COMMISSION REGULATION (EEC) No 1546/88

of 3 June 1988

laying down detailed rules for the application of the additional levy referred to in Article 5c of Regulation (EEC) No 804/68

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,

Having regard to Council Regulation (EEC) No 804/68 of 27 June 1968 on the common organization of the market in milk and milk products [1], as last amended by Regulation (EEC) No 1109/88 [2], and in particular Article 5c (7) thereof,

Having regard to Council Regulation (EEC) No 857/84 of 31 March 1984 adopting general rules for the application of the levy referred to in Article 5c of Regulation (EEC) No 804/68 in the milk and milk products sector [3], as last amended by Regulation (EEC) No 1110/88 [4], and in particular Article 2 (2), the last subparagraph of Article 3 (3), Articles 6 (3), 7 (1), 9 (3) and 11 (a) and (b), and the second paragraph of Article 13 thereof,

Having regard to Council Regulation (EEC) No 1676/85 of 11 June 1985 on the value of the unit of account and the conversion rates to be applied for the purposes of the common agricultural policy [5], as last amended by Regulation (EEC) No 1636/87 [6], and in particular Article 12 thereof,

Whereas Article 5c of Regulation (EEC) No 804/68 introduced an additional levy payable by the producers or purchasers of cows' milk with a view to curbing the growth in milk production; whereas Commission Regulation (EEC) No 1371/84 [7] as last amended by Regulation (EEC) No 430/88 [8], laid down the detailed rules for its application in the light of the provisions of Regulation (EEC) No 857/84; whereas Regulation (EEC) No 1371/84 has frequently been amended; whereas, in the interests of clarity, and on the occasion of further amendments, the rules in question should be consolidated;

Whereas provision should be made for the distribution of the Community reserve referred to in Article 5c (4) of Regulation (EEC) No 804/68, which has been fixed at 393 000 tonnes for the first three periods of application of the additional levy scheme and at 443 000 tonnes for the fourth period; whereas, in line with the purposes for which this reserve was intended further quantities should be covered by guarantee in those countries where implementation of the additional levy scheme poses particular problems for supply or production structures; whereas in Ireland and the region of Northern Ireland, the contribution which the dairy industry makes directly or indirectly to the gross national product is very substantially greater than the average for the other regions of the Community; whereas the scope for developing alternatives to milk production is very limited in these regions; whereas implementation of the scheme could also be facilitated in Spain and Luxembourg by the granting of additional quantities;

Whereas, in order that the Member States may make use of the option referred to in Article 2 (2) of Regulation (EEC) No 857/84, whereby the reference quantities allocated to producers and buyers may be adjusted to take account of certain special situations, conditions should be laid down for the application of the said provisions; whereas provision should be made so that Member States may adjust the reference quantities by defining the categories of person liable in terms of the annual quantities delivered by the latter and in relation to the average annual deliveries per holding in the Member State concerned; whereas the categories of person liable could also be defined in terms of the trend in deliveries over a given period, in relation to the average trend in the Member State concerned; whereas it is appropriate to provide that the Member States may adjust the reference quantities by region where the trend in deliveries differs substantially from the average trend recorded in the Member State concerned; whereas these possibilities for modifying the percentage affecting the determination of the reference quantities are also to apply in the case of direct sales;

Whereas Article 4 (1) (a) of Regulation (EEC) No 857/84 authorizes Member States to grant compensation to producers who undertake to discontinue milk production definitively in whole or in part; whereas it should be specified that, in the event of total cessation of activity, the latter can take place in one or more stages and, in the event of partial cessation, the producer does not qualify for compensation unless the minimum level of his reference quantity is 250 000 kilograms and milk production falls at a stroke by at least half of that quantity;

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[1] OJ No L 148, 28. 6. 1968, p. 13.
[2] OJ No L 110, 29. 4. 1988, p. 27.
[3] OJ No L 90, 1. 4. 1984, p. 13.
[4] OJ No L 110, 29. 4. 1988, p. 28.
[5] OJ No L 164, 24. 6. 1985, p. 1.
[6] OJ No L 153, 13. 6. 1987, p. 1.
[7] OJ No L 132, 18. 5. 1984, p. 11.
[8] OJ No L 44, 17. 2. 1988, p. 5.

