



An Roinn Talmhaíochta,
Bia agus Mara
Department of Agriculture,
Food and the Marine

Trader Notice

Aid to Private Storage for Dairy Products – 2020 Scheme Year

5 May 2020

1. Introduction

The European Commission has adopted proposals to provide additional assistance to the dairy sector following the recent outbreak of Covid-19 across the EU.

These proposals include the opening of private storage aid for butter, cheese and skimmed milk powder (SMP).

2. Regulatory Background

The following regulations are applicable:

- Commission Implementing Regulation (EU) No 2020/597, granting aid for private storage for butter and fixing the amount of aid in advance,
- Commission Implementing Regulation 2020/598, granting aid for private storage for skimmed milk powder and fixing in advance the amount of aid in advance and
- Commission Delegated Regulation 2020/591, opening a temporary exceptional private storage aid scheme for certain cheeses and fixing the amount of aid in advance.

Where relevant, Regulation No 1308/2013, Regulation 2016/1238 and Regulation 2016/1240 will also apply.

You can also access the Official Journal electronically by visiting the European Commission's website. <http://www.eur-lex.europa.eu>

Traders have full responsibility for familiarising themselves with, and for complying with, any regulatory requirements (including amendments from time to time) in force in relation to the scheme. Any advice and guidance offered either by way of this notice or otherwise does not alter or affect that responsibility. While care has been taken to ensure as far as possible that the information contained in this notice is accurate, no legal responsibility is accepted by the Department for any errors or omissions therein. 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.

3. Scheme Rules

Operators shall be established and registered for VAT purposes in the Union to submit an application for Aid for Private Storage fixed in advance.

In order to qualify for aid, butter, cheese and skimmed milk powder shall be of sound, fair and marketable quality and of Union origin. The product shall fulfil the quality requirements laid down in Annex VI of Commission Delegated Regulation 2016/1238. Milk protein concentrate powder (MPC), milk permeate powder (MPP), anhydrous milk and butter oil are not eligible.

Applications shall relate to products that have already been placed in storage and can be submitted from 7 May 2020. As products are already in storage, a security is not required.

The closing date for receipt of applications is the 30 June 2020. The Commission will monitor the quantities applied for through the ISAMM notifications and, if the cumulative quantities applied for approach or reach the estimated budgetary limits, the Commission will immediately suspend the relevant scheme.

The general rules of the scheme are outlined in the table below.

Product		Butter	SMP	Cheese
Opening date for receipt of applications		07 May 2020	07 May 2020	07 May 2020
Last date for receipt of applications		30 June 2020	30 June 2020	30 June 2020
Minimum quantity per application		10 tonnes	10 tonnes	0.5 tonne
Amount of Aid	Fixed storage cost per tonne	€9.83	€5.11	€15.57
	Day rate per tonne	€0.43	€0.13	€0.40
Contractual Storage Period		90 - 180 days	90 - 180 days	60 - 180 days

DAIRY PRODUCTS CONTAINING NORTHERN IRELAND ORIGIN MILK

Article 9 of Regulation (EU) No 1308/2013 of the European Parliament and of the Council requires that products for the granting of aid for private storage shall originate in the Union and in the case of milk, that the milk shall have been produced in the Union. The UK is part of private storage aid for financial year 2020, i.e. with 15 October 2020 as a cut-off date. Northern Ireland milk can therefore be used for producing eligible dairy products to PSA for operations that are paid until 15 October 2020 at the latest. Dairy products eligible for Private Storage Aid payment from 16 October 2020 can no longer contain milk of Northern Ireland origin.

4. Specific Conditions for Cheese

Regulation 2020/591 provides for a temporary exceptional private storage aid scheme for cheeses falling under CN code 0406, except for cheeses which are not suitable for further storage beyond the period of maturation.

Ireland has been allocated a maximum quantity of 2,180 tonnes of cheese and the Department shall ensure that a system based on objective and non-discriminate criteria is in place, so that the maximum quantities allocated to Ireland are not exceeded. In other words, the quantities will be allocated on a pro-rata basis on the day that the applications submitted reach that maximum quantity allocated to Ireland.

The provisions of Delegated Regulation (EU) 2016/1238 and Implementing Regulation (EU) 2016/1240 that are applicable to private storage of cheeses with a protected designation of

origin or a protected geographical indication shall apply mutatis mutandis to this private storage aid scheme.

