# Private Storage Aid Scheme - Pig meat - guidance

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### 1 Important notes

#### **Data Protection**

The Scottish Government is the data controller for personal data you provide us with, or we hold about you. We use it in line with the Data Protection Act.

#### Flowchart

Trader contacts Scottish Government for a trader Contract number The trader will be given a unique contract number using the following format: SGPSA-21/ pig meat/four digits starting at 0001 Trader applies to the Scottish Government for a contract using the Contract Application, and the contract number supplied. A current VAT certificate should also be sent. Inspection of the premises is concluded The trader is supplied with the signed contract The product is moved into the cold storage The storekeeper sends the Receipt or Delivery advice note form to the Scottish Government The first inspection is completed, and applicant is told of the results. Initial payment is made based on 60 days storage About halfway thought the contacted storage period Interim inspection is completed. Products can only be withdrawn from storage in line with the contract. Any withdrawal prior to the timelines stated in the contract must be agreed with the Scottish Government. The applicant must send a withdrawal notification at least five working days before the date of withdrawal. The final inspection is completed. Successful completion of the final inspection triggers the final payment When the withdrawal notification, and final inspection forms are received by the Scottish Government the claim is processed for payment. Final payment is made to the applicant.

## Introduction

- This leaflet describes the Private Storage Aid scheme for pig meat 2021
- It relates to product stored in Scotland under contract agreement with the Scottish Government.
- The Private Storage Aid Scheme (Pigmeat) (Scotland) Regulations 2021 <u>The Private</u> <u>Storage Aid Scheme (Pigmeat) (Scotland) Regulations 2021 (legislation.gov.uk)</u>] were made under Articles 18 and 20 of 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 Article 4(2) of Council Regulation (EU) No 1370/2013 of 16 December 2013 determining measures on fixing certain aids and refunds related to the common organisation of the markets in agricultural products.
- The Scottish Government is responsible for the administration of this scheme in Scotland.
- The Inspectors for this scheme are the Scottish Government meat inspectors. They check on and report to the Scottish Government on all operations of the scheme.
- All operations which need an inspector should take place between 7am and 6pm from Monday to Friday (excluding public holidays), unless you have arranged a different time with the Scottish Government.
- Any questions about this scheme should be made to the Scottish Government at <u>PSA@gov.scot</u>.

#### **Important Warning**

- Applicants are strongly recommended to read this leaflet to understand their responsibilities.
- The rules are applied strictly, and all applicants must meet tight audit controls. Failure to meet the rules will result in us requesting that the goods are removed from storage.
- All applicants will have an initial check on putting the goods in to the storage facilities followed by an interim check and a final check when the contract comes to an end
- Interim visits can be made without warning.

## 2. Storage requirements

#### Selection of stores

A store chosen by the applicant and used for the storage of product under the scheme will be inspected by the Scottish Government meat inspectors. It is up to applicants to make sure that stores meet the following standards:

They must:

- be in a good state of repair.
- be clean and tidy.
- be secure against unauthorised entry.
- be free from infestation.
- have chambers where the product is stored not containing any other product or traces which could cause taint.
- have accurate pallet-weighing equipment capable of weighing up to a 1,600kg mass to +/-1kg available and correctly calibrated (at least once per year) according to service requirements.
- have product stacked on pallets or off-floor storage facilities.
- have the temperature in each chamber where the product is stored recorded using sealed thermographs for cold storage; and
- have the thermograph reading kept for at least three years from the end of the calendar year in which the reading was taken for cold storage.

#### 3. Storage contract and eligibility

#### Eligible cuts in respect of which aid is available.

CN Code	Product in respect of which aid is available
ex 0203 12 11	Legs (bone in)
ex 0203 12 19	Shoulders (bone in)
ex 0203 19 15	Bellies, with or without rind or fat
	(bone in)
ex 0203 19 55	Legs (bone out)
ex 0203 19 55	Shoulders (bone out)
ex 0203 19 55	Bellies, with or without rind or fat
	(bone out)

## Eligibility of aid

To apply for private storage, in Scotland you must

- be established in Scotland,
- manage premises situated in Scotland at which pigmeat is stored, and
- apply in the period beginning on 9 November 2021 and ending on 28 February 2022.

## Period of storage

• The storage periods for pigmeat in the 2021 PSA scheme are 60 days, 90 days, 120 days, 150 days, or 180 days and the contract should relate to that.

## Minimum amounts

- The minimum amount of product which may be placed into a single store as a single lot is 15 tonnes. The whole lot must be entered into private storage arrangements on the same day. Amounts above the minimum need not be in whole tonnes. This can be made up of any of the cuts listed under the eligible cuts above.
- Removal from store must be in whole tonnes, covering the tonnage in the contract.

