

2004 EU Suckler Cow Premium Schemes

Department of Agriculture and Food

TERMS AND CONDITIONS OF THE EU SUCKLER COW PREMIUM SCHEMES (A) FOR NON-SUPPLIERS OF MILK AND (B) FOR SMALL-SCALE MILK SUPPLIERS 2004.

DEFINITIONS FOR THE PURPOSES OF THESE SCHEMES

1. **“SUCKLER COW PREMIUM SCHEME (A) FOR NON-SUPPLIERS OF MILK 2004”** means the scheme that is open to applicants qualifying as follows:
 - They must not produce cow’s milk for disposal from their holdings for a consideration or free of charge (this means they cannot supply milk to a creamery or other commercial outlet).
 - They must give undertakings not to produce cow’s milk for disposal from their holdings for a consideration or free of charge for an unbroken 12 months period starting in each case on the day the application is received by the Department and must comply with that undertaking.

ANY APPLICANT UNDER THIS SCHEME FOUND SUPPLYING MILK WILL LOSE ALL SUCKLER COW PREMIUM.
2. **“SUCKLER COW PREMIUM SCHEME (B) FOR SMALL-SCALE MILK SUPPLIERS 2004”** means the scheme that is open to applicants qualifying as follows:
 - They must be producing cow’s milk for disposal from their holdings.
 - They must have milk quotas which do **not exceed 200,000 litres (43,994 gallons) on 31 March 2004/1 April 2004.**
 - They must give undertakings **not to increase their milk quotas either temporarily or permanently to exceed 200,000 or more litres during an unbroken 12 months period starting in each case** on the day the application is received by the Department and **must comply with that undertaking.**
 - They must have **suckler cows surplus to the cows needed to produce those quotas.**

ANY APPLICANT UNDER THIS SCHEME FOUND EXCEEDING THE MILK QUOTA LIMIT DURING THE PERIOD DEFINED HERE WILL LOSE ALL SUCKLER COW PREMIUM.
3. The **“EU”** means the European Union.
4. The **“Minister”** means the Minister for Agriculture and Food and the **“Department”** means the Department of Agriculture and Food.
5. A **“producer”** means an individual farmer (a) whose holding is situated in the State (b) who is a natural person over 18 years of age or a legal person or group of persons regardless of the status of such a group or its members in Irish law and (c) who is a registered herdowner under the BTE Schemes.
6. A **“holding”** means all the production units in the State managed by a producer. A producer whose principal place of business is in the State may include as forage area for the purposes of these schemes any land in Northern Ireland provided (a) that land is in the immediate vicinity of the producer’s holding in the State, (b) it is not declared as part or all of any producer’s holding in Northern Ireland and (c) a major part of all the agricultural land used by that producer is situated in the State.
7. (i) Unless indicated otherwise, **“application”** means the application form, accompanied by the relevant Cattle Identity Cards/Passports lodged by a producer with the Department under either one of these schemes during 2004, and consequently governed by these Terms and Conditions and by Council Regulations (EC) Nos 3508/92, 1254/99, 1257/99, 1258/99, 1259/99, 1760/2000, 1512/01 and 1782/03, etc. as amended and Commission Regulations (EC) Nos 2629/97, 2630/97, 2342/99 and 2419/01 etc., as amended, and those Regulations introduced to implement Council Regulation (EC) No.1782/03. The **“Date of Application”** means the date the application is received by the Department. Only one application may be made by a producer in respect of his/her holding. Should the EU make any changes in Regulations during 2004 which affect these Terms and Conditions, the changes will be binding on all producers immediately following EU publication.
- (ii) Any form SC2004 that is unsigned is not regarded as an “application” under the schemes and will be returned to the producer(s) for signature(s). If this form is signed and returned to the Department it will be accepted as an “application” under the schemes. The date the signed form is received by the Department is the “date of application” and consequently the retention period will commence on the day after the date of receipt and where applicable Late Application penalties will be applied in accordance with paragraph 29 of these Terms and Conditions.