Whereas, for the purposes of applying Article 6 of Regulation (EEC) No 857/84 as regards the determination of the reference quantities to be allocated to producers selling for direct consumption, and in particular for the purposes of reconciling the requirements laid down in paragraphs 1 and 2 of that Article, provision should be made so that Member States may correct, by a uniform percentage, the reference quantities obtained in accordance with paragraph 1 and thus comply with the provisions of paragraph 2 of the said Article;

Whereas, with a view to determining the reference quantities for producers holding very few dairy cows and selling for direct consumption, provision should be made, for administrative reasons and in the interests of the said producers themselves, so that Member States may determine reference quantities on a standard basis;

Whereas the development of milk production structures should be encouraged as far as possible by enabling persons liable for the levy to move more easily between the categories defined in Article 5c (1) and (2) of Regulation (EEC) No 804/68, provided that the provisions of the said Regulation are observed;

Whereas Regulations (EEC) No 804/68 and (EEC) No 857/84 have enabled the guaranteed total quantities to be adapted provided the sum of the two quantities is not exceeded; whereas, following such adaptations, one of the two original guaranteed total quantities will be increased; whereas the additional quantities in question should either be allocated to the producers referred to in paragraph 5 or, as the case may be, paragraph 6 of Article 5 of this Regulation or, as appropriate, be added to the reserve referred to in Article 5 or 6 of Regulation (EEC) No 857/84;

Whereas pursuant to the second subparagraph of paragraph 1 and paragraph 4 of Article 7 of Regulation (EEC) No 857/84 Member States may, where land is transferred to the public authorities or where a non-renewable lease expires and cannot be extended on similar terms, provide that all or part of the reference quantity corresponding to the holding or to the part of the holding concerned is to be put at the disposal of the departing producer; whereas that right constitutes a derogation from the principle laid down in the first subparagraph of Article 7 (1) whereby a reference quantity may not be transferred without the land; whereas the said derogation was introduced in order to overcome certain economic and social problems and allow producers to continue milk production; whereas the extent of that derogation should therefore be specified;

Whereas, as provided for in Article 11 (c) of Regulation (EEC) No 857/84, the characteristics of the milk considered to be representative, and in particular the fat content level, should be determined so that the quantities of milk delivered or purchased may be established; whereas, in order better to attain the objective of curbing milk production, increases in the fat content should be penalized without granting the benefit of a margin and a fixed reference period should be applied; whereas, where formula B is applied, it is necessary, in order to respect the balance of the comparative elements between a period of application of the additional levy scheme and the reference period, to take account of producer movements taking place after that period; whereas experience gained has shown that it should be made possible to use as a reference period an alternative period so that the circumstances peculiar to certain producers under formula A or to certain purchasers under formula B may be taken into account; whereas the structural differences between the Member States where formula B applies make it necessary to refer to the producer for the choice of the alternative period;

Whereas Article 5c of Regulation (EEC) No 804/68 establishes the principle that the periods of application of the additional levy scheme, with the explicit exception of the first period, must be periods of 12 months and that the periods of application and the reference period must be of the same duration; whereas, therefore, where a Member State replaces the 12-month period by a 52-week period pursuant to Article 13 of this Regulation the guaranteed total quantities must, if based on a 12-month period, be reduced accordingly;

Whereas the fourth period of application of the additional levy scheme covers a leap year; whereas as a consequence there cannot be any equivalence between the reference quantities, calculated on the basis of 365 days, and the quantities actually delivered, purchased or sold during that period; whereas, in order to re-establish that equivalence, the quantities delivered, purchased or sold in February and March 1988 should be reduced by 1/60th; whereas as regards direct sales, provision should be made that where it is not possible to enter direct sales month-by-month in the accounts, the reduction may involve a quantity corresponding to 1/366th of the quantities sold directly in the period 1 April 1987 to 31 March 1988;

Whereas, as regards the arrangements for declarations of deliveries or sales on the one hand and the payment of the additional levy on the other, it is justifiable to make special provision for certain regions of the Community to take account of their particular production structures and the administrative problems confronting them;

Whereas the Management Committee for Milk and Milk Products has not delivered an opinion within the time limit set by its chairman,

HAS ADOPTED THIS REGULATION :

Article 1

For each of the three periods 2 April 1984 to 31 March 1985, 1 April 1985 to 31 March 1986 and 1 April 1986 to 31 March 1987, the Community reserve referred to in Article 5c (4) of Regulation (EEC) No 804/68 shall be distributed as follows :

— Ireland :	303 000 tonnes,
— Luxembourg :	25 000 tonnes,
— United Kingdom (for the region of Northern Ireland) :	65 000 tonnes.

