

BEET GROWERS INITIATIVE SCHEME (“BGIS”)

FAQ

What is the point of the BGIS?

The BGIS gives growers of sugar beet an opportunity to submit an application for restructuring aid by surrendering quota which would have been due to be delivered to British Sugar (“BS”) in the 2008/2009 marketing year. If you do not apply to this scheme and BS’s application is unsuccessful then you **will not** be entitled to any of the aid available under the restructuring scheme.

I do not have a contract for 2008-09, I have only got a contract dated January 2007.

Form headed – 2007 Sugar Beet Contract Confirmation issued in January 2007 is the one growers need to submit; 2008 contract confirmations are not required.

I had delivery rights in 2007/2008 but I have transferred them for 2008/2009, can I still submit an application?

No. Even though the regulations state that you must have had delivery rights in 2007/2008 in order to apply, the delivery rights you are surrendering are for 2008/2009. Therefore, if you have transferred these you have nothing left to surrender.

If BS’s application is successful, which growers will receive compensation?

Which growers will receive payments and how much tonnage each grower will have to surrender cannot be clarified until any plan put forward by BS is accepted.

I need help filling in part B of the application, could you help me?

It is entirely your decision how much quota you want to surrender. If you do not wish to surrender anything then you do not need to submit an application form – **this scheme is not compulsory**.

Box A is the delivery rights for 2007/2008 and should match the contracted tonnage on your letter of confirmation - 2007. Box B is the delivery rights you have for 2008/2009 and should match the 2007/2008 figure sent by BS. Box C is the tonnage of delivery rights to be surrendered for 2008/2009 and, the remaining tonnage is entered in box D.

In point 4.2 of the first Notice to Growers the payments are set out in tonnes per quota surrendered. We (the growers) contracts are set out in beet tonnes, how do we work out how much we can potentially get per tonne of beet?

RPA has been given the following conversion figure by BS:
1 tonne of white sugar equivalent (“WSE”) = 6.2288 tonnes of beet

100 Beet Tonnes / 6.2288 = 16.05 tonnes WSE

What if I plan to start planting in February 2008 and I am only notified if the Growers’ applications are successful 15 March 2008?

Should BS fail to submit an application or it is unsuccessful you will be notified by 15 February 2008, at the latest, that your application has been successful. This being the case you will be notified by 15 March 2008 of the amount of aid that is to be paid.

Is the scheme for 2008/2009 only?

The BGIS is currently aimed at 2008/2009 only. We don't currently anticipate that the European Commission will extend the scheme beyond 2008/2009.

Can I continue to grow contracted tonnage as normal for 2009/2010?

There is nothing to stop you returning to the sector if you can negotiate a new contract with BS for 2009/2010. However any rights you surrender for 2008/2009 are surrendered on a permanent basis.

Once I have submitted my BGI1 application and it has been accepted am I committed to the scheme?

As stated in the first Notice to Growers (paragraph 6.1.3) "once submitted your application may not be withdrawn". This, however, is subject to 6.2.4 of the same notice.

Do 'Delivery Rights' (which is stated on the application form) and Entitlements (which is on the contract) mean the same thing?

I believe these two words have the same meaning.

In Part B of the application form – Delivery Rights, Question B, do I enter my starting figure as shown on my Offer to Grow from BS or the net figure after they have made the 10% temporary cut?

The 10% cut is temporary for 2008/2009 and is therefore not taken into consideration. The figure entered here should be the same as the figure for 2007/2008.

I have already submitted my application including the 10% cut what will happen?

Where you have surrendered all your quota we will update the quantity to include the 10% and where you have surrendered only part of your quota we will contact you to confirm the quantities you wish to surrender.

What if I don't apply and BS's application is unsuccessful?

If BS's application is unsuccessful ONLY those growers who have applied to surrender quota under this scheme will receive the compensation (proportionate to the quota surrendered).

Do you have a list of growers?

BS has supplied a list of growers with contracts.

What documents will you accept in lieu of the 2007/2008 contract?

We aim to be as helpful and flexible as possible so any document confirming your 2007/2008 delivery rights may be acceptable.

Can you tell me who has already applied?

No, the list of growers who have submitted applications is confidential and cannot be revealed as per Article 8a(3) of Regulation No. 968/2006 (as amended).

How will I be paid?

The payments under either the BS proposal or the BGIS will be made direct to your bank account. If you are not registered we will contact you when we process your application.

Will there be a verification inspection?

RPA is required to verify applications prior to payments being made. For this reason you are required to retain all records pertaining to your application.

Is it possible to surrender tonnage acquired through transfer?

It may be possible to surrender transferred tonnage but this will be dependent on your ability to prove you have concluded a contract in the 2007/08 marketing year and have delivery rights for 2008/09 for the amount concerned. We may also take into consideration agreements with the contract holder who transferred their rights.

Each application will be considered on an individual basis.

Is it possible to surrender tonnage acquired through a lease?

No. If you have leased in tonnage, you do not own it so therefore cannot surrender it.