TITLE

PURPOSE AND INTENDED EFFECT OF PROPOSALS

2. (i) Issue and objective

The objective is to bring the legislation in Scotland into line with EU requirements where there is a public health need. Similar regulations have already been made in England, Wales and Northern Ireland.

The following issues are covered by the amendments:

(a) Review of the under 10,000 exemption - The EU Poultry Meat Directive (92/116/EEC) and EU Rabbit Meat and Farmed Game Meat Directive (91/495/EEC) lay down the requirements for the hygienic production of poultry meat, rabbit meat and farmed game bird meat respectively. The Poultry Meat Directive, however, permits a derogation from these requirements for farmers slaughtering less than 10,000 birds per year and supplying direct to the final consumer and local retailers. The Rabbit Meat Directive permits a similar derogation for farmers and small producers supplying rabbit meat to individuals for their own consumption. The Rabbit Meat Directive does not specify the level of the exemption, but left this to member states to decide the appropriate level. The UK decided to set the exempt level of 10,000 rabbits per year in line with the requirement for poultry. The legislation implementing the EU Directives in GB, namely the Poultry Meat, Farmed Game Bird Meat and Rabbit Meat (Hygiene and Inspection) Regulations 1995, however extends the scope of the exemption to off-farm slaughterhouses killing birds or rabbits within the specified limits. The purpose of the amendment is to bring the scope of the exemption in line with EU requirements.

(b) General Amendments - The Poultry Meat Hygiene Regulations also under- implement a number of other EU rules. A number of amendments have therefore been proposed to more effectively implement the requirements of the Directive in national legislation. A list of these amendments is attached in Annex A.

(c) Definition of the ‘local market’ - There is no allowance in the Directive for any (otherwise exempt) producer to sell to anywhere other than ‘the local market’. Current domestic provisions allow for sale at markets ‘other than a local market’ during the Christmas and Easter periods. This extension has therefore been removed in the proposed amendments.
2(ii) Risk assessment

(a) Review of the under 10,000 exemption - The UK faces the risk of EU infraction proceedings if no action is taken to amend the exemption to bring off-farm slaughterhouses under the scope of licensing requirements, in line with EU legislation. From the public health point of view, there is also the risk of foodborne infection arising from: the supply of New York Dressed (NYD) i.e. uneviscerated poultry from these premises; and the absence of veterinary supervision during specific poultry handling operations. The degree of risk to public health is difficult to quantify, but the nature of the risks, such as cross contamination of other foods arising from the handling and subsequent evisceration of NYD birds are well known.

(b) General Amendments - The UK faces the risk of EU infraction proceedings if no action is taken to correct these areas of non-compliance identified. Additionally the amendments reduce the risk of foodborne infections which might arise as a result of inadequate temperature controls when poultry meat is transported from one premises to another, and the risk of diseased birds being sold for human consumption. Non-implementation of the amendments relating to documentation would affect the ability of enforcement officers to trace the origin of the birds when required to do so.

(c) Definition of the local market – The current provision extends EU law, and therefore runs the risk of invoking infraction proceedings.

3. OPTIONS

i) Identify Options

(a) Under 10,000 exemption

Do nothing - To maintain the status quo is not considered acceptable as the scope of the current exemption is a breach of the Directive. Although few if any producers are likely to be affected by this change, the possible public health risks from the sale of uneviscerated poultry, which is permitted from exempt premises, would remain unchecked.

Amend the regulations – This would correct the under-implementation of the Poultry Meat Directive, and would ensure consistency of approach in hygiene inspection by the Meat Hygiene Service. There would also be benefits to public health through a monitoring of standards according to MHS instructions.

(b) General Amendments

Do nothing - This is not considered acceptable as the current rules are not in compliance with the Directive. Public health needs would also be undermined if the status quo was maintained. With regards changing “producer” to “occupier”; the operation of immersion chillers is carried out by the plant occupier and not the producer of live birds. If this change were not made, then any action to
prosecute the occupier for failing to keep or maintain a record in relating to the operation of the immersion chiller would likely fail.

