EXECUTIVE NOTE

THE PIG CARCASE (GRADING) AMENDMENT (SCOTLAND) REGULATIONS 2006 SSI/2006/451

POWERS

1. The above Instrument was made in exercise of the powers conferred upon Scottish Ministers by section 2(2) of the European Communities Act 1972.

PARLIAMENTARY PROCEDURE

2. This SSI is subject to negative resolution procedure.

POLICY OBJECTIVE

3. The main policy objective of these Regulations is to amend the provisions of the Pig Carcase (Grading) Regulations 1994 ("the 1994 Regulations") to take account of the amendment to the Commission Decision (EC) No. 2004/370 which sets out specific rules for grading pig carcases in the UK. This Decision has now been amended to withdraw a derogation which applied to the method of calculating the weight of a cold pig carcase in the UK. Following this amendment the weight of pig carcases is to be calculated in accordance with Article 2 of Commission Regulation (EEC) No. 2967/85. The Regulations will also update the references to the Commission Regulation in the 1994 Regulations, permit the use of labels to mark pig carcases, provide for carcases to be weighed in an alternative way as provided for by the Commission Regulation, permit the use of electronic communications and correct the definition of "pig carcase".

BACKGROUND

- 4. Hot weight rebates are applied to fresh carcases to take account of the moisture/weight lost from a carcase as it cools over a 24 hour period. The Commission Regulation, 2967/85 Article 2(1), which governs this aspect of weighing pig carcases requires that hot pig carcases will be reduced in weight by 2% if weighed within 45 minutes of slaughter.
- 5. At the time the Regulations were made most abattoirs in the UK were involved with the Fatstock Guarantee Schemes (FGS involving subsidy payments on cattle, sheep and pigs, liveweight and/or deadweight) most scales were imperial and pigs were weighed in scores and lbs. It was seen as cumbersome to expect the "graders" of the day to be able to use a 2% rebate and the UK applied for a derogation, which was granted in EC Decision 478/88, equivalent to the table below. When pig carcases are weighed hot, a fixed rebate system is applied as follows:-

Up to 56g 1.0kg 56.5kg to 74.5kg 1.5kg 75.0kg & over 2.0kg

6. In the interests of fairness and market transparency, the UK agriculture administrations and the Rural Payments Agency (RPA), which is the UK authority on

supervision of the Pig Carcase Grading Scheme, sought the return to the original Regulation, and the use of the 2% hot weight rebate. This would also bring the pig sector in-line with the beef sector, and the rest of the EU, where the 2% rebate is a common factor. In seeking an improvement in the transparency of the pig market, we are in no way interested in disrupting the commercial agreements on price/kg between supplier and abattoir. Whatever price/kg is paid is a matter for producers and processors alone.

7. A note inviting comments on this proposal was issued to the UK pig industry in September 2005. No Scottish representations were received. The Scottish organisations consulted were:-

Scottish Association of Meat Wholesalers Quality Meat Scotland Grampian Pig Producers

8. The grading scale applies to abattoirs killing in excess of 200 pigs per week. In Scotland, the Pig Carcase Grading Regulations are supervised by SEERAD, whereas in England and Wales the RPA is responsible for supervision.

OTHER MINOR AMENDMENTS

9. The Regulations will also update references to the Community Regulations to take account of amending legislation, allow for the alternative marking of carcases, and provide for the service of documents by fax and e-mail which is now standard in legislation.

REGULATORY IMPACT ASSESSMENT

10. The Pig industry requested this proposal which will not result in new burdens. The industry was consulted throughout, and no negative representations to the changes were received. The likely cost of the changes is very minimal. Accordingly, a Regulatory Impact Assessment has not been prepared.

Marie Coventry SEERAD-Agriculture Policy Division Livestock and Livestock Products Branch August 2006