- (iii) Any form (except where the application refers to a herd that is restricted under the BTE Schemes at the date of application) which is received and which is not accompanied by Cattle Identity Cards/Passports will not be regarded as an "application" under the schemes and will be returned to the producer(s). If this form is returned to the Department, accompanied by the Cattle Identity Cards /Passports of the animals for which Premium is being requested, it will be accepted as an "application" under the schemes. The date on which the application, accompanied by the Cattle Identity Cards/Passports of the animals for which premium is being requested, is received by the Department is the "date of application" and consequently the retention period will commence on the day after the date of receipt and where applicable Late Application penalties will be applied in accordance with paragraph 29 of these Terms and Conditions.
- (iv) Where a herd is restricted under the BTE Schemes at the date of application form SC2004A must be completed together with form SC2004. Where form SC2004A is submitted without Form SC2004 it is not regarded as a valid application and will be returned to the producer(s) for completion of form SC2004. Where forms SC2004 and SC2004A are returned to the Department they will be treated as an application under the Schemes. The date on which forms SC2004 and SC2004A are received by the Department is the "date of application" and consequently the retention period will commence on the day after the date of receipt and where applicable Late Application penalties will be applied in accordance with paragraph 29 of these Terms and Conditions.
8. **"Milk"** shall mean any cow's milk produced on the applicant's holding or any milk products derived from that cow's milk.
9. A **"suckler cow"** shall mean any cow for which Premium has been requested by submitting its Cattle Identity Card/Passport with the application (or any cow or any heifer, at least 8 months old at the date of replacement, replacing such a cow during the 6 months retention period) or in the case of a herd restricted under the BTE Schemes at the date of application a "suckler cow" shall mean any cow declared on form SC2004A of the application (or any cow or any heifer, at least 8 months old at the date of replacement, replacing such a cow during the 6 months retention period) which belongs to a meat breed or is **born of a cross with a meat breed, is part of a herd intended for rearing calves for meat production and is surplus to any of the cows needed per paragraph 13 below to produce any milk quota held at 31 March 2004/1 April 2004 by any applicant under the Scheme for Small-Scale Milk Suppliers 2004.**
10. A **"Heifer"** shall mean any heifer (at least 8 months old at the date of application) listed on the application and for which Premium has been requested by submitting its Cattle Identity Card/Passport (or any cow or any heifer at least 8 months old at the date of replacement replacing such a heifer during the 6 months retention period) which belongs to a meat breed or is **born of a cross with a meat breed and is part of a herd intended for rearing calves for meat production.**
11. A **"meat breed"** means **any breed except the following:** Angler Rotvieh (Angeln)-Rod-dansk maelkerace (RMD), Ayrshire, Armoricaire, Bretonne Pie-Noire, Fries-Hollands (FH), Francaise frisonne pie noire (FFPN), Friesian-Holstein, Holstein, Black and White Friesian, Red and White Friesian, Frisona Espanola, Frisona Italiana, Zwartbonten van Belgie/Pie noire de Belgique, Sortbroget dansk maelkerace (SDM), Deutsche Schwarzbunte, Schwarzbunte Milchrasse (SMR), Groninger Blaarkop, Guernsey, Jersey, Malkekorthorn, Reggiana and Valdostana Nera, Itasuomenkarja, Lansisuomenkarja and Pohjoissuomenkarja.
12. Unless indicated otherwise, **"premium"** means 2004 Suckler Cow Premium payable (a) at the rate of €224.15 on each eligible suckler cow/heifer (b) within the stocking density limit and within the individual suckler cow quota limit applicable to the producer and (c) at an appropriate reduced rate if it proves necessary to impose any of the penalties referred to below on a producer.
13. **"Milk quota"** means any individual reference quantity of milk available to the producer on 31 March 2004/1 April 2004, as determined by regulations. Allocations made after 1 April 2004 but which have effect in the 2004/2005 milk marketing year are to be included in the reckonable quota for stocking density purposes. The number of notional dairy cows needed to produce the milk quota is that quota divided by 3982 litres (876 gallons) or, where the producer is in an Official Milk Recording Scheme, by the recorded average milk yield per cow in the producer's herd for 2003 or 2004 as elected by the producer.
- If the producer elects to use 2004 records, payment will have to be delayed pending the receipt and examination of those records.**
14. Each applicant's **"individual suckler cow quota limit"** is the number of quota rights recognised by and officially allocated to the producer by the Department for the 2004 scheme year. Only leases and transfers of quota notified jointly to the Department in writing by lessor and lessee or transferor and transferee as appropriate on or before the date on which the lessee or transferee lodges his or her Suckler Cow Premium application will be recognised for the purposes of these Schemes (Suckler Cow Quota Regulations are available in Local Offices). Each producer must hold a Suckler Cow Quota to qualify for payment on animals applied on under 2004 Suckler Cow Premium Scheme.
15. **"CMMS"** means the electronic bovine database of the Cattle Movement Monitoring System.