For the period 1 April 1987 to 31 March 1988, the Community reserve referred to in Article 5c (4) of Regulation (EEC) No 804/68 shall be distributed as follows :

— Spain :	50 000 tonnes,
— Ireland :	303 000 tonnes,
— Luxembourg :	25 000 tonnes,
— United Kingdom (for the region of Northern Ireland) :	65 000 tonnes.

Article 2

1. Member States which make use of the option indicated in the second sentence of Article 2 (2) of Regulation (EEC) No 857/84 to vary the percentage applied to determine the reference quantities for producers and/or purchasers for the application of formula A and/or B shall take account of one of the following factors :

(a) the level of deliveries of certain categories of persons liable for the levy ; these categories shall be defined in terms of annual deliveries and in relation to average deliveries per holding in the Member State ;

(b) the trend of deliveries in certain regions between 1981 and 1983, if the difference between the trend of deliveries in these regions and the average trend of deliveries in the Member State is greater than 2 % ;

(c) the trend between 1981 and 1983 in deliveries of certain categories of persons liable for the levy as defined in terms of the said trend and, where appropriate, in accordance with subparagraph (a) above in relation to the average trend of deliveries in the Member State.

(d) In the case of Spain, the years '1981' and '1983' which appear at (b) and (c) are replaced by '1983' and '1985' respectively.

2. Where Member States make use of the option referred to in Article 6 (1) of Regulation (EEC) No 857/84 in order to modify the percentage used for determining the reference quantities of producers in the case of direct sales to consumers, the provisions of paragraph 1 above shall apply and 'deliveries' shall in such cases be replaced by 'direct sales'.

3. Member States which make use of the option referred to in paragraphs 1 and 2 of this Article shall notify the Commission of the arrangements which they adopt.

Article 3

The list of special situations justifying the use of a different reference calendar year under Article 3 (3) of Regulation (EEC) No 857/84 shall also include :

— compulsory appropriation of a considerable part of the utilizable agricultural area of the producer's holding, resulting in a temporary reduction of the fodder area of the holding,

— if the producer runs the holding himself, occupational incapacity of long duration,

— theft or accidental loss of all or part of the dairy herd, where this has had a significant effect on the milk production of the holding.

Article 4

Article (4) (1) (a) of Regulation (EEC) No 857/84 shall apply :

— as regards the first indent, to producers who undertake to discontinue all milk production definitively, either at a stroke or, and at any event before the end of the eighth period of application of the additional levy scheme, in several stages specified in the undertaking together with the quantities concerned,

— as regards the second indent, to producers whose reference quantity is not less than 250 000 kilograms and whose milk production is discontinued definitively at a stroke by an amount equal to at least half of that quantity.

The compensation referred to in the first and second indents of Article 4 (1) (a) of the abovementioned Regulation shall be paid only if proof is furnished that production of the quantities concerned has actually ceased.

Article 5

1. Before a date fixed by the Member State, producers of milk and/or milk products to whom Article 5c (2) of Regulation (EEC) No 804/68 applies shall send to the competent authority designated by the Member State an application for registration accompanied by a statement listing the products and quantities of these products sold by direct sale during the reference calendar year.

However, the abovemenioned date shall be not later than 31 December 1984.

In the case of Spain, the date 31 December 1984 mentioned in the second subparagraph is replaced by 31 March 1987.

2. Producers who began the direct sale of milk and milk products from 1 January 1981 but before 1 April 1984 or who have greatly altered their operations since 1 January 1981 shall in the statement accompanying their application for registration list the products and quantities of these products sold by direct sale in their last 12 months of operation, expressed where appropriate in terms of milk equivalent.

If their operations cover less than 12 months they shall list the products and quantities of these products sold during the actual selling period.

