

# RURAL PAYMENTS AGENCY

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

16 October 2015

NOTICE TO TRADERS 21/15

**Private Storage Aid (PSA): Cheese**

## Introduction

- 1 The European Commission has adopted proposals to provide additional assistance to the dairy sector following a reduction in global demand, a slowdown in exports to China and the ban on imports of certain dairy products from the EU into Russia.
- 2 These proposals include the opening of Private Storage Aid for Cheese. The UK has been allocated a maximum quantity of 3,854 Tonnes.

## Scheme rules and application

### To be eligible to claim private storage aid:

- 3 Your application must be lodged in the Member State where the cheese is 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 available on gov.uk.

The application period begins on 19 October 2015 and ends on 15 January 2016. Each application must be for a minimum of 0.5 tonne and the whole lot should be entered into Private Storage arrangements on the same day. Amounts above the minimum need not be in whole tonnes.

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

### **Applications will be handled on a first come first served basis.**

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

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

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 be recorded on the cheese/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.

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

The store must have been approved by inspectors authorised by the Agency.

## **Security**

- 4 You must provide a security of 20€ per tonne at the time of application. 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 are not accepted, or where contracts have been accepted, when 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 entered.

## **Specific conditions for cheese**

- 5 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.

The maximum quantity you can apply for is 3,854 Tonnes

Each application must be for a single CN code only.

You must keep the goods 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.

Storage aid is:

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

## **Advance Payments**

- 6 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 you will receive is that appropriate to a storage period of 90 days.

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

### **Removal from storage**

- 7 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.

### **Applying for this scheme**

- 8 Before applying for this scheme please read PSA Dairy Scheme Guidance Scheme Leaflet Number 1 which can be found on Gov.uk.

You must submit a 'Private Storage Aid - Storage Contract' form, also available on Gov.uk.

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

PCH/trader number/four digits starting 0001

Your contract numbers should run sequentially.

### **Regulatory Background**

- 9 The applicable regulations are:

- Regulation (EU) No 1308/2013 of the European Parliament and of the Council; and

- 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 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.

## Questions

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

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