STOCKING DENSITY LIMIT

16. The “**stocking density limit**” applies only to producers with **more than 15** reckonable livestock units. It means that each such producer may be paid premium on **up to 1.8 reckonable livestock units only per hectare of the forage area of his/her holding as established from the producer’s 2004 Area Aid application** and any cattle submitted for 2004 Suckler Cow and Special Beef premium over and above that 1.8 reckonable livestock units limit shall not be paid such premium.

Each producer’s reckonable livestock units are calculated as follows:

Male cattle up to and including 24 months old on which the producer applies for

2004 Special Beef Premium: 0.6 livestock unit each.

Male cattle over 24 months old on which the producer applies for 2004 Special Beef Premium:

1 livestock unit each.

Ewes on which the producer applies for 2004 Ewe Premium:

0.15 livestock unit each.

Notional dairy cows needed, as calculated at 13 above, to produce 3982 litres (876 gallons) of any milk quota held at 31 March 2004/1 April 2004:

1 livestock unit each.

Suckler Cows on which the producer applies for 2004 Suckler Cow Premium:

1 livestock unit each.

Heifers up to and including 24 months old on which the producer applies for the 2004 Suckler Cow Premium:

0.6 livestock unit each.

Heifers over 24 months old on which the producer applies for 2004 Suckler Cow Premium:

1 livestock unit each.

NATIONAL ENVELOPE – SUCKLER COWS/HEIFERS CALVING FOR FIRST TIME IN 2004

17. A Top-Up amount will be payable on eligible suckler cows/heifers submitted for premium which

(i) Establish entitlement under the 2004 Suckler Cow Premium Scheme;

and

(ii) Have calved for the first time during the 2004 calendar year;

and

(iii) whose calves are properly tagged and recorded on the CMMS database.

18. The maximum number of Top-Up amounts payable to a producer shall be the lesser of 20% of the total number of animals on which 2004 Suckler Cow premium has been paid or 20% of the total number of Suckler Cow Premium Quota rights held by a producer for the 2004 marketing year, provided that these cows/heifers meet the conditions set out at paragraph 17 above.

19. The Top-Up amount will be payable to the producer in whose herd the animal calves. This includes

(a) Suckler cows/heifers which were the subject of an original application for the Suckler Cow Premium Scheme and which have calved in that herd.

and

(b) Suckler cows/heifers used to replace other cows / heifers in accordance with Paragraph 31 of these Terms and Conditions and which have calved in those herds.

20. The rate of Top-Up amount payable per eligible animal will not be determined until the number of eligible animals on which the Top-Up amount is payable has been ascertained.

NATIONAL ENVELOPE – HEIFERS NOT CALVING IN 2004

21. A Top-Up amount will be payable on heifers which:

(i) Establish entitlement under the 2004 Suckler Cow Premium Scheme;

and

(ii) Do not calve during the 2004 calendar year.

