



Mr Hermanus Versteijlen,
Director for Common Market Organisations for agricultural products
Rue de la Loi 130,
1049 Bruxelles

10 September 2014

Subject: Flexibility in duration of storage period under PSA regime

Dear Mr Versteijlen,

Regulation (EU) 950/2014 opens private storage for cheese on a temporary basis and sets the amount for this aid in advance. Private storage for cheese has subsequently been open since Monday, 8 September and will remain open until 31 December 2014.

Regulation (EC) 826/2008 sets out the conditions for PSA for butter and skimmed milk powder (SMP), amongst other agricultural products. Private storage for butter and SMP has been open since Saturday, 6 September and will remain open until 31 December 2014. Therein, references are made to timing and duration of storage in Article 22 (1)(a) and 22 (2)(c) and (f).

Eucolait wishes to make an enquiry on the rules as regards the duration of storage and the reporting of this to national authorities. Article 4(6)(e) of Regulation (EU) 950/2014 requires the operator to state the 'period of storage' in the application for aid. However, in Article 6(2)(f) of the same regulation, the contracting party is required to make available information to the national competent authorities on 'the expected end of the contractual storage period'. Article 22(2)(f) of Regulation (EC) 826/2008 governing the conditions for PSA for butter and SMP makes identical provisions.

Eucolait interprets this as meaning that there is a degree of flexibility afforded to operators in terms of the duration of time their product remains in storage, while respecting the 60 day minimum and 210 day maximum thresholds as set out in Article 7(3) of Regulation (EU) 950/2014 for cheese and the 90 day minimum and 210 day maximum thresholds set out in Regulations (EU) 947 and 948/2014 for butter and SMP respectively.

However, we have received information that some national authorities are applying an extremely strict interpretation of the storage period to applications. This would appear to conflict with the intention behind the introduction of the scheme in light of the ban imposed by Russia on imports of European dairy products.

As this was not the case in previous PSA campaigns and goes against the spirit of a measure introduced to address a crisis, Eucolait looks to the Commission for guidance.

Should we continue to interpret the provisions as meaning that there is certain flexibility afforded to operators in terms of duration when placing their products into storage?

We await your response in relation to this matter.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Bart Van Belleghem', with a long horizontal stroke extending to the right.

Bart Van Belleghem,

Managing Director