Amend the regulations – This option provides some public health benefit, without placing a burden on industry and for which resources for enforcement can be met within the existing constraints of the Meat Hygiene Service. Changing “producer” to “occupier” would ensure that any action to prosecute the occupier in respect of the immersion chiller would not fail due to a technicality.

(c) Definition of the local market

Do nothing – This is not considered acceptable on current Scottish legal advice.

Amend the regulations – Although the National Farmers Union of Scotland advised that the provision should be retained in order to allow farmers the opportunity to make use of it in future, they were unable to provide any evidence to suggest that Scottish farmers are currently making use of this extension. Its removal would therefore correct an under implementation of the Directive whilst having minimal affect on Scottish industry.

ii) Issues of equity and fairness
A primary concern is the protection of consumers and the proposals are designed to provide enhanced public health safeguards. However Scottish Ministers recognise that businesses which might be affected should be given time to make the appropriate changes to their operations. The changes to the exemption provisions will come into effect on 1 December 2002, whereas the general amendments will take effect on 1 April 2002.

4. BENEFITS

Implementing the proposals on the amendment of the under ten thousand exemption will close a potential loophole in the law currently which currently permits unhygienic dressing practices. The other amendments would provide benefits for public health by improving traceability.

5. COMPLIANCE COST FOR BUSINESS

i) Business sectors affected

All off-farm unlicensed poultry slaughterhouses, as well as all licensed poultry slaughterhouses and cutting plants will be affected.
ii) Number of businesses likely to be affected

*Producers of Poultry Meat and Farmed Game Bird Meat in Scotland (Figures as at January 2002)*

<table>
<thead>
<tr>
<th>Exemption</th>
<th>General amendments</th>
<th>General amendments</th>
<th>General amendments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Known off-farm unlicensed poultry meat slaughterhouses</td>
<td>Licensed low throughput premises</td>
<td>Licensed full throughput premises</td>
<td>Licensed coldstores</td>
</tr>
<tr>
<td>1</td>
<td>6</td>
<td>10</td>
<td>22</td>
</tr>
</tbody>
</table>

- **Plants using immersion chillers**

Immersion chilling is used mainly for frozen broilers and for turkeys. There is only 1 plant in Scotland using an immersion chiller.

- **On-farm premises producing over 10,000 birds**

The Agency is unaware of any premises in Scotland producing over 10,000 birds but slaughtering less than this amount. The changes to this provision will not therefore affect any existing 'exempt' on-farm producers in Scotland.

iii) **Total compliance costs**

- **Off-farm slaughterhouses**

It is considered that there may be one off-farm slaughterhouse operating in Scotland. The non-recurring cost for a “typical business” to meet the structural upgrading required to obtain approval as a low throughput slaughterhouse (with a maximum throughput of up to 150,000 birds or 300,000 rabbits per year) is estimated to be about £20,000. Industry did not comment on this figure when consulted, and it is therefore assumed that is a reasonable estimate.

In addition, there are the recurring costs of the Meat Hygiene Service inspection. It is likely that most of these operators would operate as small to medium scale low throughput producers. The estimated costs for producers slaughtering 10,000 birds a year based on current charges would be £123.00 per year. If production was to rise to 50,000 or 80,000 birds per year, estimated inspection costs per producer would increase to around £612.00 or £985.00 respectively per year.

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1 Figure provided from Local Authority returns - August 2001.
2 Charges paid on the EC standard throughput charges of 0.02 Euro (£0.012) per bird (2.5kg weight), and assuming the plant operator does not have any additional charges imposed i.e. has agreed practices & hours with the Meat Hygiene Service and works within them.
- **General amendments**

Any costs to industry are expected to be minimal. These are likely to relate to time and effort for additional record keeping on animals for slaughter and commercial documentation accompanying goods sent direct to a final consumer, and the purchase of refrigeration equipment (the minimum required would be a domestic fridge or freezer) where suitable refrigeration facilities were not already available.