22. The maximum number of Top-Up amounts payable to a producer shall be the lesser of 15% of the total number of animals on which 2004 Suckler Cow premium has been paid or 15% of the total number of Suckler Cow Premium Quota rights held by a producer for the 2004 marketing year, provided that these heifers meet the conditions set out at paragraph 21 above.

23. The rate of Top-Up amount payable per eligible heifer will not be determined until the number of eligible heifers on which the Top-Up amount is payable has been ascertained.

COMPLETING THE APPLICATION

24. **BEFORE** completing each application the producer must ensure he or she is claiming premium on eligible suckler cows or heifers by **checking that on the application date each animal for which premium is being requested:**
- (i) Is a cow, that is a bovine animal that has calved at least once already or is a heifer at least 8 months old at the date of application.
 - (ii) Belongs to a meat breed, that is any breed other than those listed at 11 above, or is born of a cross with a meat breed (Friesian and other non-meat breeds are not acceptable).
 - (iii) Is owned, possessed, held and maintained on his or her holding by the producer at the date of application.
 - (iv) Is tagged with a BTE eartag or, where applicable, the official yellow plastic tag in each ear. Every animal tagged with these yellow tags must be registered with the National Calf Birth Registration Service.
 - (v) Is accompanied by a cattle identity card/passport that must be submitted with the application. Where the cattle identity card/passport incorrectly indicates a male animal or does not correspond with an animal's eartag number the producer should rectify this by contacting his or her local District Veterinary Office before applying. It will not be necessary to enter eartag numbers of the cows on which premium is being requested on the application except where the producer's herd is restricted under the BTE Schemes at the date of application. Where the producer's herd is restricted at the date of application the eartag numbers of all cows on which premium is being requested must be entered on form SC2004A. The eartag numbers of the heifers on which premium is being requested must be listed at Schedule 2 of form SC2004.
 - (vi) Is recorded in the Herd Register of Bovine Animals.
 - (vii) Is an animal belonging to a herd intended for rearing calves for meat production - while all suckler cows applied on need not have calves at foot on the application date, those without calves must be intended for later calving and if Department checks during or after the 6 months retention period do not verify such later calving, the herd may not qualify for Suckler Cow Premium (**applicants should not apply, therefore, on cows being fattened for slaughter or cows that have not been, or are not being, bulled or inseminated for later calving**).
 - (viii) Is not an animal held by a producer deemed ineligible for cattle premium because of an infringement relating to hormones or beta-agonists. If, in contravention of Council Regulation No. 1254/99, an animal belonging to the bovine herd of a producer is found to be treated with an illegal substance or illegally with a legal substance or where such an illegal substance is found on the holding of a producer or where a legal substance is held illegally or where a producer obstructs an investigation, that producer shall be excluded for one calendar year from all payments under all Cattle Premium and Disadvantaged Areas Compensatory Allowance Schemes including these Suckler Cow Premium Schemes. In the event of a subsequent infringement the producer may be excluded from ALL these schemes for up to five years.
25. The producer should then complete each application in accordance with the CHECKLIST, in particular checking that the Cattle Identity Cards / Passports submitted with the application are for eligible animals and correspond to the number of animals for which Premium is being requested. He or she should SIGN and DATE each application and POST or DELIVER that application to the Local Office of the Department in good time. **IF POSTING THE APPLICATION, THE PRODUCER SHOULD OBTAIN FROM AN POST AND RETAIN A CERTIFICATE OF POSTING.**
26. By submitting a completed application the producer agrees thereby (a) to the Department carrying out any on-farm, office or mart checks deemed necessary, (b) to the Department's Inspecting Officer(s) carrying out any such on-farm inspection(s), with or without prior notice, at any reasonable time(s) whether or not the applicant or his/her agent chooses to be present (c) to answer any relevant queries raised, or produce any relevant documentation requested, by the Department during any of its controls without delay and (d) to have any overpayment(s) of premium plus interest thereon deducted from any other payment(s) which fall to be made to the producer by the Minister or by the Department.
27. In order to avoid (a) DELAYS IN PAYMENT PROCESSING ARISING FROM THE QUERYING AND CORRECTION OF ANY INACCURACIES and (b) PENALTIES, the producer must complete each application ACCURATELY and HONESTLY in accordance with the rules set out at 24 and 25 above and, WHILE DOING THAT OR LATER, MUST NOT MAKE ANY FALSE DECLARATIONS TO THE DEPARTMENT OR ANY OF ITS OFFICERS INTENTIONALLY, IN WRITING OR VERBALLY, ALONE OR BY CONSPIRING WITH ANY OTHER PERSON TO COMMIT FRAUD UNDER THESE SCHEMES.

