Department
for Environment
Food & Rural Affairs

Post Implementation Review (PIR) of the Seed Potatoes (England) Regulations (2015) (SI 2015 No. 1953)

Evidence Analysis

1 January 2021

Introduction

This document provides an analysis of the evidence collected to conduct the Post Implementation Review (PIR) of the Seed Potatoes (England) Regulations (2015) (SI 2015 No. 1953). These Regulations were introduced to amend and consolidate the Seed Potatoes (England) Regulations 2006 (S.I. 2006 No. 1161) which controlled the production, the certification, and the marketing of seed potatoes in England. These Regulations provide the legislative basis for the compliance regime for implementing measures made under the following EU legislation - Commission Implementing Directives 2014/20/EU and 2014/21/EU, Commission Decision 2004/3/EC, Commission Decision 2004/842/EC and Council Directive 2002/56/EC on the marketing of seed potatoes.

Background

These Regulations implement Commission Implementing Directives 2014/20/EU and 2014/21/EU, Commission Decision 2004/3/EC, Commission Decision 2004/842/EC and Council Directive 2002/56/EC. Council Directive 2002/56/EC on the marketing of seed potatoes establishes a uniform certification scheme to ensure that seed potatoes produced and marketed within the EU meet certain quality standards. Commission Implementing Directives 2014/20/EU and 2014/21/EU determine the minimum conditions and grades for pre-basic, basic and certified seed potatoes and Commission Decision 2004/3/EC allows more stringent measures to be authorised in respect of the marketing of seed potatoes in ‘protected regions’. Commission Decision 2004/842/EC allows limited quantities of seed potatoes to be marketed prior to official completion of varietal registration. These measures are implemented in England through the Seed Potatoes (England) Regulations 2015. Similar legislation applies in Scotland, Wales and Northern Ireland.

The Regulations are applied through the Seed Potato Classification Scheme (SPCS), which aims to ensure that seed potatoes are healthy, true to variety and free from mixtures. The SPCS provides classification of all potatoes produced and marketed in England and Wales, depending on the class of the parent seed, and the health of the crop and tubers. In England and Wales, the SPCS is administered on behalf of the Department for Environment, Food and Rural Affairs (Defra) by the Animal and Plant Health Agency (APHA).

Summary of the Regulations’ objectives

The overriding objective of the Seed Potatoes (England) Regulations (2015) is to provide assurance on the quality of marketed material and that seed potatoes delivered to buyers and growers meet specified minimum health and quality standards through the establishment of a uniform certification scheme to ensure that seed potatoes produced and marketed within England meet those standards. This is achieved through the application of the SPCS.

The Regulations also allow stricter standards to be applied in protected regions (the counties of Northumberland (excluding the districts of Blyth Valley and Wansbeck) and Cumbria (excluding the districts of Barrow-in-Furness and South Lakeland)). The objective of these stricter standards is to help maintain a higher quality of UK seed potato stocks, with customers desiring a premium product and growers achieving a marketing advantage.

These regulations also allow limited quantities of seed potatoes to be marketed prior to official completion of varietal registration. The objective of this is to allow breeders to assess the market value of their varieties.

Scope of the PIR

The PIR has been conducted in line with BEIS guidance on low impact measures and is a statutory requirement written into the Seed Potatoes (England) Regulations (2015). The first review period is the period of five years beginning the date on which these regulations come into force. Before the end of each review period, the Secretary of State must carry out a review of these regulations, set out the conclusions of the review in a report and publish the report.

In carrying out the review, the Secretary of State must, so far as is reasonable, have regard to how Council Directive 2002/56/EC, Commission Decision 2004/3/EC, Commission Decision 2004/842/EC, Directive 2014/20/EU and Directive 2014/21/EU are implemented in EU member states.

The purpose of this PIR is to review the Seed Potatoes (England) Regulations (2015), to assess the effectiveness of the regulation following implementation, to evaluate the extent to which the regulation has achieved its original objectives, if the regulation objectives are still valid, if the regulation is still required and remains the best option for achieving those objectives, and if the regulation can be improved to reduce the burden on business.

Research analysis

The evidence for this PIR was collected by Defra and APHA, that administers the SPCS on behalf of Defra, and enforces the Regulations.

