

STEPS TO SET UP A BEEF PRODUCER ORGANISATION

1.	A prospective Producer Organisation (PO) should gauge interest among local beef farmers and other interested parties, bearing in mind it must have a minimum of 20 members (except where the Minister gives a derogation). The PO should then begin accepting members.
2.	Statutes should be drafted and made available for adoption by members in a democratic vote. Once the prospective PO is satisfied it can fulfil each requirement of the checklist below, it must register as a legal entity with the Companies Registration Office.
3.	The Department will propose to make a technical adjustment to the RDP plan (subject to Commission approval) which will provide funding to engage facilitators to assist POs with drafting Statutes and other start-up activities.
4.	The PO must then apply to DAFM for recognition. The BPO/1 form, along with a copy of the adopted Statutes, should be returned to DAFM.
5.	The PO should familiarise itself with DAFM's annual reporting requirements as soon as possible. DAFM will issue a report form every November. This must be returned by January 31 the following year.

CHECKLIST OF REQUIREMENTS FOR DAFM RECOGNITION OF POs

Before applying for DAFM recognition, POs should read the following checklist of requirements. Once the PO is sure it can satisfy these criteria, the application form (available on the Dept's website) should be returned to **Beef Policy, 3c, Agriculture House, Kildare St, Dublin 2** along with a copy of the PO's Statutes. DAFM will confirm by writing a decision on recognition within four months of receipt of application.

1. The PO must have Statutes which comply with Article 153 of EU Council Regulation 1308/2013. The main points are summarised below, but the full text should be consulted when drafting Statutes.
 - a) The Statutes must require members to:
 - Apply PO rules relating to production reporting, production, marketing and protection of the environment;

- Be members of only one PO. However, a derogation from this requirement is possible (see SI 49/2016);
- Provide information for statistical purposes.

b) The Statutes shall provide for:

- Procedures for determining, adopting and amending rules;
- Rules regarding membership fees, accounting, budgeting and associated costs;
- Rules enabling democratic scrutiny of the PO by members;
- Penalties for infringement of obligations under the Statute;
- Rules on the admission of new members, in particular the minimum period of membership, which may not be less than one year.

c) The Statutes must also

- Comply in full with Statutory Instrument 49/2016.
 - Require members to be active beef farmers.
 - Be agreed upon democratically by members, having been approved by vote thereof. Each member must have equal voting rights and equal shareholding in the PO.
 - Require each member to sign a membership agreement abiding by the PO's rules.
 - Undertake to conduct contract negotiations in a fully transparent manner.
 - Where the PO requires a minimum commitment of produce from members, specify so and the commitment required.
 - Set out rules for nominating members to negotiate with a factory.
2. PO activities must comply in full with EU Council Regulation 1308/2013, paying particular attention to Articles 152-156, 170 & 173. The full Regulation is available at <http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32013R1308&from=EN>
 3. POs must establish themselves as a legal entity or part of a legal entity. Co-ops should be registered as Industrial & Provident Societies.
 4. POs must detail the 'significant efficiencies' to be generated, as per Article 170 of 1308/2013. This Article should be read in conjunction with EU Commission Guidelines (draft copy is available here: http://ec.europa.eu/competition/consultations/2015_cmo_regulation/draft_guidelines%20en.pdf). As per Section 154.1(c) of 1308/2013, a PO must also 'produce sufficient evidence that it can carry out its activities properly...' (detailed therein).
 5. DAFM requires each PO to complete an annual reporting form explaining how it is fulfilling its legal obligations.
 6. POs must agree to inclusion on a register to be published by DAFM. This register will contain information on geographic, breed or production details of the PO along with membership numbers and contact information.

7. POs must facilitate periodic checks to ascertain that it is complying with terms of recognition on its activities by DAFM staff, as DAFM considers appropriate. It is envisaged that 5% of POs will be checked annually.
8. POs must agree to comply with sections 2(c) and 5 of Article 170 of 1308/2013 regarding competition rules.
9. A PO must notify the Department in a timely manner should it undertake any significant changes to its operational basis, major changes to its Statutes or disband.
10. A PO must undertake to rectify any instances of non-compliance with recognition requirements within six months of notification by DAFM. If the issue is not corrected within that timeframe, DAFM may withdraw recognition.