

5 May 2020

Notice to Traders 14/20

Private Storage Aid (PSA): Dairy and Meat

Introduction

The European Commission has adopted proposals to provide additional assistance to the dairy and meat industry due to the current pandemic of COVID-19 and the extensive movement restrictions put in place, which has resulted in a drop in demand for certain consumer products in these sectors. These proposals include the opening of Private Storage Aid (PSA) for;

- Cheese Commission Implementing Regulation (EU) 591/2020
- Butter Commission Implementing Regulation (EU) 597/2020
- Skimmed milk powder Commission Implementing Regulation (EU) 598/2020
- Sheepmeat and goatmeat Commission Implementing Regulation (EU) 595/2020
- Beef Commission Implementing Regulation (EU) 596/2020
- Note: Delegated Regulation (EU) 2016/1238 and Implementing Regulation (EU) 2016/1240 shall apply, unless otherwise provided for in the Implementing Regulations specified for each product. Annexes 1 to 5 detail the specific requirements.

Scheme rules and application

To be eligible to claim private storage aid:

- Your application must be lodged in the Member State where the product is/will be stored;
- 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 with your application;
- Your application must be made on the 'Private Storage Aid Storage Contract' form and submitted with the 'Notification of Package Numbers' form;
- The application period begins on 7 May 2020;
- Each application must be for a minimum tonnage, as specified in Annexes 1-5, the full quantity should be entered into Private Storage arrangements on the same day. Amounts above the minimum need not be in whole tonnes.
- Please be advised that storage is the responsibility of the operator and not the Rural Payments Agency.

If an application is accepted, contractual storage will start on the day following receipt of the application and the following conditions must be adhered to:

- Products must be stored so that they are easily accessible, individually identifiable and marked with the product name and weight;
- The packaging must be indelibly marked to clearly indicate the place and date of manufacture;

- The products must not have been subject to a previous PSA storage contract;
- All production/abattoir and storage premises must be approved by inspectors authorised by the Agency (where applicable).

Note: Please be aware that eligibility of the product offered into PSA can only be confirmed once regulatory checks, including sampling where applicable, have been carried out.

Security

For this emergency scheme security is only required for the following commodities:

- Beef
- Sheepmeat and Goatmeat

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

Security maybe forfeited for non-compliance of regulatory requirements.

RPA bank details:

For Sterling payments use the following bank account details:

Bank: RBS (NatWest) Sort code: 60-70-80 Account number: 10018433

To pay securities in Euros use the bank account details below:

Bank: RBS (NatWest) Sort code: 60-70-80 Account number: 550/00/85014583 BIC: NWBKGB2L IBAN: GB48 NWBK 6072 0385 0145 83

Removal from storage

- For Cheese, SMP and Butter, contractual storage shall end on the day preceding that of the removal from storage;
- For Beef, Sheepmeat and Goatmeat contractual storage will end on the final day of the storage period;
- For Cheese, SMP and Butter **only** you must notify us at least five working days in advance of the end of the maximum contractual storage period, or the start of removal operations;
- Removal from store must be in whole lots.

Applying for this scheme

You must submit a 'Private Storage Aid - Storage Contract' form and assign a unique contract number in the following format:

PCH/trader number/four digits starting 0001.

Your contract numbers should run sequentially.

An accessible copy of the form is attached separately with this notice. The Notification of Package Numbers form is also included and should also be submitted at the time of application.

Regulatory background

The applicable regulations are:

 Regulation (EU) No 1308/2013 of the European Parliament and of the Council, Commission Delegated Regulation (EU) 2016/1238 and Commission Implementing Regulation (EU) 2016/1240:

• 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. This scheme entered into force on 16 October 2015.

You can also access the Official Journals electronically by <u>visiting the Commission's website</u>. 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.

Next steps

For more detailed information on how you can place SMP or Butter into Private Storage Aid (PSA), please contact the Trader team by email <u>trader@rpa.gov.uk</u> or phone 03300 416500, option 4 and tell us that you have a PSA query.

If you are a new applicant, you will need to register with the RPA. To do this please call our Customer Helpline on 03000 200 301 and then select options 2, 1 and finally 3. This is for Rural Payments registration, please state that you are a Trader and not a farmer to ensure you get the correct registration with the agency. You should be given a 6-digit trader number.

We will give you further guidance on how to proceed, including how to lodge securities, if applicable and how to apply.

Note: Covid-19 restrictions

- In relation to covid-19 restrictions we will shortly be in a position to confirm how
 inspections for this scheme will be carried out, in accordance with current public
 health guidelines.
- During the current UK lockdown we are unable to accept posted items.

Annex 1 - Cheese

Specific conditions

In order to qualify for the aid, the cheese shall be of sound and fair marketable quality and of Union origin. The product shall fulfil the requirements laid down in Section V of Annex VI to Delegated Regulation (EU) 2016/1238.