Eight research questions were identified to assess the effectiveness of the Seed Potatoes (England) Regulations (2015):

1. Has a certification scheme been established and applied across the industry in England?
2. Are the requirements of the Seed Potatoes (England) Regulations (2015) successfully applied through the Seed Potato Classification Scheme (SPCS)?

3. Does the industry have a common understanding of the requirements of the Seed Potatoes (England) Regulations (2015) (applied through the SPCS)?
4. Are the regulations effective in assuring the quality of seed potatoes marketed to growers?
5. Are higher standards successfully applied in protected regions (the counties of Northumberland (excluding the districts of Blyth Valley and Wansbeck) and Cumbria (excluding the districts of Barrow-in-Furness and South Lakeland))?
6. Do the regulations sufficiently allow breeders to assess the market value of their varieties through early marketing of not yet registered seed potato varieties?
7. Are the objectives of the regulation still appropriate?
8. Can the objectives of the regulation be achieved in a less burdensome way?

APHA, as part of its role, holds the data regarding the delivery of the Regulation, and has been able to provide Defra with the information as part of its normal working procedures.

Data comparisons were made with The Republic of Ireland (RoI), as a representative EU Member State, and with Scotland, having a similar market set-up to England. RoI and Scotland were chosen for comparison in this PIR as both implement similar Seed Potato Classification Schemes and apply protected region status throughout their territories.

The overarching questions have been addressed through feedback from the main industry representative organisations in England, whose members have a direct interest in the Seed Potatoes (England) Regulations (2015). It is considered that these bodies represent a significant cross-section of the seed potato industry, and that limiting the informal consultation to these bodies is sufficient and proportionate to confirm the information as supplied in the PIR.

Has a certification scheme been established and applied across the industry in England?

A certification scheme has been established and applied across the industry in England.

England (Table 1a): The number of registered applicants decreased each year between 2016 and 2019 (70 to 56, a 20% decrease) however the registered number of growers showed the opposite trend of a 20% increase in the time period, from 75 to 90.

Scotland (Table 2): The number of producers decreased from 202 in 2016 to 173 in 2020.

Ireland (Table 3): For the period 2016 to 2020 around 35 active businesses were registered annually. These businesses include both growers and applicants.

Both England and Scotland experienced a decrease in the number of registered applicants. For England the decrease between 2016 and 2019 was 20% whilst for Scotland it was 14.4%. The reduction in the number of applicants is a reflection of both marketing and production changes. Potato production is a very high investment enterprise, requiring expensive sophisticated machinery and storage facilities. This has resulted in many of the smaller growers leaving the sector to the larger enterprises who are prepared to make the investments. Furthermore, over the past 5 years there has been a movement away from fresh to processed potato consumption. New varieties have been developed for specific processing purposes and are tightly controlled by a small number of applicants/breeders. The older “free” varieties (i.e. those that are no longer subject to plant breeders’ rights) are declining, so where previously grower/applicants entered the “free” varieties into the SPCS, the stocks they are now growing are on contract to the rights holders of the new varieties (the growers are sub-contractors to the applicants, hence the increase in registered growers and decrease in in registered applicants over the past 5 years).

Are the requirements of the Seed Potatoes (England) Regulations (2015) successfully applied through the Seed Potato Classification Scheme (SPCS)?

The requirements of the Seed Potatoes (England) Regulations (2015) are successfully applied through the SPCS as crops which did not meet the specified minimum health and quality standards were either failed or downgraded. The Regulations encourage improvement where possible.

England (Table 1b): The overall failure rate of crops has increased from 29.2% in 2016 to 39.1% in 2019. The increase was driven by downgraded crops which increased year-on-year from 293 in 2016 to 394 in 2019 (26.9% to 37.0%). Corresponding figures for crop failures showed a small decrease from 2.4% to 2.1% between 2016 and 2019, however in the intervening years figures were 1% or less.

Scotland (Table 2): The downgrade rate decreased from 13 % of crops in 2016 to 8.6 % in 2020. The equivalent downgrade in terms of area was a decrease from 15.4 % in 2016 to 9% in 2020.

Ireland (Table 3): An average of 2.4% of crops were rejected outright between 2016 and 2020. On average about 20% were downgraded to a lower grade annually.

The proportion of downgraded crops in England increased to 37.0% in 2019 from 26.9 % in 2016. In contrast the downgrading rate for Scotland decreased from 13% in 2016 to 8.6 % in 2019. The average downgrading rate for Ireland was around 20%.

