

# RURAL PAYMENTS AGENCY

Lancaster House, Hampshire Court, Newcastle upon Tyne, NE4 7YH

18 February 2016

NOTICE TO TRADERS 03/2016

PRIVATE STORAGE AID (PSA): CHEESE

## 1. Introduction

This notice is an update of the current situation with regard to the Private Storage Aid scheme arrangements for Cheese. It is subsequent to Notice to Traders 21/15 issued on 16 October 2015.

Commission Delegated Regulation (EU) 2015/1852 provided for unused allocations to be redistributed between Member States after 15 January 2016. As a consequence, the UK has been allocated a further maximum quantity of 8,669 tonnes under Commission Implementing Regulation (EU) 225/2016.

## 2. Allocation system

**Applications received on the first two days of the new scheme opening will be assessed against the UK's national allocation. Such applications can be lodged from 00:01am Monday 22 February until 11:59pm Tuesday 23 February. They must detail the relevant lots and quantities and be supported by the appropriate security (see below). If the UK's allocation is exceeded on these days, RPA will scale back applications and allocate quantities between companies in proportion to those for which they applied. Applicants will be notified of their award no later than Friday 26 February. Any surplus security will be released.**

RPA will accept further applications on a first-come first-served basis if any unused 'quota' remains.

## 3. Scheme background

Before applying for this scheme please read Scheme Leaflet Number 1 which can be found at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/494443/PSA\\_Dairy\\_Scheme\\_Guidance\\_V3.0\\_Final.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/494443/PSA_Dairy_Scheme_Guidance_V3.0_Final.pdf)

The products must not have been subject to a previous PSA storage contract.

You must be VAT registered in the Member State in which you are making your application and you must submit a copy of your VAT registration certificate.

Your application must be lodged in the Member State where the cheese was produced and is stored.

The application period begins on 22 February 2016 and ends on 30 September 2016.

### **3. Cheese eligibility**

The cheese must fall under CN codes 0406, be of sound and fair marketable quality and of EU origin. It must be stored in the Member State in which it was produced.

Cheeses which are not suitable for further storage beyond the period of maturation are not eligible.

The cheese must have reached a minimum age on the day when the storage contract starts. This must correspond to the period of maturation laid down in the product specification for cheeses benefitting from a protected designation of origin or from a protected geographical indication or to a normal period of maturation fixed by the UK for other cheeses.

It is expected that any interest in the UK will be for cheddar cheese. The minimum age for cheddar will be 6 weeks. If you are interested in claiming aid on any other types of cheese, please contact RPA.

### **4. Aid rates**

Storage aid rates are:

- 15.57€ per tonne of storage for fixed storage costs
- 0.40€ per tonne per day of contractual storage

### **5. Storage period**

You must keep the cheese within the scheme for at least 60 days and no more than 210 days.

The Commission may reduce or extend these storage periods if the market situation changes.

### **6. Storage arrangements, marking & record-keeping**

Products must be stored so that they are easily accessible, individually identifiable and marked with the product name and weight.

You must either mark contract numbers on each individual unit or record this information in a store register.

The cheese/packaging must be indelibly marked with an indication which indicates the place and date of manufacture.

The date of entry into storage must also be recorded on the cheese/packaging or in a register maintained by the storekeeper that also shows the place and date of manufacture.

### **7. Applying for the scheme**

Applications must be made via email, fax or post on the 'Storage contract' form available at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/469234/Storage\\_contract\\_brps59t\\_ver\\_11\\_Oct\\_15.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/469234/Storage_contract_brps59t_ver_11_Oct_15.pdf)

The maximum quantity you can apply for is 8,669 Tonnes; this is the ceiling limit for the UK.

Each application must be for a single CN code only.

Each application must be for a minimum of 0.5 tonne. Amounts above the minimum, need not be in whole tonnes.

You must assign a unique contract number in the following format:

PCH/trader number/four digits starting 0001

Your contract numbers should run sequentially

Applications will only be accepted for cheese fully placed in storage.

If an application is accepted, contractual storage will start on the day following receipt of the application.

## 8. Security

You must provide a security of 20€ per tonne at the time of application. Your application will not be accepted as “completed” until we have this security in place.

The security must be in the form of cash or a guarantee provided by a bank or insurance company incorporated in the UK and approved by RPA. All direct transfer payments for securities should be made to the RPA’s current account as detailed in Scheme Leaflet Number 1.

Your security will be released immediately where contracts/quantities are not accepted, or where contracts/quantities have been accepted, once the obligations of the contract have been fulfilled.

Your security will be forfeited if your contract is withdrawn in full, or it is found that the quantity in store is less than 95% of the quantity accepted.

## 9. Assessment of applications

Once the initial application period on 22 and 23 February has closed, all valid applications from all companies will be assessed against the total quantity available.

**If the total quantity applied for exceeds the quantity available**, quantities from each company will be scaled back proportionally.

We will notify you as soon as quantities have been awarded.

If an application has been reduced, your security will be released proportionally.

**If the total quantity applied for does not exceed the quantity available**, all valid applications will be accepted in full, and we will notify you immediately.

The remaining quantities will then be awarded on a first come first served basis until the residual quantity is exhausted.

## 10. Advance Payments

After 60 days of storage, you can request to have aid paid in advance. This request must be supported by a security equal to 110% of the aid due.

The maximum advance permissible corresponds to a storage period of 90 days.

Advance payment security will be released as soon as the balance of aid has been paid.

## 11. Removal from storage

Contractual storage will end on the day before that of removal from the scheme or store. You must notify us at least five working days in advance of the end of the maximum contractual storage period (210 days) or the start of removal operations.

If you don't notify us in advance, but can supply evidence of when the cheese was removed within 30 days of the end of the contractual storage period, your aid will be reduced by 15%.

If you cannot supply evidence of when the cheese was removed within 30 days of the end of the contractual storage period, then no aid will be paid and the whole security will be forfeited.

Removal from store must be in whole lots.

## 12. Regulatory Background

The applicable regulations are:

- Regulation (EU) No 1308/2013 of the European Parliament and of the Council;
- Commission Delegated Regulation (EU) 2015/1852 opening a temporary exceptional private storage aid scheme for certain cheeses and fixing in advance the amount of aid;
- Commission Implementing Regulation (EU) 225/2016, published in Official Journal L41.

You can access the Official Journals electronically by visiting the Commission's website <http://www.eur-lex.europa.eu/en/index.htm>. We are not responsible for the accuracy or completeness of the Europa website. While every care has been taken in producing this guidance, the regulations as published are definitive.

## 13. Questions

If you have any questions or would like more information about this notice, please contact the trade team 0191 226 5851 or 0191 226 5064

Fax (0191) 226 5182

Email [trader@rpa.gsi.gov.uk](mailto:trader@rpa.gsi.gov.uk)