ARRANGEMENTS FOR SUBMITTING APPLICATIONS

28. The application period will run from 2 January 2004 to 30 June 2004.
29. Each producer must post or deliver his or her application to the Local Office of the Department, enclosing the relevant Cattle Identity Cards/Passports, **SO THAT IT WILL ARRIVE THERE ON OR AFTER FRIDAY, 2 JANUARY 2004 AND ON OR BEFORE WEDNESDAY 30 JUNE 2004.**

If any application is received **after 30 June 2004 but before 26 July 2004**, the premium grants claimed thereon shall be reduced by a cumulative 1% for each working day the application is late. If any application is received on or after 26 July 2004, no premium grants claimed thereon shall be paid. The responsibility for ensuring that the application is lodged rests entirely with the applicant.

Force majeure circumstances such as illness or incapacity etc. of a producer or loss of an application in the post may be accepted as excusing late application if proven satisfactorily. EACH PRODUCER SHOULD OBTAIN A CERTIFICATE OF POSTING FROM AN POST EVERY TIME HE OR SHE POSTS AN APPLICATION AS ANY CLAIM THAT AN APPLICATION WAS POSTED ON TIME WILL NOT BE ENTERTAINED OTHERWISE. The certificate must show without doubt that the application was posted in good time.

30. The application of penalties shall not apply with regard to those parts of the premium application as to which the farmer informs the Department in writing that the aid application is incorrect or has become incorrect since it was lodged, provided that the farmer has not been informed of the Department's intention to carry out an inspection or that the Department has not already informed the farmer of any irregularity in the application.

Withdrawal of an application, or part of an application, is allowed at any time except where irregularities have been uncovered or where the applicant has been notified of an on-farm inspection or where payment has already issued on the application.

OBLIGATIONS DURING EACH RETENTION PERIOD

31. During each retention period of **SIX CALENDAR MONTHS STARTING ON THE DAY AFTER AN APPLICATION IS RECEIVED BY THE DEPARTMENT** each producer:

- (a) **Must continue to own, possess, hold and maintain on his or her holding during that retention period a number of suckler cows at least equal to 60% and a number of heifers at most equal to 40% of the total number of animals for which premium was requested, or acceptable replacements for those animals.**

Cows or heifers may be classified as acceptable replacements provided that

- (i) Replacement takes place within 20 days of the date of loss / sale;

and

- (ii) The replacement is entered in the herd register within 7 days of the date of replacement;

and

- (iii) The producer must have complied with the notification requirements for Identification and Registration of animals. Otherwise, the replacement animal will be deemed an ineligible replacement and penalties will apply as set out under paragraphs 40 and 41 below;

and

- (iv) The number of heifers being maintained for the purposes of the Scheme does not at any time within the retention period exceed 40% of the total number of animals for which premium was requested.