The failure rate of crops in England was similar to Ireland in 2016 at 2.4% however for England the failure rate decreased to 2.1% in 2019.

Does the industry have a common understanding of the requirements of the Seed Potatoes (England) Regulations (2015) (applied through the SPCS)?

Feedback from industry organisations indicated that the industry, in the main, is highly consolidated and those directly involved in the seed potato industry fully understand the requirements of the SPCS. However, a wide split between seed and ware growers was noted in terms of understanding.

An industry wide knowledge exchange programme was suggested as a step that could be taken to improve understanding of the requirements by ware growers. Due to the technical nature of the scheme it is impractical to expect ware growers to have a full knowledge of the workings of the Scheme, but increased transparency within the Scheme would allow ware growers to understand the meaning and limitations of the inspection results.

Are the regulations effective in assuring the quality of seed potatoes marketed to growers?

Feedback from industry organisations indicated that the SPCS has been, in the main, successful in providing assurance to buyers on the quality of marketed seed potatoes and that the decision to modify the scheme in 2015 and implement EU requirements was a positive step for growers. However, there are some failings in maintaining assurances to growers and breeders. High virus prevalence in ware crops exposed a weakness in the visual nature of the Scheme, given that virus symptoms are not typically visible until the following field generation. This is likely to become increasingly difficult as varieties and virus strains change.

To increase buyer assurance on the quality of marketed seed potatoes, industry associations would like to see the SPCS evolve to cope with the new challenges faced as a result of the increasing virus pressure, through a tightening of the virus tolerances allowed for at field inspection, particularly within certified as opposed to Basic Grades. Research is required to verify the reliability of laboratory-based seed tuber virus testing with a view to including such testing as an option within the SPCS in the future. A set maximum period between final field inspection and crop desiccation was also suggested as a measure to reduce the risk of post inspection virus infection.

Are higher standards successfully applied in protected regions (the counties of Northumberland (excluding the districts of Blyth Valley and Wansbeck) and Cumbria (excluding the districts of Barrow-in-Furness and South Lakeland))?

Higher standards are applied in protected regions.

England (Table 1c): The volume of seed potatoes produced decreased from 3,228 tonnes in 2016/17 to 2,670 tonnes in 2019/20 (-34%) however the number of seed lots increased from 52 to 54 (+8%) and the number of varieties increased from 38 to 40 (5%), if you include unregistered varieties then the figures show less of a rise, from 44 to 45.

Scotland (Table 2): Responses from our questionnaire indicated that the High Grade Status (equivalent to protected regions in England) is very valuable to Scotland and their reputation as a producer of high quality seed potatoes. This status allows Scotland to apply stricter health standards throughout its territory and produce/market only Pre-Basic and Basic grade seed potatoes. In addition only seed potatoes classified at the highest quality grade can be introduced into Scotland. This provides a safeguard against the introduction of serious pathogens such as *Clavibacter michiganensis* ssp. *sepedonicus* (ring rot*), Ralstonia solanacearum* (brown rot) and Potato spindle tuber viroid, which have never been found in potatoes in Scotland.

Ireland: Responses from our questionnaire indicated that growers in Ireland are highly supportive of retaining the High Grade Status in order to enhance crop quality and maintain yields.

Do the regulations sufficiently allow breeders to assess the market value of their varieties through early marketing of not yet registered seed potato varieties?

This question seeks to establish whether breeders are able to sufficiently assess the market value of their varieties prior to official completion of testing through the Approved Stock (AS) scheme. The AS scheme allows businesses to produce and market stocks of varieties awaiting National Listing (varietal registration). This is done under an authorisation issued by APHA. Approved stocks are produced under SPCS. The AS scheme officially approves stocks of promising new varieties to facilitate their marketing for test and trial purposes whilst they are undergoing national listing evaluation.

The regulations allow breeders to market not-yet-registered varieties.

England (Table 1d): The number of not yet registered seed lots subject to early marketing decreased by 50 %, from 10 in 2016/17 to 5 in 2019/20. Similarly, the number of varieties decreased from 7 to 5 (-29%) but the volume increased by 7% from 145 tonnes to 155 tonnes.

Scotland (Table 2): The number of seed lots subject to early marketing decreased by 47%, from 19 in 2016 to 10 in 2019. Similarly, the number of varieties decreased from 5 to 3 (-40%) but the volume increased by 41% from 29.9 tonnes to 42.1 tonnes.

