COMMISSION DELEGATED REGULATION (EU) No 501/2014

of 11 March 2014

supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council by amending Commission Regulation (EC) No 826/2008 as regards certain requirements related to the agricultural products benefiting from private storage aid

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 1308/2013 of the European Parliament and of the Council of 17 December 2013 establishing a common organisation of the markets in agricultural products and repealing Council Regulations (EEC) No 922/72, (EEC) No 234/79, (EC) No 1037/01 and (EC) No 1234/2007 ([1]), and in particular Article 19(1) and Article 19(4)(a) thereof,

Whereas:

(1) Commission Regulation (EC) No 826/2008 ([2]) lays down common rules for the granting of private storage aid for certain agricultural products. The products eligible for private storage aid were listed in Articles 28 and 31 of Council Regulation (EC) No 1234/2007 ([3]).

(2) Regulation (EU) No 1308/2013 has repealed and replaced Regulation (EC) No 1234/2007 as from 1 January 2014. Section 3 of Chapter I of Title I of Part II of Regulation (EU) No 1308/2013 contains provisions on aid for private storage.

(3) Article 17 of Regulation (EU) No 1308/2013 lists the products eligible for private storage aid. Compared to the products listed in Articles 28 and 31 of Regulation (EC) No 1234/2007, Article 17 of Regulation (EU) No 1308/2013 includes three more products which are flax fibre, cheese with a protected designation of origin (PDO) or a protected geographical indication (PGI) and skimmed milk powder made from cow's milk.

(4) In accordance with Article 17 of Regulation (EU) No 1308/2013, aid for private storage may be granted if the products concerned fulfil the conditions laid down in Section 3 of Chapter I of Title I of Part II of that Regulation and the additional requirements as regards quality and product characteristics to be adopted by the Commission.

(5) Eligibility conditions for butter laid down in Article 17(e) of Regulation (EU) No 1308/2013 have been changed compared to those provided for in Regulation (EC) No 1234/2007.

(6) Provisions on quality and product characteristics and eligibility criteria already exist in Regulation (EC) No 826/2008 for products eligible for private storage aid under Articles 28 and 31 of Regulation (EC) No 1234/2007.

(7) It is appropriate to adopt the quality requirements and the eligibility criteria with respect to quantities for flax fibre, skimmed milk powder and cheese with a PDO or PGI, to adapt those for butter and to incorporate them in Regulation (EC) No 826/2008.

([1]) OJ L 347, 20.12.2013, p. 671.
([2]) Commission Regulation (EC) No 826/2008 of 20 August 2008 laying down common rules for the granting of private storage aid for certain agricultural products (OJ L 223, 21.8.2008, p. 3).
([3]) Council Regulation (EC) No 1234/2007 of 22 October 2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation) (OJ L 299, 16.11.2007, p. 1).

(8) Article 18 of Regulation (EU) No 1308/2013 has set out the criteria that should be taken into account in the decision of the Commission to grant private storage aid. These criteria include the average recorded Union market prices and the reference thresholds and production costs for the products concerned as well as the need to respond in a timely way to a particularly difficult market situation or economic developments having a significant negative impact on the margins in the sector.

(9) Articles 3 and 5 of Regulation (EC) No 826/2008 provide that the decision to grant private storage aid for white sugar and, respectively, beef may be taken based on recorded average Union prices. Those Articles are based on Regulation (EC) No 1234/2007 which has now been repealed and replaced by Regulation (EU) No 1308/2013. It is therefore appropriate to delete Articles 3 and 5 of Regulation (EC) No 826/2008.

(10) The quantity stored during the contractual storage period should be equal to the contractual quantity. However, for the purposes of Articles 15, 18 and 34 of Regulation (EC) No 826/2008, a margin of tolerance in respect of the quantity stored is allowed for certain products eligible for private storage aid. Given the characteristics of the products such a tolerance should be also fixed for skimmed milk powder in big bags and for long flax fibre.

(11) As regards the quality characteristics to be laid down for flax fibre, long flax fibres are considered to be high quality products that should be eligible for private storage aid.

(12) As the production of butter is no longer required to take place in an approved undertaking, the provisions for certifying compliance with the specific origin requirements in case of storage in a Member State other that of the production of the butter, laid own in Annex II to Regulation (EC) No 826/2008, are no longer applicable. New simplified rules should be laid down as regards the proof that the butter stored fulfils the requirements of Articles 9 and 17(e) of Regulation (EU) No 1308/2013. The same rules should also apply to skimmed milk powder.

(13) Regulation (EC) No 826/2008 should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC) No 826/2008 is amended as follows:

(1) in Article 2, paragraph 2 is replaced by the following:

'2. Butter and skimmed milk powder shall fulfil the additional requirements set out in Annex II to this Regulation.';

(2) Articles 3 and 5 are deleted;

(3) in Article 7, paragraph 3 is replaced by the following:

'3. Tenders or applications for private storage aid for butter, skimmed milk powder, and cheeses shall relate to products which have been fully placed in storage, unless otherwise specified in the Regulation opening the tendering procedure or in the Regulation fixing the amount of aid in advance.';

(4) in Article 15(1), point (b) is replaced by the following:

'(b) to place and to keep in storage at least 99 %, respectively 90 % for meat products, 98 % for olive oil, 95 % for cheeses, 97 % for skimmed milk powder in big bags and 97 % for long flax fibre of the contractual quantity for the contractual storage period, at the risk of the contracting party within the meaning of Article 19 of this Regulation and under the conditions referred to in Article 22(1)(a) of this Regulation.';

(5) in Article 18(1), point (b) is replaced by the following:

'(b) to place and to keep in storage at least 99 %, respectively 90 % for meat products, 98 % for olive oil, 95 % for cheeses, 97 % for skimmed milk powder in big bags and 97 % for long flax fibre of the contractual quantity for the contractual storage period, at the risk of the contracting party within the meaning of Article 19 of this Regulation and under the conditions referred to in Article 22(1)(a) of this Regulation.';

(6) in Article 34(1), the following subparagraphs are added:

'For skimmed milk powder in "big bags", the aid shall be paid for the quantity actually stored if this represents not less than 97 % of the contractual quantity.