# **Contract applications**

• Storage contract applications should be completed for each lot under the scheme. All product covered by a storage contract must enter the scheme on the same day. The trader should quote the unique contract number given to them on any correspondence to the Scottish Government. The unique contract number will use the following format:

SGPSA-pigmeat -21/0001,

- The Scottish Government will supply these contract numbers which will run in sequence across any organisations, so you may not always have sequential numbers if you have more than one contract that start at different times.
- If the product offered into the scheme meets the terms of the regulations a copy of the contract will be countersigned and dated on behalf of the Scottish Government and returned to the applicant.
- The applicant should arrange for the storekeeper to fill in and send a receipt advice note for each lot to the Scottish Government email address <u>PSA@gov.scot</u>. This should reach the Scottish Government within 5 days of the date of entry into storage.
- The applicant should also retain a copy.

## Definition of contractual storage

• The first date of contractual storage is taken as the day the product is entered into private storage arrangements. The last date of contractual storage is taken as the day before the date of withdrawal from private storage arrangements.

#### **Control Measures at store**

- On entry of product into private storage, or within the 30 days following receipt of the contract by Scottish Government, checks will be carried out to make sure that the product lot stored is eligible for aid.
- The checks will be made on a representative sample of at least 5% of the amount in store and will involve confirming the weight, identity (by visual inspection), nature and composition of the product.
- During the contractual storage period a further unannounced visit will be made to check that the product is in the store. The check will be representative and correspond to at least 10% of the lot stored under each contract.
- When the product leaves the store, a check will be carried out to confirm its weight and identity (by visual inspection).
- The applicant must tell the Scottish Government in writing at least five working days before the product is removed from private storage arrangements showing the lots to be removed.
- We must receive a notification for every contract.

#### 4. Payments and securities

#### Aid rates

The rates of payment are as below and are on a basis of per tonne. The minimum storage duration is 60 days,

Storage duration (days)	Storage rates (£ sterling per tonne)
60	£150
90	£185
120	£220
150	£255
180	£290

#### Eligibility for payment

- The Scottish Government must ensure that the product meets all the requirements before applications can be processed for payment.
- The product must complete a minimum period of 60 days contractual storage and not be removed from private storage before the date agreed in the original contract unless by prior agreement with the Scottish Government and having fulfilled the 5-day advance warning
- An initial payment will be made once the minimum 60-day storage has been completed, with a further payment made (where relevant) for the 120-day limit has been reached, and on completion (see below).

## Withdrawal from store and claims for final payment

- The minimum amount that must be withdrawn on one day is a whole lot. Part lots may not be removed.
- The applicant must tell the store in writing of the date on which the product is to be withdrawn from the scheme.
- The applicant must give the Scottish Government at least five working days' notice of intention to remove the product from the scheme. This applies to every contract.
- Notifications of withdrawal must be emailed to Scottish Governments email address <u>PSA@gov.scot</u> and should include:
  - name of applicant, and contract number
  - name and address of store.
  - lot numbers and amounts to be withdrawn; and
  - intended dates of withdrawal from the scheme.
- On completion of the final checks before the produce leaves the storage area the signed papers will be sent to the Scottish Government and will trigger the final payment which will be calculated to the total amount of aid due after considering any adjustments and/or minus the value of any advance.
- Once the checks have been completed payment will be made to the applicant within 20 days of the last day of contractual storage, unless there is any administrative enquiry.

# Termination of agreement and recovery of aid

If the applicant does not meet any of the provisions in this leaflet, the Scottish government can:

• end the Agreement; and

• recover from the applicant in whole or in part, any payments made as aid towards storage.

## 5. <u>General</u>

## Change of ownership

If the ownership of product in store changes under private storage arrangements, both the buyer and the seller must tell the Scottish Government immediately in writing giving the amount, lot number, and date of the change of ownership. The new owner will have the aid calculated from the date of the start of contractual storage unless the Scottish Government receives other written instructions from both parties

# **Record keeping**

Applicants must keep commercial documents and stock accounts for at least three years starting from the end of the calendar year in which they were drawn up. Commercial documents are books, registers, vouchers and supporting documents, accounts, and correspondence.

#### We must be able to check from these:

- The approval number of the Slaughter house, cutting plant
- the date of production;
- the date of placing into storage;
- the storage lot and contract number;
- the weight and number of packages;
- the presence and location of product in the store; and
- the date of removal from storage.

# Applicants can use a paperless system, and destroy original documents, provided that it:

- records all data to support the claim for payment; and
- allows easy access to the data for authorised officials.

The system should give as much information as the paper-based arrangement it replaces. Operation manuals for using the information should be given to the Scottish Government staff.

Records, including those of the store and others connected with the scheme operations, should be made available to authorised officials of the Scottish Government, always.

Inspections at the store will be made by Scottish Government meat inspectors and will be made up of

- a check that the contractual obligations have been met on completion of entries into store
- an unannounced check that products are in the store as described; and
- a check that the products are there during the last week of the contractual storage period