Ireland (Table 3): No applications in last 5 years.

Both England and Scotland saw decreases in the number of seed lots subject to early marketing (-50 and -47% respectively) and in the number of varieties subject to early marketing (-29 and -40% respectively) between 2016 and 2019.

In England the volume of potatoes increased by 7% however Scotland saw a more substantial increase of 41% over the time period. There were no applications for early marketing in Ireland.

Feedback from industry organisations indicated a misunderstanding of the labelling requirements of the AS scheme. To improve understanding, clearer guidance on the AS scheme is required.

Are the objectives of the regulation still appropriate?

In order to establish whether the objectives of the regulation are still appropriate, data on the everyday use of the regulation (production/marketing) was gathered.

Production

England (Table 1e): Between 2016 and 2019 the area entered for seed production increased from 3,566Ha to 4,057Ha (+14%) and the area certified for seed production from 3,459Ha to 3,932Ha (+14%). The number of seed lots decreased slightly between 2016 and 2019, from 1,091 to 1,065 (-2%) as did the number of varieties from 140 to 134 (-4%). The number of approved stocks decreased by 47%, from 32 in 2016 to 17 in 2019.

Scotland (Table 2): The area entered for seed production decreased slightly between 2016 and 2020, from 10,858ha to 10,356ha (-5%). The number of seed lots increased slightly between 2016 and 2020, from 4,466 to 4,556 (+2%) however the number of varieties decreased by one, from 285 in 2016 to 284 in 2020.

Ireland (Table 3): Average of 176 lots and 36 varieties per year between 2016 and 2020. No time series information.

The area entered for seed production in England increased by around 14 per cent between 2016 and 2019. In contrast, Scotland experienced a decrease in area (-5 per cent) over the time period. Despite the decrease in area in Scotland, the number of seed lots increased slightly (+2 per cent) compared to a decrease of the same size in England (-2 per cent).

Marketing

England (Table 1f): The volume subject to seed potato marketing increased by 29 per cent between 2016/17 and 2019/20, from 77,058 tonnes to 93,484 tonnes. The number of varieties subject to seed marketing increased from 122 to 128 (5%) between 2016/17 and 2019/20. A decrease of 6 per cent was seen in the number of seed lots subject to seed marketing, from 625 to 586.

Scotland (Table 2): The volume of tonnage labelled decreased from 246,970 tonnes in 2016 to 236,125 tonnes in 2019 (-4 per cent) as did the number of seed lots labelled; from 12,260 in 2016 to 10,525 in 2019 (-14 per cent). In contrast the number of varieties labelled increased from 228 in 2016 to 254 in 2019 (11 per cent).

Ireland (Table 3): Seed of all 36 varieties were placed on the market between 2016 and 2020. No further information provided.

The marketed tonnage of seed potatoes in England increased by 29 per cent between 2016 and 2019, from 77,058 tonnes to 93,484 tonnes. In contrast the marketed tonnage of seed potatoes in Scotland decreased slightly (-4%). Both countries experienced a decrease in the number of seed lots marketed (England; -4 per cent, Scotland; -14 per cent) and an increase in the number of varieties (England; 5 per cent, Scotland; 11 per cent).

Feedback from industry organisations indicated that most quality standards are still appropriate, however a review is required as the current Regulations are not robust enough to deal with the renewed challenges facing the industry as a whole, and requires updates on many aspects, with the main shortcoming of the Scheme surrounding the virus. In order to address these concerns and update the inspection protocols and sampling for testing for virus, there is an open question over the role of tuber indexing[1]. However, there is insufficient industry consensus for it to be formally incorporated into the scheme. Industry organisations noted that they would welcome future input on the role of tuber indexing within the scheme.

[1] Tuber indexing is a method for testing the presence of one or more viruses in potato stocks. A random sample of tubers is collected from the field and sent for laboratory testing (which can include molecular testing). The method supports detection of virus in stocks particularly when there may be latent infection or late season virus spread after the official growing season inspections have been completed.

Can the objectives of the regulation be achieved in a less burdensome way?

Unexpected consequences

The high prevalence of virus infection in seed stocks and the failure to identify the virus pressure on English crops undermined industry confidence in the Scheme. Feedback from industry organisations also noted differences in the way the English and Scottish Schemes are administered.

