

**COMMISSION IMPLEMENTING REGULATION (EU) 2020/596****of 30 April 2020****granting aid for private storage for fresh and chilled meat of bovine animals aged eight months or more and fixing the amount of aid in advance**

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 1037/2001 and (EC) No 1234/2007 <sup>(1)</sup>, and in particular Article 18(2) and Article 223(3)(c) thereof,

Having regard to 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 <sup>(2)</sup>, and in particular Article 4 (2)(b) thereof,

Having regard to Regulation (EU) No 1306/2013 of the European Parliament and of the Council of 17 December 2013 on the financing, management and monitoring of the common agricultural policy and repealing Council Regulations (EEC) No 352/78, (EC) No 165/94, (EC) No 2799/98, (EC) No 814/2000, (EC) No 1290/2005 and (EC) No 485/2008 <sup>(3)</sup>, and in particular Article 62(2)(b) thereof,

Whereas:

- (1) Due to the extensive movement restrictions put in place in the Member States to address the current COVID-19 pandemic, the sales of certain categories of beef products, such as hindquarters destined for the production of different steak cuts, to the hospitality and catering industry have been severely impacted. The hospitality and catering industry is responsible for approximately 70% of the Union domestic demand of different steak cuts produced from hindquarters. Consequently, those hindquarters are now diverted for production of other bovine meat products and therefore the prices have already fallen.
- (2) As a result of a change in the beef consumption pattern, there has been a sharp drop in demand for certain beef products. The beef sector is therefore confronted with a market disturbance due to a supply-demand imbalance. This has a significant negative impact on the margins in the sector and compromises the financial viability of the Union farmers. Without measures against this market disturbance, the prices of beef products in the Union are expected to deteriorate and downwards pressure is likely to carry on.
- (3) The extensive movement restrictions have also affected the availability of labour force in slaughterhouses and food processing and reduced the capacities in transport and logistics.
- (4) The current difficulties and in particular the supply-demand imbalance in the bovine meat market can be mitigated by storage of hindquarters destined for production of products that would have been destined in majority to the hospitality and catering industry.
- (5) In order to reduce the current supply-demand imbalance, which in turn exerts a downward pressure on all bovine meat product prices, and to alleviate those difficult market conditions, it is appropriate to grant private storage aid for fresh or chilled meat of bovine animals aged eight months or more.

<sup>(1)</sup> OJ L 347, 20.12.2013, p. 671.

<sup>(2)</sup> OJ L 346, 20.12.2013, p. 12.

<sup>(3)</sup> OJ L 347, 20.12.2013, p. 549.

- (6) Commission Delegated Regulation (EU) 2016/1238 <sup>(4)</sup> and Commission Implementing Regulation (EU) 2016/1240 <sup>(5)</sup> lay down rules for the implementation of the aid for private storage. Save as otherwise provided in this Regulation, the provisions of Delegated Regulation (EU) 2016/1238 and Implementing Regulation (EU) 2016/1240 should apply to the private storage aid for fresh or chilled meat of bovine animals aged eight months or more.
- (7) The amount of the aid should be fixed in advance so as to allow for a rapid and flexible operational system. In accordance with Article 4 of Regulation (EU) No 1370/2013, the aid for private storage fixed in advance should be based on storage costs and other relevant market elements. It is appropriate to fix an aid for the total storage period based on costs for placing in and removal of storage, cold storage costs per day and partial compensation for the loss of value from fresh or chilled to frozen beef.
- (8) For private storage aid to be effective and have a real impact on the market, the aid should be granted only for the products that have not yet been placed in storage. In that context, it is appropriate to fix the period of storage.
- (9) For reasons of administrative efficiency and simplification, the minimum quantity of products to be covered by each application should be fixed.
- (10) A security should be fixed in order to guarantee the seriousness of the application and to ensure that the measure will have the desired effect on the market.
- (11) The measures put in place to address the COVID-19 pandemic may affect compliance with the requirements for on-the-spot checks concerning aid for private storage pursuant to Article 60 of Implementing Regulation (EU) 2016/1240. It is appropriate to provide flexibility to the Member States concerned by those measures, by prolonging the period for carrying out the entry into storage checks or by substituting them by the use of other relevant evidence, and by not requiring the carrying out of unannounced checks. It is therefore appropriate to derogate from certain provisions of Implementing Regulation (EU) 2016/1240 for the purposes of this Regulation.
- (12) Article 42(1)(b) of Implementing Regulation (EU) 2016/1240 provides that Member States should notify the Commission of admissible applications once per week. In order to ensure transparency, monitoring and proper administration of the amounts available for the aid, more frequent notifications are necessary for the effective managing the scheme.
- (13) In order to have an immediate impact on the market and to contribute to stabilise prices, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.
- (14) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Common Organisation of the Agricultural Markets,

HAS ADOPTED THIS REGULATION:

#### Article 1

#### Subject matter and scope

1. This Regulation provides for private storage aid for fresh or chilled meat of bovine animals aged eight months or more, as referred to in point (d) of the first subparagraph of Article 17 of Regulation (EU) No 1308/2013, hereinafter the 'aid'.
2. Delegated Regulation (EU) 2016/1238 and Implementing Regulation (EU) 2016/1240 shall apply save as otherwise provided for in this Regulation.