- It must be stored in the Member State in which it was produced;
- The cheese must fall under CN codes 0406, be of sound and fair marketable quality and of EU origin;
- 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;
- The packaging must be indelibly marked with an indication which indicates the place and date of manufacture;
- The date of entry into storage must be recorded on the packaging or in a register maintained by the storekeeper that also shows the place and date of manufacture;
- You must either mark contract numbers on each individual unit or record this information in a store register.

Submission and admissibility of applications

- Applications for aid may be lodged as from 7 May 2020;
- Applications must be submitted no later than 12 noon to be considered as being received that day. Any application received after 12 noon will be deemed to have been received the following working day;
- Where applications exceed the quantity available, eligible applications will be pro rated;
- The last date for the submission of applications shall be 30 June 2020;
- Applications will only relate to products that have already been placed in storage;
- The minimum quantity per application is 0.5 tonne;
- The maximum quantity you can apply for is 4,499 Tonnes;
- The date of entry into storage must be recorded on the packaging or in a register maintained by the storekeeper that also shows the place and date of manufacture;
- You must either mark contract numbers on each individual unit or record this information in a store register.

Amount of aid and period of storage

- The amount of aid shall be fixed as follows:
 - EUR 15.57 per tonne of storage for fixed storage costs.
 - EUR 0.40 per tonne per day of contractual storage.
- Contractual storage shall end on the day preceding that of the removal from storage.

Aid may be granted only where the contractual storage period is between 60 and 180 days.

ANNEX 2 - Butter

Specific conditions

In order to gualify for the aid, the butter shall be of sound and fair marketable guality and of Union origin. The product shall fulfil the requirements laid down in Section IV of Annex VI to Delegated Regulation (EU) 2016/1238.

It must have a minimum milkfat content, by weight, of 80 %, a maximum milk solids-non-fat content, by weight, of 2 % and a maximum water content, by weight, of 16 %;

It must be produced during the 60 days preceding the day of application.

The packing shall show at least the following particulars, where appropriate in code:

- the approval number identifying the factory and the Member State of production;
- the date of production;
- the net weight of the butter;
- the production batch number and the package number; the package number may be replaced by a pallet number marked on the pallet;
- the words 'sweet cream' if the butter has a pH of 6, 2 or higher.

Submission and admissibility of applications

- Applications for aid may be lodged as from 7 May 2020;
- The last date for the submission of applications shall be 30 June 2020;
- Applications shall only relate to products that have already been placed in storage; •
- The minimum quantity per application is 10 tonnes; •
- The date of entry into storage, under the PSA contract, must be recorded on the-packaging or in a register maintained by the storekeeper that also shows the place and date of manufacture;
- You must either mark contract numbers on each individual unit or record this information in a store register.

Amount of aid and period of storage

- The amount of aid shall be fixed as follows:
 - EUR 9.83 per tonne of storage for fixed storage costs;
 - EUR 0.43 per tonne per day of contractual storage.
- ×h Contractual storage shall end on the day preceding that of the removal from storage;
- Aid may be granted only where the contractual storage period is between 90 and 180 days.

ANNEX 3 - Skimmed Milk Powder

Specific conditions

In order to qualify for the aid, the skimmed milk powder shall be of sound and fair marketable quality and of Union origin. The product shall fulfil the requirements laid down in Section VI of Annex VI to Delegated Regulation (EU) 2016/1238.

- SMP should contain no more than 1,5 % fat and 5 % water and has a protein content of the non-fat dry matter of at least 34 %;
- SMP will have been produced during the 60 days preceding the day of application;
- SMP should be stored in bags with a net weight of 25 kg or in 'big bags' weighing no more than 1 500 kg;

The bags shall show the following particulars, where appropriate in code:

- the approval number identifying the factory and the Member State of production;
- the date or, where appropriate, the week of production;
- the number of the production batch:
- the description 'spray skimmed-milk powder'.

Submission and admissibility of applications

- Applications for aid may be lodged as from 7 May 2020; •
- The last date for the submission of applications shall be 30 June 2020; •
- Applications shall relate to products that have already been placed in storage; •
- The minimum quantity per application is 10 tonne; •
- The date of entry into storage must be recorded on the packaging or in a register • maintained by the storekeeper that also shows the place and date of manufacture;
- You must either mark contract numbers on each individual unit or record this information in a store register.

Amount of aid and period of storage

- The amount of aid shall be fixed as follows:
 - EUR 5.11 per tonne of storage for fixed storage costs;
 - EUR 0.13 per tonne per day of contractual storage.
- Qu, Contractual storage shall end on the day preceding that of the removal from storage;
- Aid may be granted only where the contractual storage period is between 90 and 180 days.

ANNEX 4 - Sheepmeat and Goatmeat

Specific conditions

In order to qualify for the aid, the meat shall be of sound and fair marketable quality and of Union origin. The product shall fulfil the requirements laid down in Section III of Annex VI to Delegated Regulation (EU) 2016/1238.