Unexpected costs

Feedback from industry associations noted financial losses due to the high prevalence of virus in crops in 2019. The impact was largely observed on particular varieties and ranged from reduced quality and yield, to total cop write-offs with reported costs running to six figures and growers unable to meet contracts. In addition, finances were expended by growers looking for legal recourse for their losses.

Decreasing the burden on businesses

Feedback from industry organisations noted that, in the main, the Scheme was not considered to be overly burdensome on businesses. However, the importance of consistency and communication within the Scheme was stressed.

It was suggested that the current Regulations would benefit from a review of testing protocols to include a more detailed approach as well as offering growers and producers training on interpreting results and looking at new measures to ensure cleaner seed. Industry reported that the current Regulations offers opportunity for misrepresentation and is therefore not fit for purpose in line with the current challenges facing the industry. The burden on businesses could be decreased by (1) stricter controls over crop duration, in particular the period between final inspection and haulm destruction; (2) greater data collection from inspectors, samples from the field, tests of seed tubers and daughter crops; and (3) scrutiny of this data to monitor performance of this Scheme in relation to specific viruses and varieties.

Cost review

Defra have recently completed an annual review of the costs accrued by APHA in delivering SPCS services. This review highlighted a number of changes that needed to be made in order to maintain full cost recovery within APHA. Overall, the costs to industry have decreased due to efficiencies in resourcing (Table 4).

Scotland: Scottish Government carry out an annual review of fees for the Scottish Seed Potato Certification Scheme but no other specific costs analysis has been undertaken.

Ireland: No analysis has been carried out, however, all stakeholders wish to retain the High Grade Status.

Conclusion and next steps

Feedback from stakeholders suggests that the Seed Potatoes (England) Regulations (2015) are necessary to provide assurance on the quality of marketed material, and therefore achieve their overarching objectives. In the main, the industry is highly consolidated, with those directly involved in the seed potato industry having a full understanding of the requirements and value the SPCS.

However, the feedback also indicated some failings in maintaining assurances to growers and breeders and noted unexpected consequences and costs as a result of the Regulations. High virus prevalence in ware crops exposed a weakness in the visual nature of the Scheme and this is likely to become increasingly challenging as varieties and virus strains change. To increase buyer assurance on the quality of marketed seed potatoes, industry organisations would like to see the SPCS evolve to cope with the new challenges faced as a result of the increasing virus pressure and suggested efforts could be made to achieve the objectives of the Regulations in a less burdensome way. Furthermore, an industry wide knowledge exchange programme and increased transparency of the guidance documents was suggested as a step that could be taken to improve understanding of the requirements of the scheme and the meaning/limitation of inspection results by ware growers.

As a result of this PIR, Defra proposes that the Seed Potatoes (England) Regulations (2015) are still valid and relevant, but recommends that the SPCS is reviewed to maintain assurances and apply the Regulations in the least burdensome way. The United Kingdom Seed Potatoes Ad-Hoc Sub-Committee (a technical sub-group with members from Defra, the devolved administrations and scheme delivery agencies), are aware of the challenges faced by the industry as a result of high virus prevalence and is already working on an action plan for the SPCS to increase buyer assurance on the quality of marketed seed potatoes and cope with the new challenges faced as a result of increasing virus prevalence. Defra intends to hold further consultations and work closely with the industry to improve enforcement and implementation of the regulatory obligations.

Table 1a. List of registered applicants and growers on the Seed Potato Classification Scheme (SPCS) (England)

Year	Number of applicants	Number of growers
2016	70	75
2017	65	87
2018	64	95
2019	56	90
2020	54	90

Table 1b. The percentage failure rate (crops which have failed outright or met only lower grade standard) in England

Year	Total number of stocks	Total number downgraded	Total number failures	Percent downgraded/failed
2016	1091	293	26	29.24
Season inspection results The number of stocks downgraded doubled (293) compared with the previous season (145 stocks downgraded), especially at S grade. This was a combination of blackleg and virus in adjacent stocks. The number of failed/withdrawn stocks also doubled (26 cf. 12 in 2015) Blackleg is a major problem, which was disappointing as we had seen an improvement last year. 40 High grade (PB & S) input stocks were downgraded by 2 or more grades – so PB to E and S to A & B - 2/3rd of these input stocks originated in Scotland. Ware growers have also complained about the amount of blackleg in Scottish seed.				
2017	1143	267	12	24.41
Season inspection results The number of stocks downgraded (267) were of similar levels to the previous season with most being S grade entered. 12 stocks failed outright, mainly due to virus with a further 9 being withdrawn by the applicant. Virus was the biggest problem with higher levels of virus in stocks themselves and stocks downgraded due to virus in adjacent stocks. After the very poor 2016 blackleg season, there has been an improvement in 2017 with 50% fewer stocks downgraded due to blackleg. Of the 67 stocks downgraded/failed for blackleg 45 were Scottish input stocks 20 were our own stocks grown on.				
2018	1067	315	9	30.37
Season inspection results				