- (b) **If an animal which cannot be replaced by a suckler cow or a heifer dies or is lost or removed during the retention period and the producer considers this arose from FORCE MAJEURE (circumstances unforeseen, unavoidable and outside the producer's control such as slaughter under the disease eradication schemes – but NOT such as financial difficulties) the producer MUST NOTIFY THE DISTRICT LIVESTOCK OFFICE IN WRITING OF EACH SUCH EVENT WITHIN 10 WORKING DAYS OF THAT EVENT. Without such notification animals cannot be excused the 6 months retention requirement on the grounds of FORCE MAJEURE.**

If an animal which cannot be replaced by a suckler cow or a heifer dies or is lost or removed during the retention period and the producer considers this arose from **NATURAL CIRCUMSTANCES** (e.g. death of an animal following an accident or disease) then the producer **MUST NOTIFY THE CMMS IN WRITING OF EACH SUCH EVENT WITHIN 10 WORKING DAYS OF ANY SUCH FINDING.** Without such notification animals cannot be excused the 6 months retention requirement on the grounds of **NATURAL CIRCUMSTANCES** regardless of how they died or were lost or removed.

If the Department accepts that an animal is excused the 6 months retention period requirement because of NOTIFIED FORCE MAJEURE, that animal shall receive premium if otherwise eligible. If the Department accepts that an animal is excused the retention period requirement because of NOTIFIED NATURAL CIRCUMSTANCES, that animal shall not receive premium but because those circumstances were notified and accepted, however, they SHALL NOT LEAD TO ANY REDUCTION PENALTIES ON THE REMAINING ELIGIBLE ANIMALS.

- (c) Must not move any of the suckler cows/heifers applied on or their replacements from the location(s) declared on the application to any other location until after he or she has notified the DISTRICT LIVESTOCK OFFICE in writing of any such intended move.
- (d) Any suckler cows/heifers that (i) die or are lost or are removed during the retention period and cannot be replaced but are not notified in accordance with this paragraph and accepted by the Department as Force Majeure or Natural Circumstances cases or (ii) are moved without prior written notification to any location other than the location(s) declared on the application shall be deemed to be rejected in the course of any on-farm inspection or office check carried out by the Department - and thus not only fail to qualify for premium but shall give rise also to reduction penalties on all the remaining animals in accordance with Paragraphs 40 and 41 below.

OTHER OBLIGATIONS

32. Each producer

- (a) Must ensure THAT ALL ANIMALS IN THE HERD ARE properly tagged - if any animal is found without eartags that animal may be rejected with consequent reduction penalties in premia payable on the other eligible animals across all bovine Premium Schemes submitted in 2004.
- (b) Must maintain and keep up to date in the official Herd Register of Bovine Animals accurate and full records of all animals in the herd - this obligation applies not only during the retention period but at all other times also.
- (c) Must notify the Cattle Movement Monitoring System Database of any animal movements into and out of the herd and of any births or on-farm deaths.
- (d) Must accept notification of any on-farm inspection being carried out by the Department to check compliance with these Terms and Conditions and must
 - (i) Arrange to be present at the inspection or to nominate an agent to be present instead.
 - (ii) Provide proper handling and disinfecting facilities.
 - (iii) Segregate and present separately for inspection the animals applied on or their replacements and the cattle identity cards / passports of the animals applied on or their replacements.
 - (iv) Arrange for sufficient help to be given to the Inspecting Officer(s) so that each animal is restrained and controlled sufficiently so as to facilitate inspection.
 - (v) Answer all relevant queries arising and produce any relevant documentation requested at or after inspection without delay.
 - (vi) Sign, or allow any agent to sign, the report on the inspection as confirmation of being present or add, or allow any agent to add, observations on the report if he or she so wishes.

These obligations apply also to any inspections arranged after the retention period.

