redistribution of unused quota as part of the levy calculation

**Reference figure:**

See 'Butterfat reference figure'

**Reference quantity:**

A term meaning 'quota', which was formerly used in EC Regulations

**Reference year:**

The year of production used as the basis for allocation of primary quota or for assigning a butterfat base to wholesale quota

**Registration:**

- An agreement by a holder of wholesale quota to sell some or all of his milk to a particular milk purchaser; or
- the entry of a producer's details on the milk quota register

**Registration number:**

See 'Trader Registration number'

See also 'Customer Service Centre'

**Restoration:**

A producer whose quota has been confiscated, or a new occupier of land to which confiscated quota was attached, may apply to have it restored, subject to certain conditions

**RICS (Royal Institution of Chartered Surveyors):**

The body empowered to appoint an Arbitrator in England and Wales.

**Ring-fenced areas:**

Certain Scottish Island areas; within these areas producers may only lease or transfer quota to or from producers within the same area. (Quota may be leased in from outside a ring-fenced area, to cover production within that area)

**SGRPID:**

The Scottish Government Rural Payments and Inspections Directorate

**Single Business Identifier:**

The new RPA identification number (nine digit) for an individual business

Milk quota holders, producers and purchasers will also have a six digit Trader Registration Number, which must be used when contacting us about quota

**SLOM quota:**

A Dutch acronym describing special allocations of quota to producers who did not receive primary quota in 1984 because they were involved in other marketing of schemes

All SLOM quota has now been converted to ordinary quota

**Supplementary levy:**

See 'Levy'

**Surveillance:**

A sample of transfers, selected for special checks  
*We will carry out these checks before we amend the quota register and will notify the producers involved*

**Temporary conversion:**

The temporary changing, at a producer's request, of direct sales quota to wholesale, or vice versa

*Temporary conversions take place at the end of the quota year, to offset any excess deliveries or direct sales*

**Temporary transfer:**

See 'Lease'

**Trader Registration Number:**

A six figure number given to each holder of milk quota

*The number may be six digits or a mixture of letters and digits*

*It should be quoted when contacting the milk quotas section of the Rural Payments Agency*

**Transfer:**

See 'Permanent transfer'; 'Lease'

**Transferee:**

A producer acquiring quota on a permanent basis

Only producers can obtain quota without land

**Transferor:**

A quota holder disposing of quota on a permanent basis, either with or without land

**Treg (Trader Registration) Number:**

See 'Trader Registration Number'

**TRQ:**

A temporary (priority) reallocation of quota in the levy calculation to a producer who has exceeded his quota because extra dairy cows have been retained on the holding due to a herd movement restriction

**Unused quota:**

Quota that has not been produced against (also called 'clean quota')

Butterfat adjusted delivery figures must always be taken into account when calculating the amount of unused quota available to transfer or convert

Only unused quota can be leased or converted

**Used quota:**

Quota that has been produced against or leased out to another producer

**WAGRPD:**

Welsh Assembly Government Rural Payments Division

**Whole milk equivalent:**

The whole milk equivalent of a dairy product is the amount of whole milk used to make the product which is then marketed

**Wholesale quota:**

The amount of milk that a producer is allowed to deliver to a wholesale purchaser without being liable to a levy

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