An increase in number of stocks downgraded 315 (267 in 2017). A significant number of growers opted for a down grade rather than do a compulsory burn off (triggered in Basic and certified crops when the virus exceeds 1/3 of the virus tolerance for the grade) in order to get an improved yield.

9 stocks failed outright, 3 for virus 5 for rogues and 1 for isolation.

A much improved blackleg year only 32 stock affected compared with 65 last year.

Virus was the biggest problem with higher levels of virus in stocks themselves and stocks downgraded due to virus in adjacent stocks. High aphid numbers had been recorded at the end of the 2017 season which will have had an impact on the virus carry over.

Following on from last year's improvement, where there were 50% fewer stocks downgraded due to blackleg, 2018 was another better year with a further 50% reduction in number of stocks downgraded so 32 against 65 last year. Input stocks were 9 England and Wales, 1 German and the remaining 21 Scotland.

2019	1065	394	22	39.06

Season inspection results

An increase in number of stocks downgraded 394 (315 in 2018). A significant number of growers opted for a down grade rather than do a compulsory burn off (triggered in Basic and certified crops when the virus exceeds 1/3 of the virus tolerance for the grade) in order to get an improved yield.

22 stocks failed, including 8 for virus, 2 for virus in adjacent crops, 4 black leg, 1 for rogues and 2 for isolation.

Significantly worse year for blackleg with 82 stocks downgraded and 4 failed compared with 32 stock affected last year. Input stock origins were 28 own replanted, 1 German, 2 NI, 55 Scotland.

Virus was the major issue with nearly twice as many crops directly affected (184 compared to the 106 stocks 2018 and 91 crops downgrade due to virus in adjacent crops compared with 57 in 2018). This was not surprising given the late season high aphid numbers recorded last year.

Lack of field generation on the parent stock label resulted in 9 stocks downgraded and one stock rejected.

Table 1c. Seed potato production and marketing in protected regions (The counties of Northumberland (excluding the districts of Blyth Valley and Wansbeck) and Cumbria (excluding the districts of Barrow-in-Furness and South Lakeland))

Year	Volume (tonnes)	Number of seed lots (stocks)	Number of Varieties
2016/17	3,228	52	38 (Including 6 unregistered varieties)
2017/18	3,244	62	48 (Including 6 unregistered varieties)
2018/19	3,778	50	31 (Including 1 unregistered variety)
2019/20	2,670	54	40 (Including 5 unregistered varieties)

Table 1d. Early marketing of not yet registered seed potatoes in England

Year	Volume (tonnes)	Number of seed lots (stocks)	Number of Varieties
2016/17	145	10	7
2017/18	228	7	7
2018/19	20	3	2
2019/20	155	5	5

Table 1e. Seed potato production in England in terms of amount/number of seed lots/varieties

Year	Area Entered (Ha)	Area Certified (Ha)	Number of Seed Lots (stocks)	Number of Varieties	Number of Approved Stocks
2016	3566	3459	1091	140	32
2017	3853	3818	1143	149	31
2018	3966	3906	1067	147	21
2019	4057	3932	1065	134	17
2020	3961	Not known yet	1071 to date	136 to date	14

Table 1f. Seed potato marketing in England in terms of amount/number of seed lots/varieties

Year	Volume (tonnes)	Number of seed lots (stocks)	Number of Varieties
2016/17	77,058	625	122
2017/18	93,484	668	120
2018/19	76,712	621	115
2019/20	99,274	586	128