In the case of Spain, the dates 1 January 1981 and 1 April 1984 mentioned in the first subparagraph are replaced by 1 January 1983 and 1 April 1986 respectively.

3. By way of derogation from the provisions of paragraphs 1 and 2, Member States may provide that producers with fewer than four dairy cows shall have the option of stating merely the number of dairy cows which they have; Member States may also make it compulsory to state the nature of the products marketed.

4. Member States shall, within the limits of the quantities referred to in Article 6 (2) of Regulation (EEC) No 857/84 and fixed in the Annex thereto, assign :

(a) to producers to whom paragraph 1 applies, a reference quantity corresponding to their direct sales in the 1981 calendar year plus 1 % or, as the case may be, in the 1982 or 1983 calendar year, corrected by a uniform percentage in order to comply with the abovementioned Article 6 (2) and, in cases where the 1982 or 1983 calendar year is chosen, without prejudice to Article 2 (2) of this Regulation ;

(b) to producers to whom paragraph 2 applies, a reference quantity corresponding to their sales in their last 12 months of operation before 1 April 1984, weighted by a percentage where appropriate. In the case of producers who have been conducting operations for less than 12 months, Member State shall determine an annual sales quantity on the basis of actual sales and assign to such producers a reference quantity in accordance with the provisions set out above.

However, Member States shall assign to producers having recourse to the derogation provided for in paragraph 3 a reference quantity fixed at a standard rate, account being taken of the number of dairy cows held by the producer, the average milk yield per cow for the region and, where appropriate, the average percentage of milk marketed and any deliveries to purchasers.

In the case of Spain :

— the reference quantity referred to in the first subparagraph under (a) shall correspond to direct sales in 1983, 1984 or 1985, corrected by a uniform percentage in order to comply with Article 6 (2) of Regulation (EEC) No 857/84 without prejudice to the application of Article 2 (2) of this Regulation,

— the date 1 April 1984 mentioned in the first subparagraph under (b) is replaced by 1 April 1986.

5. Producers who have obtained a reference quantity by application of paragraph 4 and who cease direct sales totally or in part may deliver their milk and milk products to a purchaser, with formula A or B applying, provided that the Member State can grant them a reference quantity from the guaranteed quantity specified in Article 5c of Regulation (EEC) No 804/68.

6. Producers who hold a reference quantity in application of formula A or formula B and who cease their deliveries to purchasers, totally or in part, may obtain a reference quantity under Article 6 of Regulation (EEC) No 857/84 provided that the Member State can grant them one from the quantity referred to in Article 6 (2) of that Regulation and fixed in the Annex to that Regulation.

7. Member States may, within the limits of the quantities made available by application of paragraph 5 and by cessation of activity, where appropriate by applying the terms of Article 4 (1) (a) of Regulation (EEC) No 857/84, grant additional reference quantities or specific quantities to producers who sell for direct consumption provided that the terms of Articles 3 and 4 (1) (b) and (c) of Regulation (EEC) No 857/84 are observed.

Article 6

Where, under the second subparagraph of Article 5c (7) of Regulation (EEC) No 804/68 and the second subparagraph of Article 6 (2) of Regulation (EEC) No 857/84, the guaranteed total quantities are adapted, the quantities added to a total quantity originally fixed shall either be allocated to the producers referred to in Article 4 (5) or, as the case may be, Article 4 (6), or, where appropriate be added to the reserve referred to in Article 5 of Regulation (EEC) No 857/84 or, as the case may be, in Article 6 (3) of that Regulation.

Article 7

For the purposes of applying Article 7 of Regulation (EEC) No 857/84 and without prejudice to paragraph 3 thereof, the following rules shall apply to the transfer of reference quantities granted to producers and purchasers in application of formulas A and B and of reference quantities granted to producers selling for direct consumption :

1. Where an entire holding is sold, leased or transferred by inheritance, the corresponding reference quantity shall be transferred in full to the producer who takes over the holding.

2. Where one or several parts of a holding is sold, leased or transferred by inheritance, the corresponding reference quantity shall be distributed among the producers operating the holding in proportion to the areas used for milk production or according to other objective criteria laid down by Member States. Member States may disregard transferred parts the area of which used for milk production is less than a minimum size which they shall determine. The part of the reference quantity corresponding to that area may be added entirely to the reserve.

