

## **Frequently Asked Questions regarding the Temporary Reallocation of Quota Scheme**

### **Q1. How do I apply for a TRQ?**

You must complete the application form, MQ/16

### **Q2. How do I get an MQ/16?**

If you are a producer based in **England, Wales or Scotland** then we, the RPA, can send one to you. Forms can be requested from the RPA throughout the quota year; however they will not be issued until after the end of the 2011/12 quota year. Alternatively, at the end of the 2011/12 quota year, you can print a copy of the form (with the Explanatory Notes) from our website – [rpa.defra.gov.uk](http://rpa.defra.gov.uk) (RPA Schemes, Milk Quotas, Forms, MQ/16)  
Should you have any queries, please call the Scheme Management Unit on 01392 266005

If you are a Producer based in **Northern Ireland**, then you need to apply for an MQ/16 application from DARD in Belfast.

The contact name is:

Gillian Heal      028 9052 4815      [gillian.heal@dardni.gov.uk](mailto:gillian.heal@dardni.gov.uk)

### **Q3. What is the deadline for submitting my MQ/16 form?**

Your application must be received by the Rural Payments Agency in Exeter no later than Monday 30<sup>th</sup> April, 2012. Applicants are advised to consider using “Recorded Delivery”, or a similar service to show proof of posting. The receipt should show “Application for Temporary Reallocation of Quota”. Should you wish to fax your application into the RPA on 01392 266489, this must also be received by 30<sup>th</sup> April 2012. In this instance, it is important that the original application form be received by the RPA within 5 days.

### **Q4. If my form is received late, will it be rejected?**

The key is to post your form well before the deadline date. Late applications may be considered but there is no guarantee that they will be accepted.

### **Q5. Is it possible to fax my MQ/16 form to RPA?**

Yes. Your faxed form will only be accepted in lieu of the signed original application. A faxed form will only be regarded as having met the deadline if the fax is received on or before midnight on 30<sup>th</sup> April 2012, **and** the original form is received at RPA Exeter within 5 working days.

### **Q6. Will I be able to submit my MQ/16 by email?**

No. You will be able to use the application form at [rpa.defra.gov.uk](http://rpa.defra.gov.uk) but this will have to be printed off, completed, and sent to us by post.

**Q7. How will I know if you have received my MQ/16?**

We will acknowledge receipt of your form within 10 days. If you have not received an acknowledgement by then, please telephone the RPA Helpline.

**Q8. I have sent my MQ/16 and have just realised that I have made a mistake on my form. What can I do?**

You can give us the details of the error over the telephone. You should then confirm the changes in writing.

**Q9. I am not sure if I am entitled to a TRQ?**

The basic conditions that you will need to fulfil to be entitled to a TRQ are:

that you were subject to a Herd Movement Restriction due to a suspected disease outbreak during the 2011/12 quota year i.e. the movement of animals was prohibited by a formal notice served on you (other than movement allowed i.e. direct for slaughter);

**and**

that you are over-quota for the 2011/12 quota year i.e. your wholesale milk production and/or your direct sales milk production is in excess of the quota which you held at the end of the quota year. If you are not over-quota then you do not need a TRQ.

**Note:** Producers who fulfil these conditions may not necessarily be eligible for a TRQ (see Q10). You can, however, consider submitting an MQ/16 anyway for assessment.

**Q10. I have been subject to a Herd Movement Restriction during the quota year because I had an overdue test. Will I be eligible for a TRQ?**

The TRQ applies to those producers who have an HMR order due to a suspected disease outbreak or breakdown. The TRQ will not normally be allocated to those producers who have an HMR order simply due to an overdue test unless they can provide evidence that there are extenuating circumstances for the delay which was beyond their control.

However, for those producers in this situation and who do apply for a TRQ with supporting evidence, they will be assessed and judged on individual merit.

**Q11. I have been subject to a Herd Movement Restriction during the quota year and I am over quota. Is there any reason why I might not be eligible for a TRQ?**

You may **not** be eligible for a TRQ if you purchased dairy cows or in-calf heifers during the period of restriction and/or you leased out or permanently transferred out any unused milk quota between the date the restriction was imposed and the end of the 2011/12 quota year.

If you entered into a contract to lease/transfer out or purchase dairy cows or in-calf heifers **before** the movement restriction began, then you may still qualify for a TRQ. You will, however, need to submit documentary evidence with your MQ/16 to show that you entered into a contract to lease/ transfer/purchase before the restriction was imposed.