<sup>(4)</sup> Commission Delegated Regulation (EU) 2016/1238 of 18 May 2016 supplementing Regulation (EU) No 1308/2013 of the European Parliament and of the Council with regard to public intervention and aid for private storage (OJ L 206, 30.7.2016, p. 15).

<sup>(5)</sup> Commission Implementing Regulation (EU) 2016/1240 of 18 May 2016 laying down rules for the application of Regulation (EU) No 1308/2013 of the European Parliament and of the Council with regard to public intervention and aid for private storage (OJ L 206, 30.7.2016, p. 71).

*Article 2***Eligible products**

1. The list of products eligible for aid is set out in the Annex.
2. In order to qualify for the aid, the meat shall be of sound and fair marketable quality and of Union origin. The product shall fulfil the requirements laid down in Section III of Annex VI to Delegated Regulation (EU) 2016/1238.
3. Aid shall only be granted for quantities of fresh or chilled meat of bovine animals aged eight months or more that have not yet been placed in storage.

*Article 3***Submission and admissibility of applications**

1. Applications for aid may be lodged as from 7 May 2020.
2. Each application shall refer to the products listed in the Annex, indicating the relevant conformation class.
3. The minimum eligible quantity for each application shall be 10 tonnes.

*Article 4***Amount of aid and period of storage**

1. The relevant amounts of aid per storage period are set out in the Annex.
2. Contractual storage shall end on the day preceding that of the removal from storage.
3. Aid may be granted only for a storage period of 90, 120 or 150 days.

*Article 5***Security**

When submitting an application for aid for the products eligible for aid, the amount of the security required in accordance with Article 4(b) of Delegated Regulation (EU) 2016/1238 shall be EUR 100/tonne.

*Article 6***Checks**

1. By way of derogation from Article 60(1) and (2) of Implementing Regulation (EU) 2016/1240, where due to the measures put in place to address the COVID-19 pandemic, hereinafter 'the measures', the paying agency is not in a position to carry out in due time the checks referred to in Article 60(1) and (2) of that Regulation, the Member State concerned may:
  - (a) extend the period referred to in the first subparagraph of Article 60(1) to carry out those checks by up to 30 days after the end of the measures; or
  - (b) substitute those checks during the period when the measures are applicable by the use of relevant evidence, including geotagged photos or other evidence in electronic format.
2. By way of derogation from the first subparagraph of Article 60(3) of Implementing Regulation (EU) 2016/1240, where due to the measures the paying agency is not in a position to carry out the unannounced on-the-spot checks, the paying agency shall not be required to perform unannounced checks during the period when the measures are in place.

*Article 7***Notifications of the quantities applied for**

By way of derogation from Article 42(1)(b) of Implementing Regulation (EU) 2016/1240, Member States shall notify the Commission of the quantities of the products which have been the subject of an admissible application and the related information, as follows:

- (a) each Monday not later than 12.00 (Brussels time) the quantities of the products for which admissible applications have been submitted on Thursday and Friday of the preceding week;
- (b) each Thursday not later than 12.00 (Brussels time) the quantities of the products for which admissible applications have been submitted on Monday, Tuesday and Wednesday of the same week.

*Article 8***Entry into force**

This Regulation shall enter into force on the 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, 30 April 2020.

*For the Commission*  
*The President*  
Ursula VON DER LEYEN

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## ANNEX

**List of products eligible for aid referred to in Article 2(1) and the relevant amounts of aid per a storage period as referred to in Article 4(1)**

Custom nomenclature code (CN code) of products	Products description	Products conformation class as provided for in Section III of Annex IV to Regulation (EU) No 1308/2013	Amount of aid per storage period (EUR/tonne)		
			90 days	120 days	150 days
1	2	3	4	5	6
ex 0201 20 50	Separated hind-quarters: the rear part of a half carcase, comprising all the bones and the thigh and sirloin, including the fillet, with a minimum of three whole or cut ribs, with or without the shank and with or without the thin flank	S: Superior E: Excellent U: Very good R: Good O: Fair	1 008	1 033	1 058