3. The provisions of points 1 and 2 and of the fourth subparagraph shall be applicable under the various national rules, in other cases of transfer which have comparable legal effects as far as producers are concerned.

4. In the event of the application of the second subparagraph of Article 7 (1) of Regulation (EEC) No 857/84, concerning the transfer of land to the public authorities and/or for public use, and Article 7 (4) of the said Regulation, concerning rural leases which are due to expire and which cannot be extended on similar terms, all or part of the reference quantity corresponding to the holding or to the part of the holding which is the subject of the transfer or of the said lease shall be put at the disposal of the producer concerned if he intends to continue milk production, provided that the sum of the reference quantity thus made available to him and the quantity corresponding to the holding which he takes over or on which he continues milk production does not exceed the reference quantity which was available to him before the land was transferred or before the lease expired.

Member States may apply the provisions of points 1, 2 and 4 in respect of transfers during and after the reference period.

In the event of the application of the first subparagraph of Article 7 (3) of Regulation (EEC) No 857/84 and within the limit laid down therein, the Member States may vary that part of the reference quantity added to the reserve, in accordance with the criteria on the size of the holdings concerned.

The reference quantity corresponding to a holding or to one or more parts of a holding which the purchaser, lessee or heir does not intend using for milk production may be added to the reserve.

Article 8

Temporary transfers of the part of the individual reference quantity as referred to in Article 5c (1a) of Regulation (EEC) No 804/68 shall take place and be recorded within a period which shall be set by the Member State concerned but which shall in no case expire after 31 July of each 12-month period of the additional-levy arrangements. However, in the case of the fourth 12-month period of those arrangements, temporary transfers shall take place and be recorded not later than 31 December 1987.

Article 9

1. Where formula B is applied, purchasers' reference quantities shall be adjusted in particular to take account of :

(a) additional quantities assigned to producers under Articles 3 and 4 of Regulation (EEC) No 857/84 ;

(b) quantities granted under Article 5 (5) of this Regulation ;

(c) transfers as referred to in Article 7 of this Regulation ;

(d) replacements as referred to in Article 7 (2) of Regulation (EEC) No 857/84, including changes by producers from one purchaser to another.

2. In cases where persons liable to pay the levy have commenced operations after the beginning of the reference period, Member States may, for the purpose of applying formulas A and B, assign them reference quantities on the same basis as indicated in Article 5 (4) (b).

Article 10

Member States which make use of the option provided for in Article 8 of Regulation (EEC) No 857/84 shall notify the Commission in advance of their proposed measures. At the end of each 12-month period, they shall also provide the Commission with a statement of the quantities reallocated pursuant to such measures.

Article 11

1. The equivalences to be used for calculating the levy applicable to deliveries of cream and butter shall be :

(a) 1 kilogram of cream =

$$\frac{26{,}3 \text{ kilograms of milk} \times \% \text{ fat content of the cream}}{100}$$

(b) 1 kilogram of butter = 22,5 kilograms of milk.

2. For cheeses, Member States may either determine equivalences on the basis of the dry matter and fat contents of the types concerned, or fix standard milk equivalents on the basis of the number of dairy cows held by the producer and the average milk yield per cow for the region.

3. Where the producer can supply the competent authority with satisfactory proof of the quantities actually used for the production of the product in question, Member States may use this proof instead of the equivalences referred to in paragraphs 1 and 2.

4. Where totally or partly skimmed milk is delivered, the producer must prove to the satisfaction of the competent authority that the fat content of the milk has been taken into account in the calculation of the levy. Where such proof is not provided, the Member States shall apply to deliveries of totally or partly skimmed milk the levy referred to in Article 5c of Regulation (EEC) No 804/68.

Article 12

1. For the purposes of Article 11 (c) of Regulation (EEC) No 857/84, the characteristics of the milk considered to be representative shall be those recorded for the milk delivered or purchased during the second period of application of the additional levy scheme. Where formula B is applied, the fat content considered as representative for the purchaser shall be adapted to take account of departures and arrivals of producers.

