L.N. 237 of 2007

PRODUCER ORGANISATIONS ACT, 2002
(ACT No. IX OF 2002)

Producer Organisations (Certain Products) Regulations, 2007

IN exercise of the powers conferred by articles 9 and 19 of the Producer Organisations Act, 2002, the Minister for Rural Affairs and the Environment has made the following regulations:-

Part I
Preliminary

Short title and commencement

1. The title of these regulations is the Producer Organisations (Certain Products) Regulations, 2007.

Interpretation.

2. Unless the context otherwise requires, words and phrases used in these regulations shall have the same meaning as is assigned to them in article 2 of the Producer Organisations Act, 2002.

"the Director", means the Director of Agriculture;

"member" means a local person who together with other local persons, forms, creates or joins a producer organisation;

"person" includes a physical or legal person, whether such persons is a local producer, a cooperative or a company which isċ are involved in local agriculture produce;

"producer" means any local producer who is involved in the trade of tilling land or tending livestock;

"producer organisation" means an organisation, recognised by the Director, being a voluntary legally constituted body of local producers of local particular products or persons engaged in the agriculture industries, acting together to produc harvest, store, package or market their products:

(i) "product" means the type of local agricultural produce of the following sectors:

Potatoes, Pig meat, Milk, Poultry, Traditional Cheeselets made from sheep and/or goats, Honey, Rabbit meat and "production" shall be construed accordingly.

Part II
Establishment and Recognition of Producer Organisations

Characteristics of producer organisation.

3. (1) For the purposes of these regulations, a producer organisation is any legal entity which is recognised by the Director as a voluntary legally constituted body of producers of particular products or of persons engaged in agricultural industries acting together to produce, harvest, store, package and/or market any of the following products:-

(ii) Potatoes,
(iii) Pig meat,
(iv) Milk
(v) Poultry
(vi) Traditional Cheeselets made from sheep and/or goats,
(vii) Honey,
(viii) Rabbit meat.

(2) The principal aims of a producer organisation are to:

(i) ensure that the production is planned and adjusted to market demand, particularly in terms of quality and quantity;

(ii) promote the products under categories listed in sub-regulation (1) of this regulation, produced by its members;

(iii) reduce production costs and stabilise producer prices;

(iv) promote the use of cultivation practices, production techniques and environmentally sound waste-management practices in particular to protect the quality of water, soil and landscape and to preserve and encourage biodiversity;

(v) they effectively enable their members to obtain technical assistance in using environmentally-friendly cultivation and production practices;

(3) A producer organisation must have its Rules of Association in conformity with regulation 5 of these regulations.

RecognitionOf ProducerOrganisation.

4. The Director shall recognise as producer organisations all producer groups applying for such recognition, in so far as:

(a) they meet the requirements laid down in article 3 and provide the relevant evidence, including proof that they have a minimum number of five Members and comprise a minimum value of total annual market share of 10% for the pig meat, milk and poultry sectors and 2.5% for the other four sectors. A value of Lm80,000 for product turnover is also mandatory for producer groups of potatoes, traditional cheeselets made from sheep andċ or goats, honey and rabbit meat;

(b) there is sufficient evidence that they are able to carry out their activities efficiently;

(c) they provide the necessary evidence that they intend to provide their members with the technical means for storing, packaging and marketing their produce and ensure proper commercial and budgetary management of their activities.

Rules of Association.

5. The Rules of Association of applicant groups shall provide for:-

(a) procedures for determining, adopting and amending the Rules of Association;

(b) the democratic scrutiny by members of the producer organisation of its decisions;

(c) the payment by members of the financial contributions provided for in their Rules of Association for the establishment and replenishment of the operational fund provided for in sub-regulation 9 (1);

(d) the provision by members of the information requested by the producer organisation for statistical purposes, in particular on growing areas, quantities cropped or produced, number of livestock or their products kept, produced and related direct sales;

(e) the imposition of penalties for infringement by members of any obligation arising from the Rules of Association or from other rules laid down by the producer organisation;

(f) the admission of new members, particularly concerning a minimum membership period;

(g) the accounting and budgetary rules necessary for the operation of the producer organisation.

Membership Requirements.

6. (1) The minimum membership period of a producer shall be not less than three years from the date of from signing up as a member with the Producer Organisation.

(2) Resignation of membership shall be notified to the producer organisation and such resignation will become effective twelve months after notification.

Duties of the Director.

7. The Director shall:

(a) within three months from receiving the application with all the supporting documents, decide whether to grant recognition or not to a producer organisation; and

(b) carry out inspections at regular intervals to ascertain that producer organisations comply with the terms and conditions for recognition, impose in the event of non-compliance the applicable penalties as indicated under Part 4 of this regulation and decide, where necessary, to withdraw recognition.

Recognition of new Producer Organisations.

8. (1) Producer organisations requesting recognition in respect of products listed in article 3 (1) (i) to (v), shall shall submit a recognition application form which shall include at least the following:

(a) a description of the initial situation of the organisation, in particular as regards the number of producer members, giving full details of membership, production, marketing and infrastructure;

(b) the expected duration of the plan, which may not exceed five (5) years; and

(c) the measures to be implemented in order to meet the objectives listed in regulation 3 (2) (i) to (iv).

Part III
The Operational Fund

9.

The 0perational fund.

9. (1) The producer organisation shall set up an operational fund which shall be maintained by financial contributions paid by members based on the quantities or value of produce actually marketed.

(2) The producer organisation may be assisted by EU public funds, if eligible and available.

(3) Producer organisations and their members must keep up-to-date suitable documentation of all activities connected with the cultivation, production and marketing of their products.

Part IV
Recovery and Penalties

Recovery of unduly paid aid.

10. Public aid deriving from the European Union which is unduly paid, or aid applied for fraudulently or irregularly, shall be recovered or withheld, and penalties shall be imoosed on the beneficiary or to the applicant concerned, or both, according to the provisions of Article 63 of Regulation 445/2002 of 26 February 2002 laying down detailed rules for the application of Council Regulation (EC) No 1257/1999 on support for rural development from the European Agricultural Guidance and Guarantee Fund (EAGGF).

Administrative fines.

11. Any producer organisation or inter-branch organisation which fails to comply with, or contravenes, any of the provisions of these regulations shall be liable to an administrative fine, which shall be imposed by the Director, of not less than one hundred (100) Maltese liri and not more than one thousand (1000) Maltese Liri for each offence, and to an additional administrative fine of fifty (50) Maltese liri for each day during which the said failure to comply or such contravention persists.

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