- **Definition of the local market**

No figures were provided by farming representatives as to the likely effect that removal of Christmas and Easter market provision would have. It is unlikely that there are many farmers in Scotland providing meat to markets other than ‘the local market’.

6. **RESULTS OF CONSULTATION**

Consultation on these proposals (except for the change from “producer” to “occupier”, and the removal of the Christmas and Easter market exemption) was carried out from 31 March 1999 to 28 May 1999 on a UK basis. There was broad support for the principle of the proposals which are intended to provide a public health benefit. There was little comment from Scottish interests, although the Scottish Agriculture college suggested that the current allowance (which was not considered during that consultation) for supplying the Easter and Christmas market by exempt producers, could pose hygiene problems, given those were considered higher food risk periods than other times of the year. This extension has now been removed in these amending regulations in Scotland (although they remain elsewhere in the UK).

7. **SUMMARY AND RECOMMENDATION**

The proposals will widen the categories of premises that are subject to licensing by the Food Standards Agency and veterinary inspection and supervision by the Meat Hygiene Service; this is as intended by the EU Poultry Meat Hygiene Directive. This will serve to lift hygiene standards in premises which were hitherto exempt from the licensing regime. Several other amendments strengthen existing requirements for veterinary inspections, record keeping and refrigeration of fresh meat in the interest of public health.

The financial impact on the majority of producers is anticipated to be minimal. Of the costs that are involved, Scottish Ministers however, believe that the overriding need is one of food safety for the consumer, and that these proposals are justified.
8. ENFORCEMENT, SANCTIONS, MONITORING AND REVIEW

The Meat Hygiene Service, which is an executive agency of the Food Standards Agency, will enforce the Poultry Meat, Farmed Game Meat and Rabbit Meat (Hygiene and Inspection) Regulations 1995, as amended, in licensed slaughterhouses and cutting premises. On-farm premises will continue to be subject to enforcement by Local Food Authorities. The Food Standards Agency will monitor the impact of these proposals through its existing licensing arrangements.

Declaration:

I have read the Regulatory Impact Assessment and I am satisfied that the balance between cost and benefit is the right one in the circumstances.

Signed on behalf of Scottish Ministers by ……………………………………..

Date:  .................................................

9. CONTACT

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March 2002
Annex A

THE POULTRY MEAT, FARmed GAME BIRD MEAT AND RABBIT MEAT (HYGIENE AND INSPECTION) (AMENDMENT) (SCOTLAND) REGULATIONS 2002

Under 10,000 exemption

1. Removal of the exemption from the requirements of the regulations for slaughterhouses, not on an agricultural holding, killing less than 10,000 birds or rabbits per year.

General amendments

2. For low throughput premises
   (i) Operators of licensed premises would be required to notify the OVS of the number and origin of animals to be slaughtered, in addition to the information already provided on the day and time of slaughter.

   (ii) Poultry meat from low throughput premises would no longer be required to be transported in vehicles fitted with a hermetic closing system. However, the other requirements for hygienic transport of poultry meat would be maintained.

   (iii) The rules amend the derogation on refrigeration equipment to make clear that all premises are required to have refrigeration equipment.

For full and low throughput premises
   (iv) poultry meat transported from a licensed premises direct to a final consumer or retailer will have to be accompanied by an invoice or delivery note.

   (v) records maintained by operators of licensed premises would be required to include details of the origin of birds, rabbits and fresh meat received into licensed premises. It is already a requirement to record the number of animals and the quantity of meat that enters premises.

Change of “producer” to “occupier”

3. This applies to premises where immersion chillers are used, and would ensure that responsibility for keeping and submitting a record on the operation of an immersion chiller lies with the plant occupier, and not the producer of live birds.