

POLICY NOTE

THE SEED (FEES ETC.) (SCOTLAND) REGULATIONS 2017

S.S.I. 2017/179

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 130+ interested parties, a copy of the consultation was placed on the Scottish Government website. <http://www.gov.scot/Publications/2017/03/9466/0>

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 2016 (“the 2016 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^o 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 Etc.) (Scotland) Regulations 2017

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 2017 indicated to achieve full cost recovery for certification fees, courses and exams, that a 1.8% increase would be required. The seed testing fees applicable to the services provided at the Official Seed Testing Station for Scotland are too be increased by 1.8 % which was in line with CPI at the time of the review.

11. The instrument also amends regulation 15(2) of the Seed (Licensing and Enforcement etc.) (Scotland) Regulations 2016 to correct a drafting error and to fulfil a commitment to the Scottish Parliament to do so.

Financial effects

12. A business and regulatory impact assessment has been prepared and a number of BRIA interviews carried out with a cross section of the seed industry. The NFUS were the only respondees to the consultation, and were of the opinion that with the fall in cereal incomes and other pressures on arable farming, did not believe that fees should be increased. However, those in the seed industry who took part in the BRIA interviews were of a mind that the increases were in line with inflation, and fees for seed certification / testing only account for ~2% of their overall costs. Those interviewed found the proposed 1.8% increase acceptable and were of the opinion that Scottish Government provided a value for money service.

Timing

13. The regulations come into force on 1 July 2017

Scottish Government
Agriculture and Rural Economy Directorate
Agriculture and Rural Development Division
Plant Health, Horticulture, Seeds and Potato Policy