



European Association of Dairy Trade  
Europäischer Verband  
des Handels mit Milcherzeugnissen  
Association Européenne du Commerce  
des Produits Laitiers et Dérivés



Mr Jens Schaps

Director – Single CMO, economics and analysis of agricultural markets

European Commission – DG AGRI

Rue de la Loi 130, 1049 Brussels

Brussels, 22.01.2016

**Subject: Extension of the private storage aid schemes for butter, skimmed milk powder and cheese**

Dear Mr Schaps,

Under the current schemes for private storage aid for butter, SMP and cheese, it is possible to lodge applications until 29 February 2016. In light of the persistently challenging market environment, Eucolait considers that private storage aid should be extended beyond that date, echoing our previous requests for an extension of the schemes as were outlined in our letter to you dated 22 July 2015.

The current scheme has contributed to maintaining a relatively stable market for butterfat. For SMP, the market is much more over supplied but the two private storage schemes are helping to mitigate this problem and to limit the volume of SMP being sold into public intervention. The revised and more user-friendly programme for cheese also seems to have proven attractive as the maximum ceiling has been reached in several Member States. Since no immediate relief to the serious supply and demand imbalance is foreseeable, we advocate extending private storage aid for all three products until 30 September 2016. Operators need the continued stability offered by PSA as Europe faces into the 'spring flush' months for dairy production.

In order to ensure a maximum level of predictability for operators, Eucolait requests that the decisions concerning the extension of these schemes are taken in a timely manner.

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We thank you in advance for your attention to our request and remain at your disposal for any further questions you may have.

Yours sincerely,



Jukka Likitalo,  
Secretary General

Cc

Mr Luis Carazo Jimenez – Head of Unit C3

Mrs Brigitte Misonne – Deputy Head of Unit C3