POLICY NOTE

THE SEED (FEES) (SCOTLAND) REGULATIONS 2016

SSI 2016/69

Introduction

1. The above instrument was made in exercise of the powers conferred by sections 16(1), (1A), (3)(i), (5)(a) and 36 of the Plant Varieties and Seeds Act 1964 ("the Act") and all other enabling powers. The instrument is subject to negative resolution procedure.

Consultation

- 2. Section 16(1) of the Act requires the Scottish Ministers to consult with representatives of such interests as appear to them to be appropriate.
- 3. As well as consulting with key stakeholders (NFU Scotland, AIC Scotland, and Scottish Seed Trade Association etc.), and over 150+ interested parties, a copy of the consultation was placed on the Scotlish Government website. Two responses were received. One from the NFU Scotland and another from an individual, these have both been placed on the SG website.

http://www.gov.scot/Publications/2015/12/7417/0

Policy objectives

- 5. The purpose of this instrument is to update the provisions for the charging of seed certification (in relation to seed marketing) and associated licensed activities and it revokes and replaces the Seeds (Fees) (Scotland) Regulations 2014 ("the 2014 Regulations").
- 6. The Regulations prescribe fees in respect of matters arising under the various Seed Marketing Regulations (as amended), namely: the Cereal Seed (Scotland) Regulations 2005 (S.S.I. 2005/328), the Fodder Plant Seed (Scotland) Regulations 2005 (S.S.I. 2005/329), the Oil and Fibre Plant Seed (Scotland) Regulations 2004 (S.S.I. 2004/317) the Beet Seed (Scotland) (N° 2) Regulations 2010 (S.S.I. 2010/148), the Vegetable Seeds Regulations 1993 (S.I. 1993/2008) and also under the Seed (Licensing and Enforcement, etc.) (Scotland) Regulations 2016.
- 7. Seed certification is a European Union requirement to ensure that farmers and growers receive seeds of a known minimum quality. This is achieved in Scotland through the Seed Marketing Regulations, which ensure that seeds of the main agricultural and vegetable species can be marketed only after being examined and certified as meeting specified minimum EU standards and as being derived from crops which have also met specific EU standards. The Scottish Government carry out technical and administrative work associated with seed certification, as well as providing official supervision and a number of training courses and exams.

Purpose of the Seed Fees (Scotland) Regulations 2016

- 8. A fundamental principle of the Scottish Government accounting procedure and practice is that each statutory service should have its own financial objective, have separate costing and be charged for and that the financial objective of a statutory service should normally be full cost recovery.
- 9. The fees are reviewed annually, to ensure that if any changes are required, they are implemented as far as possible that year and not allowed to accumulate over a number of years, resulting in large increases.
- 10. The review of fees for 2016 indicates full cost recovery is being achieved in all areas except training courses and examinations for crop inspectors, seed samplers and seed analysts, crop inspection fees and the supervision fee for a Licensed Seed Testing Station. The fees applicable to these service are too be increased by 1.7 % in line with CPI.

Financial effects

11. A business and regulatory impact assessment has not been prepared. The three areas where fees are requiring to be increased are anticipated to have minimal effect on the seed industry, as the increase is in-line with inflation and will only affect a very small number of the industry.

<u>Timing</u>

12. The regulations come into force on 1 July 2016

Scottish Government Agriculture, Food and Rural Communities Directorate Agriculture and Rural Development Division CAP Reform & Crop Policy