



## PIG PREMIUM SCHEME 2018

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Statutory Document No. 2018/0019



*Financial Provisions and Currency Act 2011*

## **PIG PREMIUM SCHEME 2018**

*Approved by Tynwald: 20 March 2018*

*Coming into Operation: 1 April 2018*

The Department of Environment, Food and Agriculture makes the following Scheme, having obtained Treasury concurrence<sup>1</sup>, under section 3 of the Financial Provisions and Currency Act 2011<sup>2</sup>.

### **1 Title**

This Scheme is the Pig Premium Scheme 2018.

### **2 Commencement and duration**

- (1) If approved by Tynwald this Scheme comes into operation on 1 April 2018.
- (2) This Scheme will cease to have effect on 31 March 2023 or a date notified following review under paragraph 13.

### **3 Interpretation**

In this Scheme—

“**applicant**” means a pig producer on the Island seeking financial assistance under this Scheme;

“**authorised officer**” means a person authorised in writing by the Department to exercise the powers set out in this Scheme;

“**benchmarking**” means the practice of measuring the financial health and physical performance of a farming business compared to previous performance and against similar farming businesses;

“**Department**” means the Department of Environment, Food and Agriculture;

“**direct sale**” means a sale where the carcase is processed by Isle of Man Meats and returned to the producer for onward sale;

<sup>1</sup> As required under s. 3(2)(b) of the Act

<sup>2</sup> AT 21 of 2011

“**premium**” means a payment under this Scheme in accordance with paragraphs 4 to 6;

“**recipient**” means an applicant under the Scheme who meets the requirements of, and is receiving monies under, this Scheme;

“**Red Tractor assurance**” means the food assurance scheme, operated by Assured Food Standards Board, a not-for-profit company established in England and Wales, covers food production, packaging, storage and transport, developed by experts on safety, hygiene and animal welfare;

“**Scheme year**” means a period beginning on 1 April in one year and ending on 31 March in the following year.

#### 4 **Conditions of eligibility for premium**

- (1) Premium is payable only for pigs slaughtered at an approved Meat Plant.
- (2) Pigs are eligible for premium in the event that they satisfy the criteria in the Schedule.
- (3) Premium shall only be payable where the pig has been reared on an agricultural holding certified by a certification body approved by the Assured Food Standards Board under the Red Tractor assurance standards for pigs in force for the time being.
- (4) An applicant under this Scheme must retain, and review on an annual basis, the following documents —
  - (a) a herd health plan;
  - (b) a nutrient (fertiliser) management plan; and
  - (c) a written measurement system to facilitate benchmarking, indicating objectives and outcomes which can be assessed against the business and details of which are contained in the guidance to this Scheme,

and such documents must be produced to a standard acceptable to the Department.

- (5) For the purposes of this paragraph —

“**herd health plan**” means a plan which proactively manages and improves the health and welfare of livestock, established and implemented in conjunction with a veterinary surgeon, details of which are contained in guidance prepared by the Department in respect of this Scheme; and

“**nutrient (fertiliser) management plan**” means a plan that includes a map of the holding identifying where manure may or may not be applied, details of which are contained in guidance prepared by the Department in respect of this Scheme.

## 5 Application to Scheme

- (1) An application to this Scheme must be made from 1, but no later than, 31 March each year.
- (2) An application must be accompanied by —
  - (a) evidence of certification referred to in paragraph 4(3); and
  - (b) the documents mentioned in paragraph 4(4) above.
- (3) An applicant must also evidence that there is an agreed and suitable route for pig carcasses to market as contained in the guidance to this Scheme.

## 6 Payment of Premium

- (1) Payments of the premium will only be made in respect of eligible carcasses as set out in the Schedule to this Scheme.
- (2) The rate of premium will be a maximum of £40 per eligible carcass and the annual rate calculated will be set on an annual basis at least 3 months prior to the Scheme year.
- (3) Eligible carcasses will be calculated on historical production and the amount payable per carcass at (2) above may be reduced based on the number of pigs considered eligible under the Scheme when the annual rate is settled.
- (4) In fixing the rate of premium the Department must secure, so far as is practicable, that taking one year with another the maximum annual expenditure does not exceed £120,000.

## 7 Powers of authorised persons

- (1) An authorised officer may at all reasonable times, on producing, if so required, a duly authenticated document showing his or her authority, enter any premises other than premises solely used as a dwelling house —
  - (a) where pigs to which an application or premium payments relate are kept;
  - (b) in which he or she has reasonable grounds to believe that documents required to meet the conditions of eligibility set down in paragraph 4(4) are held and to determine if an applicant under this Scheme has complied with those conditions.
- (2) An applicant under this Scheme, and any employee, servant or agent of such an applicant must give an authorised person all reasonable assistance in relation to the exercise of his or her powers under subparagraph (1).