Aid shall only be granted for fresh or chilled meat of ovine and caprine carcases aged less than twelve months, which have not yet been placed into storage;

- Sheep meat eligible for storage must fall under CN code ex 0204 1000;
- Goat meat eligible for storage must fall under CN code ex 0204 5011.
- If the lamb carcass (whole or half) is deboned and cut before being frozen and stored, this operation must be done under the competent authorities' supervision. The competent authorities must be in a position to identify that the deboned meat to be frozen and stored genuinely comes from the carcass covered by the private storage aid application that has been submitted.

Submission and admissibility of applications

- Applications for aid may be lodged from 7 May 2020;
- Each application shall refer to the products listed in table 1 below, indicating the relevant CN code;
- The minimum quantity per application is 5 tonnes.

Amount of aid and period of storage

- The relevant amounts of aid per storage period are set out in table 1 below;
- Contractual storage shall end on the day preceding that of the removal from storage;
- Aid may be granted only for a storage period of 90, 120 or 150 days.

Security

When submitting an application for aid for the products eligible for aid, the amount of the security required in accordance with Article 4(b) of Delegated Regulation (EU) 2016/1238 shall be EUR 100/tonne.

Table 1

List of eligible Sheepmeat and Goatmeat products and amount of aid per storage period

	Products description	Amount of aid per storage period (EUR/tonne)		
		90 days	120 days	150 days
1	2	3	4	5
ex 0204 10 00 ex 0204 50 11	Fresh or chilled carcases and half carcases of lamb aged less than twelve months Fresh or chilled carcases and half carcases of goat aged less than	866	890	915
ر بی ا				

ANNEX 5 - Beef

Specific conditions

In order to qualify for the aid, the meat shall be of sound and fair marketable quality and of Union origin. The product shall fulfil the requirements laid down in Section III of Annex VI to Delegated Regulation (EU) 2016/1238.

Aid shall only be granted for quantities of fresh or chilled **hindquarter (bone-in or boneless)** aged eight months or more, which have not yet been placed into storage.

- Products eligible for aid must fall under CN code ex 0201 2050.
- The eligible product is "hindquarter". The complete hindquarters may be deboned and boxed before entering the store under supervision of the competent authorities, in accordance with Implementing Regulation (EU) 2016/1240. In such a case the volume eligible for aid is the total weight of deboned cuts of the hindquarter.

If the hindquarter is deboned and cut before being frozen and stored, this operation must be done under the competent authorities' supervision. The competent authorities must be in a position to identify that the deboned meat to be frozen and stored genuinely comes from the hindquarter covered by the private storage aid application that has been submitted.

- When the relevant hindquarters are stored as such (without deboning), the eligible volume is the total weight of the hindquarters (including bones, etc.).
- Products must show the Health Mark either on the meat or on the packaging.
- All bone-in hinds should display labelling which details the contract number and nett weight. All carcase labels must be securely attached and visible on each hindquarter presented, labels to also include the kill date/carcase kill number, classification.
- All bone-in hinds, going off site, after slaughter should also still display labelling which details the contract number and nett weight. All bone-in hinds, going off site for de-boning, after slaughter should also still display labelling which details the contract number and nett weight. All carcase labels must be securely attached and visible on each hindquarter presented, labels to also include the kill date/carcase kill number, classification.
- Boneless boxed beef should display labelling which details the PSA contract number, batch number, the cut description, comply with Beef Labelling Scheme (BLS) indications, freezing and packing dates, the nett weight of each box with the number of pieces in each box.

Submission and admissibility of applications

- Applications for aid may be lodged from 7 May 2020;
- Each application shall refer to the products listed in table 1 below, indicating the relevant conformation class;
- The minimum eligible quantity for each application shall be 10 tonnes;
- When a beef hindquarter is stored without deboning, the eligible volume is the total weight
 of the hindquarter, including bones.
- In case of deboning, the volume eligible for aid is the total weight of the hindquarter's deboned cuts.

Amount of aid and period of storage

- The relevant amounts of aid per storage period are set out at table 1 below;
- Contractual storage shall end on the day preceding that of the removal from storage;
- Aid may be granted only for a storage period of 90, 120 or 150 days.

Security

When submitting an application for aid for the products eligible for aid, the amount of the security required in accordance with Article 4(b) of Delegated Regulation (EU) 2016/1238 shall be EUR 100/tonne.

Table 1

List of eligible Beef products and amount of aid per storage period

Custom nomenclature code (CN code) of products	Products description	Products conformation class as provided for in Section III of Annex IV to Regulation (EU) No 1308/2013	Amount of aid per a storage period (EUR/tonne)		
4	Y D		90 days	120 days	150 days
1	2	3	4	5	6
ex 0201 20 50	Separated hindquarters: the rear part of a half carcase, comprising all the bones and the thigh and sirloin, including the fillet, with a minimum of three whole or cut ribs, with or without the shank and with or without the thin flank	S: Superior E: Excellent U: Very good R: Good O: Fair	1 008	1 033	1 058
			50		