

The owner of agricultural land devoted to milk production that had been extended by a lease was allotted a certain reference quantity. When the lease expired, the lessor claimed part of the reference quantity and the competent authority duly complied with his demand. The owner contested that decision, pleading that the lessor was not involved in milk production, but wished to pass the reference quantity without any land to a third party. The court of appeal asked the European Court of Justice to express its opinion on the interpretation of Article 7 of Council Regulation 3950/92/EEC of 28 December 1992 establishing an additional levy in the milk and milk products sector. In a decision handed down on 20 June 2002, (case C-401/99, ECR 2002, I-5775) the Court ruled that the transfer of a reference quantity was only possible if the lessor himself qualified as a producer or transferred the available reference quantity to a third party qualifying as a producer. On the basis of that ruling, the court of appeal quashed the decision in litigation. The federal court, appealed to in the third instance, confirmed the ruling by the court of appeal, adding that the reference quantity, failing a document pertaining thereto, was not added to the national reserve, but remained at the disposal of the owner to which it had been allotted. The court explained that the principle of linking the reference quantity to the producer's land precluded any other conclusion.