



21 April 2020

Notice to Traders 11/20

Intervention for Skimmed Milk Powder (SMP) and Butter

1. Introduction

This notice outlines the arrangements which apply in the UK for the purchase of intervention skimmed milk powder (SMP) and butter by the Rural Payments Agency (RPA). Intervention buying-in is available from 1 March – 30 September.

2. Background

Intervention is a support measure and is an immediate option for operators of skimmed milk powder and butter. The scheme supports the market by helping to stabilise the prices of certain products. When the price of eligible products becomes low, perhaps due to a surplus or drop in demand, the scheme allows for products to be bought from operators, removed from the market and stored.

Regulatory buying-in prices for intervention are:

SMP: €1,698/tonne

Butter: €2,217.5/tonne

The arrangements for intervention are provided for in 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; all as amended. **Applicants have full responsibility for familiarising themselves with the regulatory requirements in force during the time intervention is open.**

Applicants should be established and registered for VAT purposes in the EU or UK in order to submit an offer for the buying-in of SMP and butter under public intervention. Any product offered into intervention will need to meet the regulatory product specifications and quality standards.

We will sample and analyse all products before being accepted into store, in line with the regulations. This means that you will be asked to lodge a security (€50/tonne) before any product is placed into store. When tests confirm the product meets the specifications, the security will be released back to you.

3. Product Eligibility

Butter

To be eligible for purchase into intervention, butter must:

- be produced directly and exclusively from pasteurised cream from cows' milk;
- be produced in an approved undertaking in the Community;
- have a minimum butter fat content, by weight, of 82% and a maximum water content, by weight, of 16%;
- meet minimum quantity and packaging provisions;
- be no older, at the time of buying in, than the regulatory maximum; and
- meet the regulatory compositional requirements.

Note: Only unsalted butter is eligible for intervention.

Skimmed Milk Powder

To be eligible for purchase into intervention, SMP must:

- be produced in the Union;
- be manufactured in an approved undertaking by the spray process;
- have a minimum protein content of 34% by weight of the fat-free dry matter;
- be of top quality and made directly and exclusively from cows' milk;
- meet regulatory compositional and quality requirements;
- be manufactured during a specified period preceding the day of receipt of the offer by RPA.

Minimum Quantity

- Butter: the minimum quantity which can be offered as one lot is 30 tonnes (in 25 kg boxes). There is no maximum, but the quantity offered must be in whole tonnes. **Please consult the regulation for packaging specifications.**
- SMP: the minimum quantity which can be offered as one lot is 30 tonnes (in 25 kg bags). There is no maximum, but the quantity offered must be in whole tonnes. **Please consult the regulation for packaging specifications.**

4. Next Steps

For more detailed information on how you can place SMP or Butter into Intervention, please contact the Trader team by email trader@rpa.gov.uk or phone **03300 416500, option 4** and tell us that you have an intervention 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.

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

Please note: We are unable to accept posted items.