However,

— in the case of producers or purchasers for whom, as regards the period mentioned in the first subparagraph, the quantity of milk serving as a basis for the calculation of the levy has been increased as a result of an increase in the fat content of the milk delivered or purchased, the fat content of the milk delivered or purchased that is to be considered as representative shall be the average content recorded for the 1983 calendar year,

— in the case of producers or purchasers whose deliveries or purchases of milk were interrupted, or the fat content of whose delivered or purchased milk fell during the period referred to in the preceding subparagraph, the Member State may decide at the request of the party concerned, that the fat content considered as representative is to be the average content recorded during the first period of application of the supplementary levy arrangements. The Member States shall notify the Commission of the measures which they adopt for the application of the abovementioned provisions,

— in the case of producers or purchasers who commence delivery or purchase of milk for the first time after the beginning of the second period of the additional levy arrangement the fat content of the milk delivered or purchased that it to be considered as representative shall be the average content recorded for the first 12 months of their operations.

Where formula B is applied, the second and third indents of the second subparagraph shall apply to producers. Where the fat content considered representative for the producer is thus altered, the fat content considered representative for the purchaser shall be adjusted accordingly.

2. If, when the final account for each producer or purchaser is calculated in accordance with Article 9 (1) of Regulation (EEC) No 857/84, it is found that the average fat content of the milk delivered or purchased during the period concerned is in excess of the average content recorded during the period referred to in paragraph 1, the quantity of milk used as the basis of calculating the levy shall be increased by 0,18 % per 0,1 gram of additional fat per kilogram of milk.

In cases where the quantity of milk serving as basis for calculation of the levy is expressed in litres the increase of 0,18 % for each 0,1 gram of additional fat shall be multiplied by the coefficient 0,971.

3. For the purposes of applying paragraph 2 to milk delivered or purchased during the third period of the additional levy scheme, the said period shall be divided into two six-month periods :

— the average fat content of the milk delivered or purchased during the first six-month period shall be compared with the average content recorded during the first six months of the second period of application of the additional levy scheme,

— the average fat content of the milk delivered or purchased during the second six-month period shall be compared with the average content recorded during the second six months of the second period of application of the additional levy scheme or, where the second subparagraph of Article 1 is applied, of the calendar year 1983.

However if the sum of the quantities of milk delivered or purchased by a producer or purchaser during these two six-month periods, increased by applying the provisions of the first subparagraph, is greater than the quantity that would be given by applying paragraph 2 to the whole of the third period the Member State may decide that in this case the provisions of paragraph 2 shall apply with effect from 1 April 1986.

Article 13

For the purposes of applying Articles 9 and 10 of Regulation (EEC) No 857/84:

1. Member States may replace the 12-month period by a 52-week period. Should they do so:

   — the first 52-week period shall begin on the Sunday or Monday following 2 April 1984,

   — the guaranteed total quantity referred to in Article 5c (3) of Regulation (EEC) No 804/68 and the guaranteed total quantity referred to in the Annex to Regulation (EEC) No 857/84 shall, where appropriate, be reduced accordingly;

2. in the case of a 12-month accounting period, the quantities of milk or milk equivalent delivered, purchased or sold directly during the fourth period of application of the supplementary levy shall be reduced by a quantity corresponding to one 60th of the quantities delivered, purchased or sold directly during the months of February and March 1988. However, the Member State may decide that the quantities of milk or milk equivalent sold directly in the fourth period of application of the additional levy shall be reduced by a quantity corresponding to 1/366th of the quantities sold in that period.

Article 14

For the purposes of the application of formulas A and B, purchasers shall keep on file available to the Member State's competent agency, for at least three years, stock accounts showing, in respect of each producer:

(a) his name and address;

(b) all the reference quantities granted under Articles 2, 3, 4 and 7 of Regulation (EEC) No 857/84;

(c) the quantities of milk or milk equivalent purchased during each month or four-week period or during each six-month period.

The records referred to in the first subparagraph shall be kept:

(a) as regards Greece, for the entire country for each of the first two 12-month periods of application of the additional levy;

(b) as regards Italy:

   — for the first 12-month period, for the entire country,

   — for the second 12-month period, for the mountain areas defined pursuant to Article 3 (3) of Council Directive 75/268/EEC [1] and in the areas listed in the Annex to Commission Decision 77/711/EEC [2].