For long flax fibre the aid shall be paid for the quantity actually stored if this represents not less than 97 % of the contractual quantity.';

(7) Annex I is amended in accordance with the Annex I to this Regulation;

(8) Annex II is replaced by the text set out in Annex II to this Regulation.

Article 2

This Regulation shall enter into force on the seventh day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 March 2014.

For the Commission
The President
José Manuel BARROSO

ANNEX I

Annex I to Regulation (EC) No 826/2008 is amended as follows:

(1) Parts II and III are replaced by the following:

'II. **Cheese with PDO/PGI**

Private storage aid shall be granted only for cheese benefiting from a protected designation of origin (PDO) or from a protected geographical indication(PGI) which on the day when the storage contract commences has a minimum age corresponding to the period of maturation laid down in the product specification referred to in Article 7 of Regulation (EU) No 1151/2012 of the European Parliament and of the Council (*) for that cheese as it will be marketed after the storage under contract increased by the maturing period beyond this period that contributes to increasing the value of the cheese.

Where a period of maturation is not laid down in the product specification referred to in Article 7 of Regulation (EU) No 1151/2012, the cheese should on the day when the storage contract starts have a minimum age corresponding to the period of maturation that contributes to increasing the value of the cheese.

Furthermore, the cheese shall comply with the following requirements:

(a) each lot weighs at least 1 tonne;

(b) it is indelibly marked with an indication, which may be encoded, of the undertaking in which it was manufactured and with the date of manufacture;

(c) it bears the date of entry into storage;

(d) it is stored as whole cheese in the Member State where the cheese is produced and in which it qualifies to bear the protected designation of origin or protected geographical indication under Regulation (EU) No 1151/2012; and

(e) it has not been the subject of a previous storage contract.

Member States may waive the obligation to indicate the date of entry into store on the cheese provided that the store manager undertakes to keep a register in which the particulars referred to in the second paragraph under (b) are entered on the date of entry into store.

III. **Butter**

Private storage aid shall be granted only for butter:

(a) produced from cream obtained directly and exclusively from cow's milk of a minimum milkfat content, by weight, of 80 %, a maximum milk solids-non-fat content, by weight, of 2 % and a maximum water content, by weight, of 16 %;

(b) produced during the 60 days preceding the day of application or the day of submission of the tender; and

(c) for which minimum quantity for applications or tenders for aid is of 10 tonnes.

The packaging of the butter shall show at least the following particulars, which may be encoded, where appropriate:

(a) the number identifying the factory and the Member State of production;

(b) the date of production;

(c) the date of entry into storage;

(d) the production batch number;

(e) the net weight.

Member States may waive the obligation to indicate the date of entry into store on the packaging provided that the store manager undertakes to keep a register in which the particulars referred to in the second paragraph are entered on the date of entry into store.

(*) Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs (OJ L 343, 14.12.2012, p. 1.';

(2) new Parts V and VI are added:

'V. **Skimmed milk powder**

Private storage aid shall be granted only for skimmed milk powder made from cow's milk which:

(a) contains no more than 1,5 % fat and 5 % water and has a protein content of the non-fat dry matter of at least 34 %;

(b) has been produced during the 60 days preceding the day of application or the day of submission of the tender;

(c) is stored in bags with a net content of 25 kg or in "big bags" weighing no more than 1 500 kg showing at least the following particulars, which may be encoded, where appropriate:

(i) the number identifying the factory and the Member State of production;

(ii) the date of production;

(iii) the date of entry into storage;

(iv) the production batch number;

(v) the net weight; and

(d) for which minimum quantity for applications or tenders for aid is of 10 tonnes.

Member States may waive the obligation to indicate the date of entry into store on the packaging provided that the store manager undertakes to keep a register in which the particulars referred to in the first paragraph are entered on the date of entry into store.

VI. **Long Flax Fibre**

Private storage aid shall be granted only for long flax fibre obtained by complete separation of the fibres and the woody parts of the stalk that are at least 50 cm long on average after scutching and are arranged in parallel strands in bundles, sheets or slivers and for which the minimum quantity for applications or tenders for aid is of 2 000 kg.

Long flax fibres shall be stored in bales on which may be encoded, where appropriate:

(a) the number identifying the factory and the Member State of production;

(b) the date of entry into storage;

(c) the net weight.'

ANNEX II

'ANNEX II

Butter has to be produced from cream obtained directly and exclusively from cow's milk produced in the Union. Skimmed milk powder has to be made from cow's milk produced in the Union.

Compliance with the first paragraph can be substantiated by proof that the butter or skimmed milk powder was produced in an undertaking approved in accordance with point 1(a), (b) and (c) of Part III of Annex IV to Commission Regulation (EU) No 1272/2009 [1] which is subject to checks verifying the requirements referred to in the first paragraph, or by another appropriate proof testifying compliance with the first paragraph.'

[1] Commission Regulation (EU) No 1272/2009 of 11 December 2009 laying down common detailed rules for the implementation of Council Regulation (EC) No 1234/2007 as regards buying-in and selling of agricultural products under public intervention (OJ L 349, 29.12.2009, p. 1).