

EXECUTIVE NOTE

THE CEREAL SEED (SCOTLAND) AND FODDER PLANT SEED (SCOTLAND) AMENDMENT REGULATIONS 2006 SSI/2006/448

Introduction

1. The above instrument was made in exercise of the powers conferred by section 16(1), (1A), (2), (3), and 36 of the **Plant Varieties and Seeds Act 1964**. The instrument is subject to negative resolution procedure.

Policy objectives

2. The purposes of the instrument are to amend the Cereal Seed (Scotland) Regulations 2005 (S.S.I. 2005/328) and the Fodder Plant Seed Scotland Regulations 2005 (S.S.I. 2005/329) and to implement, in Scotland, Community obligations in respect of:

- Commission Directive 2006/55/EC (O.J. No. L 159, 13.6.2006, p.13) regarding the maximum weight of seed lots.

As a consequence of a change in European regulation of the maximum weight that a lorry is entitled to carry, the International Seed Federation approached the international bodies, the Organisation for Economic cooperation and Development (OECD) and the International Seed Testing association (ISTA) with a request that the maximum size of a cereal seed lots should be increased from 25 to 30 tonnes (excluding maize because the level is already set at 40 tonnes). The OECD requested that ISTA should consider the implications on the homogeneity of seed resulting from any increase in tonnage of cereal seed lots. The ISTA Bulking and Sampling committee recommended to ISTA that the tonnage could be increased from 25 to 30 tonnes. This change was also accepted by the OECD and the Commission. The Commission proposed a corresponding change in Directive 66/402/EEC (the Cereal Seed Marketing Directive), which was adopted by the EC Standing Committee on Seeds on 20 April 2006.

A minor amendment is also made in respect of the maximum seed lot weight of mixtures containing maize (which is a larger seed than other cereal species). Previously the simple presence of maize triggered a higher maximum seed lot weight. Now only mixtures with more than 50% maize will trigger the higher maximum seed lot weight. This makes the cereal seed marketing regulations consistent with those for fodder plant seed. A minor amendment has also been made to the Fodder Plant Seed (Scotland) Regulations 2005 to clarify the provisions on the maximum seed lot weight of a mixture.

Consultation

3. A consultation letter was issued on 26 April 2006 to over 200 consultees including seed merchants, processors and packers, as well as government and other interested bodies. Only 1 response was received which was in favour of the increase in cereal seed lot size (excluding maize).

Timing

4. It had been hoped to make this amendment, prior to Parliament's summer recess but a delay in publication of the Directive delayed the exercise. This instrument will come into force on the 26 September 2006. The Directive must be implemented by 31 December 2006.

Financial effects

5. Increasing the maximum size of cereal seed lots (excluding maize) from 25 to 30 tonnes will allow industry to make savings. A Regulatory Impact Assessment has therefore been prepared.

Relationship to Current Policy/Practice

6. Commission Directive 2006/55/EC has been implemented in England and Wales. Introduction of this piece of legislation will maintain continuity throughout the UK seed trade.

Scottish Executive Environment and Rural Affairs Department
August 2006

REGULATORY IMPACT ASSESSMENT

The Cereal Seed (Scotland) and Fodder Plant Seed (Scotland) Amendment Regulations 2006

1. Introduction

1.1 This Regulatory Impact Assessment (RIA) is an amendment to the Cereal Seed (Scotland) Regulations 2005 to implement a Commission Directive increasing the maximum size of certain cereal seed lots from 25 to 30 tonnes.

2. Objective

2.1 To increase the maximum size of cereal seed lots (excluding maize) from 25 to 30 tonnes to align maximum cereal seed lot sizes with an earlier Community wide increase in net load capacities for lorries from 25 to 30 tonnes.

2.2 Transposition of a Commission Directive amending Council Directive 66/402/EC on the marketing of cereal seed.

3. Background

3.1 A Community wide increase in net load capacities for lorries from 25 to 30 tonnes was introduced in 2001. SEERAD has supported seed industry calls for a matching increase in the maximum size of cereal seed lots.

3.2 Following acceptance of an increase in the maximum size of cereal seed lots by the International Seed Testing Association (ISTA) and OECD, the Commission proposed a corresponding change in Directive 66/402/EEC which was adopted by the EC Standing Committee on Seeds on 20 April 2006.

4. Rationale for government intervention

4.1 The government is transposing this measure as quickly as possible to allow the economic and environmental benefits to be realised without delay.

4.2 There is common support within industry for this measure which brings with it economic and environmental benefits. To do nothing would risk infraction proceedings and hold back the aforementioned economic and environmental benefits.

5. Consultation

5.1 SEERAD has consulted with key stakeholder of the seed industry and of the 200⁺ businesses/individuals consulted, we received only one response, which welcomed the change.

6. Options

Option 1: Do nothing.

Option 2: Amend the Cereal Seed (Scotland) Regulations 2005 to implement the Commission Directive increasing the maximum size of cereal seed lots (excluding maize) from 25 to 30 tonnes.

7. Costs and benefits

Business sectors affected

7.1 This regulation principally affects cereal seed producers and seed merchants.

7.2 Option 1: offers no advantages and would hold back estimated savings of around £90,000 and a potential 16% reduction in lorry movements (based on winter cereal certifications of 200,000 tonnes).

7.3 Option 2: would bring UK and EU legislation and practices into line. Would allow the seed industry to benefit financially at a time when margins are particularly low and would help reduce carbon emissions through fewer lorry movements.

Costs

Option 1

7.4 Option 1 - Do nothing: would deny the seed industry estimated savings of around £26,000 in haulage costs and a further £65,000 in certification costs (based on winter cereal certifications of 200,000 tonnes).

Option 2:

7.5 Option 2 - amend the Cereal Seed (Scotland) Regulations 2005 to implement the Commission Directive increasing the maximum size of cereal seed lots (excluding maize) from 25 to 30 tonnes: would allow industry to make savings of around £26,000 in haulage costs and a further £65,000 in certification costs (based on winter cereal certifications of 200,000 tonnes).

8. Small Firms Impact Test

8.1 This measure would have no negative impact on small firms.

9. Competition assessment

9.1 Transposition of this measure will not distort the cereal seed market.

10. Enforcement, sanctions and monitoring

10.1 Responsibility for enforcement of seeds legislation in Scotland rests with EPHAS: Agricultural Food, a Division of SEERAD.

10.2 Monitoring and review is the responsibility of EPHAS: Agricultural Food, a Division of SEERAD.

11. Declaration

I have read the Regulatory Impact Assessment and I am satisfied with the potential savings to the seeds industry.

Signed by the Responsible Minister:

Date:

12. Contact point

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