- 33. (a) Any cattle failing to comply with the Identification and Registration requirements or where the Herd Register of Bovine Animals is not kept up to date will be penalised in accordance with paragraphs 40, 41, 43 and 44 below.
 - (b) If an on-farm inspection cannot be made through the fault or non-cooperation of the producer, the entire application shall be rejected.
34. Producers with more than 15 reckonable livestock units as calculated at 13 and 16 above must submit **2004 Area Aid applications** if they wish to be paid premium on any animals in excess of 15 livestock units. Producers with 15 or less reckonable livestock units need not submit **2004 Area Aid applications** in order to qualify for 2004 Suckler Cow Premium. However, unless they have lodged 2004 Area Aid applications, **they will not qualify for any 2004 Extensification Premium or 2004 Disadvantaged Areas Compensatory Allowance Scheme or Supplementary Premium under the 2004 Ewe Premium Scheme. An Area Aid application must be submitted if an applicant is in the Rural Environment Protection Scheme (REPS).**

35. Each producer must keep for 7 years and produce on request at or following any inspection or office check carried out during that period **official mart or meat factory dockets or private sales dockets or Cattle Movement Notification dockets for any animals listed on any application and sold BEFORE inspection or office check.** These sales dockets must show clearly the **sale date, name and address of purchaser and the sex and tagnumber for each animal sold.** This is to enable the Department to check from these and any other relevant documents such as pre-movement herd test reports or movement permits etc. whether or not each such animal had been held by the producer until the expiry of the relevant retention period.
36. Each producer must follow good farming practice in accordance with minimum EU and National Environmental requirements, e.g. be compliant with the provisions of the Local Government (Water Pollution) Act 1977 and Amendment Act 1990, the Waste Management Act 1996 and the Fisheries (Consolidation) Act 1959. Non-compliance with Good Farming Practice may give rise to penalties.

IDENTIFICATION AND REGISTRATION REQUIREMENTS (INCLUDING DATABASE NOTIFICATION)

37. EU Council Regulation 1760/00 and Commission Regulations 2629/97, 2630/97 and 2419/01 as amended etc. require that it is necessary to carry out more detailed checks regarding the Identification and Registration of animals to ensure compliance with traceability requirements. It is essential therefore that herdowners are aware of the requirements and the consequences of non-compliance. In relation to the Premia Schemes the following requirements apply:

Having satisfied the specific Scheme requirements an animal will be classified as “determined” (accepted for payment) if (a) it is properly tagged, (b) has a valid passport/cattle identity card, (c) is properly recorded on the CMMS database, (d) is recorded in the Herd Register of bovine animals, which must be kept up to date.

38. THE CHECKS

The Regulations require that checks be carried out to establish:

- a) **that all animals on the farm are properly tagged and recorded on CMMS database.**
- b) **that all bovine animals on the farm are entered correctly in the Bovine Herd Register.**
- c) **that the Bovine Herd Register is kept up to date regarding movements to and from the farm and on farm births and deaths and that all these events have been notified to the CMMS database and documentation on animals which were moved is available.**
- d) **that all animals on the farm are accompanied, where applicable, by valid passports / cattle identity cards.**
- e) **that animals on the holding and/or animals which were applied on in the past were recorded correctly on the CMMS database and entered correctly on the Bovine Herd Register.**
- f) **by reference to the Bovine Herd Register that animals applied on during the current scheme year comply with the retention period requirements.**

Where there is non-compliance of the Identification and Registration requirements, as set out at (b) and (d) above, the animal concerned will only be deemed as not determined if such non-compliance is found on at least two inspections within a period of 24 months. In all other cases, the animals concerned will be deemed as not determined already after the first inspection.

PENALTIES ON CLAIMED ANIMALS

39. All administrative and on-farm checks will be carried out on an integrated, holding-based approach. The results of these checks will be accumulated over all cattle schemes and where non-compliance is found the penalty is based on the eligible animals for the bovine schemes in question (Special Beef Premium, Suckler Cow and Slaughter Premium Schemes). Any penalties applied to the Suckler Cow Premium and the Special Beef Premium will also be applied to Extensification Premium.
40. Where some animals are rejected the premium payable on the eligible animals shall be reduced by
 - a) **the percentage** arrived at by dividing the rejected animals by the eligible animals where **up to 3 animals are rejected.**
 - b) where **more than 3 animals are rejected:**
 - (i) **the percentage** arrived at by dividing the rejected animals by the eligible animals where the rejected animals **do not exceed 10%** of the eligible animals.
 - (ii) **twice the percentage** arrived at by dividing the rejected animals by the eligible animals, where the rejected animals **exceed 10% but not more than 20% of the eligible animals.**
 - (iii) where the rejected animals **exceed 20%** of the eligible animals **no premium will be paid under the 2004 Bovine Premium Schemes.**