**Q12. How/When will I know if my application is successful?**

Temporary reallocations of quota can only be made from any spare quota which is available. RPA can only tell what quota is spare after the end of the quota year **and** when final milk production for the quota year has been declared by Purchasers and Producers (Direct Sellers). As a result of this, you will not be notified whether or not your application has been successful until some time in July 2012

**Q13. How/when will I know if my application is rejected?**

We will assess all the MQ/16 forms that we receive. If a Producer is ineligible for a TRQ they will be informed by letter.

We will process the applications as quickly as possible and write to Producers as promptly as we can. How long it may take to do this will depend on when the application is received by RPA and how many MQ/16's are submitted.

**Q14. If I am eligible for a TRQ, is there a guarantee that my excess production will be covered by the reallocation?**

No. Awards of quota made under the TRQ exercise depend on the amount of spare quota that will be available. It is possible that there may not be sufficient spare quota available to cover all of the amounts awarded. The TRQ awards are not intended to cover **all** excess production, but to only provide some relief to Producers who have been subject to a herd movement restriction. **We therefore strongly advise producers to do everything they can during the quota year to cover their over production.**

Only milk production in excess of quota which was produced as a direct result of a Herd Movement Restriction is eligible for a TRQ. You may, therefore, have **all** your excess milk production covered by a temporary reallocation. If, however, you were producing milk above the level of the quota you held at periods **outside** of any restriction, then this will not be covered by a TRQ.

**Q15. If I am eligible for a TRQ, how can I tell how much quota I may be awarded?**

The award of quota is based on the number of **eligible** animals entering your herd during the period that the movement restriction applied, during the 2011/12 quota year. The award will be based on a maximum of 16 litres per day for each eligible animal (see Q18).

**Q16. Which animals are eligible?**

Eligible animals are:

- First calving heifers of a recognisable dairy herd; that are
- retained in excess of the 20% replacement level; which
- calved for the first time during the restriction period; within
- the 2011/12 quota year.

Also, Dairy cows or in-calf heifers of a recognised breed which enters the herd during the restriction, within the 2011/12 quota year **as a result of a contract entered into prior to the prohibition on movement of animals.**

**Q17. What is the replacement level?**

The average replacement level for animals in UK dairy herds has been assessed as 20%. Awards under the TRQ exercise are based on the **number of eligible animals**

**retained above the replacement rate.** The 20% replacement level is determined on the size of your herd on the date the movement order was imposed

**Q18. How much quota will be awarded for each eligible animal?**

A maximum of 16 litres per day, but if you are assessing the amount of quota that you may be awarded then you should ensure that your calculation includes:

- only those animals which are eligible (Q14 refers) and;
- the fact that you have taken the 20% replacement level into account. This will affect the number of eligible animals used in the calculation.

**Q19. I have been subject to more than one herd movement restriction within the quota year. For which period of restriction can I apply for a TRQ?**

You can submit **separate applications** for each of the periods of restriction, as long as they were in force at some point within the 2011/12 quota year.

**Q20. I have been subject to a continuous Herd Movement Restriction that started in the 2010/2011 quota year. How does this affect my application?**

This may affect the way the replacement rate will be calculated. Please contact the RPA on 01392 266005 for further information regarding this.

**Q21. Where does the spare quota used for the TRQ come from?**

For Wholesale Producers and Direct Sellers, the RPA will check to see if the National Reserve can cover the award.

**None of the awards made under the TRQ exercise are guaranteed.**

**Q22. Is a Welsh version of the MQ/16 form available?**

No. In the past, previous versions of the MQ/16 have been made available in Welsh but, since the 2001-02 quota year, not one Welsh MQ/16 was requested. Therefore, in order to reduce costs to the taxpayer, a Welsh version is no longer produced.

**Q23. I was “over quota” during the quota year and my Wholesale Purchaser stopped my milk cheques. I had to lease in/transfer in quota in order to get paid for my milk. I now find out that the RPA is providing this extra quota?**

Temporary reallocations cannot be made available to Producers during the quota year. The awards are made from spare quota in the system which is identified when the RPA calculates the UK Levy position. We can only assess the Levy position after the end of the quota year (i.e., after 31<sup>st</sup> March 2012) when Purchasers etc. declare their production.

The Dairy Produce Quotas Regulations allow for Purchasers to stop paying Producers who had produced milk in excess of their quota. If a Producer is “over quota” during the quota year, then they are within their rights to stop payment.