(c) as regards Spain:

   — for the 12-month period beginning 1 April 1986, for the entire country,

   — for the 12-month period beginning 1 April 1987, for the mountain areas defined in accordance with Article 3 (3) of Directive 75/268/EEC and for the region given in the Annex to Decision 77/711/EEC;

(d) as regards Member States other than Greece, Italy and Spain:

   — for the first two 12-month periods, for the mountain areas defined in accordance with Article 3 (3) of Directive 75/268/EEC,

   — for the first two quarters, for the entire territory of these Member States.

In addition, under formula A, where the second subparagraph of Article 12 (c) of Regulation (EEC) No 857/84 is applied, the stock accounts as described in the first subparagraph shall be kept on file available to the competent agency of the Member State by the producers' groups and their associations.

2. For the purposes of intra-Community trade in milk products falling within CN code 0401, the Member States shall adopt the necessary measures and provide for the appropriate controls to ensure that such products are duly and accurately accounted for as required by Regulation (EEC) No 857/84.

At the time of the completion of customs formalities, the exporter shall enter on the export declaration the words 'Accounted for as required by Regulation (EEC) No 857/84 by (name).'

Article 15

1. Purchasers shall, within 45 days following the end of the first half of the year, transmit to the competent agency a statement indicating:

— in cases where formula A is applied, for each producer concerned, the quantities of milk or milk equivalent delivered during the first half of the year; the statement shall also indicate the quantities delivered by each producer during the first half of the year, expressed as a percentage of the latter's annual reference quantity,

— in cases where formula B is applied, for all producers taken together, the quantities of milk or milk equivalent purchased during the first half of the year; the statement shall also indicate the quantities bought by the buyer during the first half of the year, expressed as a percentage of the buyer's annual reference quantity.

2. Purchasers shall, within 45 days following the end of each 12-month period, transmit to the competent agency a statement indicating:

[1] OJ No L 128, 19. 5. 1975, p. 1.
[2] OJ No L 292, 16. 11. 1977, p. 15.

— in cases where formula A is applied, and separately for each producer concerned :

  — the total quantity of milk or milk equivalent delivered during the 12-month period concerned,

  — the quantities, if any, of milk or milk equivalent which exceed the buyer's annual reference quantity of the producer concerned,

— in cases where formula B is applied, and separately for all producers :

  — the total quantity of milk or milk equivalent purchased during the 12-month period concerned,

  — the quantities, if any, of milk or milk equivalent which exceed the annual reference quantity of the buyer concerned.

3. However, where formula A and the second subparagraph of Article 12 (c) are both applied, the statements specified in paragraphs 1 and 2 shall be transmitted to the competent agency by producers' groups and their associations.

4. The purchasers referred to in paragraphs 1, 2 and 3 shall pay any levy amount due to the competent agency within three months following the end of each 12-month period.

However, in the cases specified in paragraph 3, payments shall be made, within the same three months, by producers' groups and their associations.

5. Member States may stipulate that the second statement as referred to in paragraph 2 be transmitted and the payment referred to in paragraph 4 be made on the same date within the three months referred to in paragraph 4.

6. The statement specified in paragraphs 2 and 3 and the payment referred to in paragraph 4 shall, in respect of the first 12-month period, be transmitted and made respectively not later than 15 November 1985.

The statement specified in paragraph 1 shall, in respect of the first six months of the second 12-month period, be transmitted within 90 days of the end of the six-month period in question.

Article 16

1. Every producer of milk and/or milk products to whom Article 5 c (2) of Regulation (EEC) No 804/68 applies shall, within two months of the end of each 12-month period, forward to the competent agency designated by the Member State a statement indicating the quantities of milk and/or milk products sold during that period and, at the request of the competent agency, during the reference calendar year.

This statement shall also cover sales of milk products produced on the farm to wholesalers, cheese curers or retailers.

2. Each producer as referred to in paragraph 1 shall, within three months of the end of each 12-month period, pay the competent authority the amount of any levy due.

3. By way of derogation from paragraph 2, Member States may specify that their competent agency shall notify interested parties of the amount of the levy due and collect it within four months of the end of the 12-month period.

However, the time limit laid down in paragraph 2 is, for the first 12-month period, hereby referred until 15 November 1985.