(iv) Where the percentage difference established **exceeds 50% the farmer will receive no aid for the year in question and will be excluded once again from receiving aid equal to an amount that will be determined based on the number of animals declared and the number of animals eligible on the holding.** This amount will be offset against any aid due in 2005, 2006 and/or 2007.

41. Where the difference found in an application result **from irregularities committed INTENTIONALLY no aid shall be granted** under the 2004 Bovine Premium Schemes. Where **the difference between the animals found eligible and those declared exceeds 20%**, the farmer will receive no aid for the year in question and will be excluded once again from receiving aid equal to an amount that will be determined based on the number of animals declared and the number of animals eligible on the holding. This amount will be offset against any aid due in 2005, 2006 and/or 2007.

PENALTIES ON UNCLAIMED ANIMALS

42. All inspections will be carried out on an integrated, holding-based approach. Where unclaimed animals do not comply with the Identification and Registration Requirements, as set out under Paragraph 37 above, penalties will be applied across all Bovine (Special Beef Premium, Suckler Cow Premium and Slaughter Premium) Schemes for which applications have been submitted, and where appropriate, after the application of penalties established under Paragraphs 40 and 41 above. Any penalties applied to the Suckler Cow Premium and the Special Beef Premium will also be applied to Extensification Premium.

43. **The reduction penalty shall be calculated on the basis of the following formula:**

$$\frac{a}{b} \times \frac{b+c}{2c} \times d$$

where,

a is the number of non-compliant animals;

b is the number of bovine animals present on the holding at the time of the on-the-spot check;

c is the average number of bovine animals on the holding on five dates during the year as determined by the Cattle Movement Monitoring System;

d is the total amount of bovine premia payable for the year concerned less any scheme penalties already applied.

Where more than one inspection is carried out during the year the reduction penalty shall be calculated on the basis of the arithmetical average of the results established for each inspection.

44. Where non-compliance is found to be **INTENTIONAL** no premia will be paid under the 2004 Bovine Schemes.

AREA AID PENALTIES

45. Penalties will also be applied under the 2004 Suckler Cow Premium Schemes if a producer fails to comply with any Terms and Conditions of the 2003 or 2004 Area Aid applications that can give rise to such penalties. Late submission of an Area Aid application involving Arable & Forage shall lead to a 1% reduction per working day in the amounts to which the farmer would have been entitled if the aid application had been lodged within the deadline. Where such aid applications are submitted more than 25 days after the closing date no area-linked payments shall be granted.

However, late submission of an Area Aid application that only relates to permanent pasture shall lead to a reduction of half a percent per working day (from the closing date up to 1 July) in the amounts to which the farmer would have been entitled under the aid schemes concerned. Where such aid applications are submitted after 1 July they shall be considered inadmissible and no aid shall be granted.

46. Where the area determined following Area Aid checks is sufficient to support payment of 1.8 livestock units per hectare, as calculated in accordance with paragraphs 13 and 16 above, then stocking restrictions will not apply. However, if there is an over-declaration of area and that over-declaration would have resulted in a higher payment then area reductions or exclusions will be applied and payments will be restricted to the reduced area.

OTHER

47. The Minister will refuse payment or recover any payment already made plus interest thereon in respect of the period between payment of the premium and its recovery in any case where the producer fails to comply with any of these Terms and Conditions.

EU FUNDING

48. These schemes are fully financed by the EU.