In order to qualify for aid, the cheese shall have, on the day when the storage contract starts, a minimum age corresponding to the period of maturation laid down in the product specification for the cheeses benefitting from a protected designation of origin or from a protected geographical indication under Regulation (EU) No 1151/2012, or to a normal period of maturation set by Member States for the other cheeses.

Cheeses (other than fresh or unripened cheeses) which are the subject of an aid application shall have, on the day when the storage contract starts, a minimum age corresponding to a normal period of maturation set by Member States. Ireland has set the normal period of maturation in line with Codex Alimentarius Standards:

For Cheddar: at least 35 days at 7 - 15 degree C (or equivalent)

For Emmental: at least 42 days at 10 - 25 degree C (or equivalent)

For cheeses other than Cheddar and Emmental, the minimum maturation periods must be approved by DAFM in advance of any aid application.

Curd under CN code 0406 is eligible for the scheme as long as it remains frozen during the whole storage period. Curd will not be eligible if, at the end of the storage period, it no longer has the characteristics that it had when entering storage.

The cheese must be stored as whole cheese in the Member State where the cheese is produced.

5. Applying for this scheme

Before applying for this scheme, please read the Guidance Document Aid to Private Storage for Dairy Products during Covid 19 which can be found on the Department's website.

It is the responsibility of each applicant to ensure that their application meets the admissibility requirements as set out in Article 2 and Article 40 of Regulation (EU) 2016/1240.

To apply for the scheme, you must complete an Application for Private Storage Aid Form which is available on www.agriculture.gov.ie. The form can be emailed to APSAdmin@agriculture.gov.ie, and a hardcopy must also be sent to APS Section, Department of Agriculture, Food and the Marine, Johnstown Castle, Co. Wexford Y35 PN52 **within five working days**. We will assign a file reference number in the acknowledgment of receipt of your application.

We shall inform the operator within three working days of the receipt of an inadmissible application. An admissible application shall be deemed to have been accepted on the eighth working day following the date of receipt of that application provided that the Commission does

not adopt a decision in accordance with Paragraph 3 of Article 45 of Implementing Regulation 2016/1240.

The contractual storage period starts on the day following the date of receipt of an admissible application without prejudice to Article 45 (1) of Commission Implementing Regulation 2016/1240. Hence if an application is received on a Friday, the contractual storage period starts on Saturday. If an application is submitted on a Saturday or Sunday, it shall be deemed to be received the following Monday and the first day of contractual storage begins on Tuesday. However, if an application is submitted on Saturday/Sunday/Monday, of a Bank Holiday weekend, it shall be deemed to be received on a Tuesday and the first day of contractual storage commences on Wednesday (Article 2).

6. Notification of Conclusion of Contracts

On the entry of product into storage, on the spot checks will be carried out to make sure that the product lot stored is eligible for aid, in accordance with the Regulations. Physical samples taken for the purpose of verifying the quality and composition of products shall be taken by DAFM officers.

A control report will be prepared by DAFM officers for each lot in storage. This report will be signed by the Department officer and countersigned by a person authorised by the operator. Contracts will be concluded when the eligibility of the product is confirmed and DAFM shall notify the operator of the date of conclusion.

A contract will be issued to the applicant to sign and return. The contract will be concluded within five working days of the date of issue of the control report based on the checks carried out by DAFM on the product in storage, subject to receiving all the documentation necessary for concluding the contract. It shall be construed as including where appropriate the elements provided for in Article 52 of Regulation 2016/1240 – Obligations of the Operator.

7. Payment

The operator shall lodge an application for payment within three months of the end of the contractual storage period and aid will be paid to the applicant within 120 days of the lodgment of the payment application provided that the obligations of the contract have been met.

Applicants should familiarise themselves with the relevant provisions of Regulations 2016/1238 and 2016/1240 regarding payment of aid set out therein. Aid shall only be paid where the contractual storage period respects the storage period laid down in the implementing regulation. No aid shall be paid where the applicant does not meet the **five working day notice period outlined in Article 53 (3) of Regulation 2016/1240**.

Contact Details

If you have any questions or would like more information about this notice, please contact the operations team:

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