Article 17

For the purposes of calculating the levy as referred to in Article 1 (1) of Regulation (EEC) No 857/84 :

— only the target price valid on the last day of the relevant 12-month period shall apply where, in this period, there have been two different successive target prices,

— the conversion rate to be used shall be the representative rate valid on the last day of the relevant 12-month period.

Article 18

Notwithstanding Article 15 :

(a) For the second 12-month period :

  — the Member States, for the mountain areas defined in accordance with Article 3 (3) of Directive 75/268/EEC and, where formula A is applied, for producers whose reference quantity does not exceed 20 000 kg,

  — Greece, for the entire country,

  and

  — Italy, for all regions listed in the Annex to Decision 77/711/EEC,

  shall be authorized to submit the statement referred to in Article 15 (2) within 60 days from the end of the 12-month period concerned.

  In cases where formula B is applied, this authorization shall apply to any purchaser of milk at least 60 % of whose milk is collected in the regions referred to in the preceding subparagraph.

(b) For the 12-month periods beginning on 1 April 1986 and 1 April 1987, Spain, for the mountain areas defined in accordance with Article 3 (3) of Directive 75/268/EEC, for the region given in the Annex to Decision 77/711/EEC and, in cases where formula A is applied, for producers whose reference quantity does not exceed 20 000 kg, shall be authorized to submit the statement referred to in Article 15 (2) within 60 days from the end of the 12-month period concerned.

In cases where formula B is applied, this authorization shall apply to any purchaser of milk at least 60 % of whose milk is collected in the regions referred to in the preceding subparagraph.

Article 19

1. Member States shall adopt whatever additional measures are required :

(a) to ensure collection of the levy, in particular inspection measures and measures ensuring that interested parties are aware of the penal or administrative sanctions to which they will be subject if they fail to comply with the provisions of this Regulation ;

(b) to deal with and check cases where milk production is totally or partially discontinued under Article 4 (1) (a) of Regulation (EEC) No 857/84, should be provisions thereof be applied ;

2. Member States shall notify the Commission before 1 October 1984 of measures taken pursuant to paragraph 1. Any changes to these measures, including those relating to the partial abandonment of milk production, shall be notified to the Commission within the month following their adoption.

3. Member States shall transmit to the Commission :

— at the end of each 12-month period information on the cases of application of Article 6a of Regulation (EEC) No 857/84, a list of producers' groups and associations and/or a list of purchasers as referred to in Article 12 (c), second subparagraph and (e) respectively of that Regulation,

— before 1 January of the 12-month period concerned, information on their intention to avail themselves of the authorization provided for in Article 9 (4) of Regulation (EEC) No 857/84, this to be done for the first 12-month period before 1 November 1985,

— at the end of each of the 12-month periods concerned, all relevant information concerning the implementation of the provision referred to in the second indent and, in respect of the first 12-month period, before 1 February 1986,

— within three months of the end of each of the periods concened, the information specified in Article 15 (1) and (2),

— the procedures and the result of the reduction calculation referred to in the second indent of Article 13 (1).

Article 20

Regulation (EEC) No 1371/84 is hereby repealed.

References to the Regulation repealed shall be construed as references to this Regulation.

Citations and references to the Articles of the said Regulation should be read in accordance with the correlation table in the Annex.

Article 21

This Regulation shall enter into force on the day of its publication in the *Official Journal of the European Communities.*

The provisions of the first indent of Article 4 and of the second sentence of the first subparagraph and of the third subparagraph of Article 12 (1) shall apply as from the fourth period of application of the additional levy scheme.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 3 June 1988.

For the Commission

Frans ANDRIESSEN

Vice-President

ANNEX

CORRELATION TABLE

Regulation (EEC) No 1371/84	This Regulation
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
Article 3a	Article 4
Article 4	Article 5
Article 4a	Article 6
Article 5	Article 7
Article 5a	Article 8
Article 6	Article 9
Article 7	Article 10
Article 8	Article 11
Article 9	Article 12
Article 10	Article 13
Article 11	Article 14
Article 12	Article 15
Article 13	Article 16
Article 14	Article 17
Article 15	Article 18
Article 16	Article 19
—	Article 20
Article 17	Article 21