## 8 Department not to pay Premium Payments

Where it is determined –

- (a) that the applicant is in breach of any of the conditions imposed under this Scheme; or
- (b) any information furnished to the Department by the applicant is false or misleading,

the Department shall not pay any Premium Payment and, where any payment has been made which proves to have been made in error then the Department shall recover that overpaid amount from the applicant.

## 9 Offences

An applicant who knowingly or recklessly furnishes false, incomplete or misleading information in connection with an application under this Scheme, commits an offence punishable on summary conviction by custody of not more than 6 months, a fine of £5,000, or both.

## 10 Recovery of payments

In any case where an amount falls to be paid to the Department by virtue of this Scheme, the amounts so falling to be paid shall be recoverable as a civil debt.

## 11 Reviews and appeals

- (1) A person may, within 28 days of the date of notification of a decision under this Scheme, request in writing that the Department review the decision, stating the grounds on which the review is requested.
- (2) In the first instance, the application shall be reviewed by an officer of the Department who has had no involvement in the original application; this is known as a review.
- (3) Review decisions are to be made and notified to the applicant within 30 days of the date the review request was received.
- (4) Following notification of the outcome of the review, if an applicant considers that the grounds for review have not been addressed, he or she may apply in writing to the Department requesting that the matter be referred to the Appeals Committee (“the Committee”).
- (5) An appeal shall be heard and a recommendation made by the Committee within 90 days from the date a request for an appeal is received.
- (6) Applicants may apply to be heard by the Committee on appeal.
- (7) In the case of an oral appeal the applicant must receive all the paperwork which is to be considered by the Committee in advance of the appeal hearing and applicant will be invited to attend part of the meeting.

- (8) During the oral hearing the applicant must be extended the opportunity to present his or her case and respond to the Committee's questions. Appellants may be accompanied and may wish to appoint someone to represent them.
- (9) The Committee must send a recommendation to the Minister of the Department for consideration and final decision. The Minister must reach a final decision within 28 days from receipt of the Committee's recommendation. In the case of a particularly complex appeal, a further period of consideration may be required and the applicant must be notified of this in writing.
- (10) The Department must provide the appellant with written notification of the Minister's decision within 28 days of the date of the decision being made.
- (11) For the purposes of this Scheme, the Committee is to be convened by the Department as required and must comprise —
  - (a) an industry representative;
  - (b) a Department representative who has not been involved in the original decision or the review; and
  - (c) an independent person who has appropriate knowledge of the subject area.
- (12) The Department must seek nominees to the Committee and maintain a list of those nominees along with a reference to their particular area of expertise. This list shall be available for inspection upon request.
- (13) The Committee when dealing with an appeal must —
  - (a) work within the parameters of the Scheme;
  - (b) not award compensation; and
  - (c) make objective and evidenced recommendations in line with the Scheme specifications.

## 12 Costs

- (1) An application for an appeal shall incur a cost of £300, payable when the appeal is submitted.
- (2) Any charge for an appeal under paragraph (1) shall be refunded where that appeal is successful.

## 13 Scheme Review

This Scheme shall be the subject of a review no later than 1 April 2022 or, in parallel with the review of the Agricultural Development Scheme, whichever is earlier.

## 14 Revocations

The following are revoked –

- (a) the Pig Premium Quota Scheme 2009<sup>3</sup>; and
- (b) the Pig Industry Restructuring Assistance Scheme 2011<sup>4</sup>.

**MADE 14<sup>TH</sup> FEBRUARY 2018**

**G BOOT**

*Minister for Environment, Food and Agriculture*

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<sup>3</sup> GC 28/09

<sup>4</sup> GC 0044/11

**SCHEDULE****Paragraph 6****QUALIFYING CRITERIA FOR PIG PREMIUM**

## Qualifying Standards/Specifications

**1 Application**

The Scheme shall apply to all clean pigs, young boars and castrates, the carcasses of which weigh more than 36 kilos.

**2 Qualifying criteria in respect of Premium payments shall be –**

- (1) Subject to paragraph (2), a carcase ranks for premium if, but only if in the case of a carcase falling within a weight band in line 1, the P2 measurement is less than or equal to the corresponding value shown in line 2.

Weight in kilos	36 to 48	48.1 to 50	50.1 to 56	56.1 and above
P2 measurement	14 mm and under	15 mm and under	16 mm and under	17 mm and under

For the purpose of this paragraph the “P2 measurement” is the thickness of the back fat on the carcase determined by a meat grader approved by the Department using an electronic measuring device.

- (2) A carcase produced for direct sale qualifies for premium and is not subject to the qualifying criteria in paragraph (1).

*EXPLANATORY NOTE*

*(This note is not part of the Scheme)*

This Scheme replaces previous Schemes and specifies the conditions under which premium payments for pigs may be made.

It provides for a maximum budget each year of £120,000 along with a maximum rate of premium per pig of £40, which may be subject to pro rata reduction if the budget is exceeded in any year.