Table 2. Data on the Scottish Seed Potato Classification Scheme

	2016	2017	2018	2019	2020
Area Inspected (ha)	10,857.7	10,826.6	10,291.0	10,447.8	10,355.9
No of Crops Inspected	4,466	4,494	4,431	4,603	4,556
No of Varieties Grown	285	270	277	287	284
No of Producers	202	197	189	188	173
Failure/Downgrade Rate (by area)	15.38%	9.25%	4.71%	10.39%	9.04%
Failure/Downgrade Rate (by crops)	12.96%	9.01%	4.40%	8.89%	8.60%
Tonnage Labelled	246,970.3	226,264.7	235,070.6	236,125.0	-
No of Lots Labelled	12,260	10,811	11,041	10,525	-
No of Varieties Labelled	228	233	243	254	-
Early Marketing Varieties Tonnage Labelled	29.9	26.8	11.4	42.1	-
Early Marketing No of Lots Labelled	19	34	5	10	-
Early Marketing No of Varieties Labelled	5	4	3	3	-

Table 3. Data on the Seed Potato Certification Scheme for Ireland

	2019
Seed potato production (lots)	173
Seed potato production (varieties)	36
Seed potato marketing (varieties)	36
Early Marketing	0
Percentage Failure Rate	2.4%
Percentage Downgrade Rate	20%
Number of registered businesses	35

Table 4. Changes in costs to deliver SPCS services from 2017/2018 to 2018/2019

SPCS	2017/2018	2018/2019	% Change
Hectares Inspected	3,965.5	3,998.2	1%
Total allowable costs	£590,850	£531,917	-10%

Title: Seed Potatoes (England) Regulations 2015	**Post Implementation Review**
PIR No: SI 2015 No. 1953	**Date:** 01/01/2021
Origional IA/RPC No: n/a	**Type of regulation:** Domestic
Lead department or agency: Defra	**Type of review:** Statutory
Other departtments or agencies: Aniaml and Plant Health Agency (APHA)	**Date measure came into force:** 01/01/2016
Contact for enquiries: Miranda.Reynolds@defra.gov.uk	**Recommendation:** Keep
	RPC Opinion: n/a

1. What were the policy objectives of the measure? (Maximum 5 lines)

The overriding policy objective of the Regulations is to provide assurance on the quality of marketed material and that seed potatoes delivered to buyers and growers meet specified minimum health and quality standards through the establishment of a uniform certification scheme. These Regulations also allow more stringent measures to be authorised in respect of marketing of seed potatoes in 'protected regions'. They also allow limited quantities of seed potatoes to be marketed prior to official completion of varietal registration. The objective of this is to allow breeders to assess the market value of their varieties.

2. What evidence has informed the PIR? (Maximum 5 lines)

Evidence was collected from APHA through data produced in the course of its service delivery functions. APHA, as part of its role, hold the data regarding the delivery of the Regulation, and has been able to provide Defra with the information as part of its normal working procedures. Comparative data was collected from The Republic of Ireland (RoI), and Scotland. A questionnaire was submitted to the main industry representative organisations in England, whose members have a direct interest in the Regulations. It is considered that these bodies represent a significant cross-section of the seed potato industry, and that limiting the informal consultation to these bodies is sufficient and proportionate to confirm the information as supplied in the PIR.

3. To what extent have the policy objectives been achieved? (Maximum 5 lines)

The Regulations are successfully applied through the Seed Potato Classification Scheme (SPCS). The SPCS provides classification of all potatoes produced and marketed in England and Wales, depending on the class of the parent seed, and the health of the crop and tubers. Requirements on marketing in protected regions is also successfully facilitated and limited test marketing of seed potatoes of not-yet-registered varieties also took place. The industry is highly consolidated, with a full understanding of the requirements and feedback from the industry indicates that it values the SPCS. However, some feedback has indicated some unexpected consequences and costs as a result of the Regulations. It is recommended that the SPCS is reviewed to apply the regulation in the least burdensome way and to increase buyer assurance on the quality of marketed seed potatoes.

Sign-off for Post Implementation Review: G7 economist, G7 social researcher and Minister

I have read the PIR and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

Signed: ***Andrew Cotterill, G7 Economist*** Date: 14/12/2020

Signed: ***Jake Morris, G7 social researcher*** Date: 14/12/2020

Signed: ***Lord Gardiner, Minister*** Date: 31/12/2020

Further information sheet

Please provide additional evidence in subsequent sheets, as required.

4. What were the original assumptions? (Maximum 5 lines)

The Regulations were introduced to amend and consolidate the Seed Potatoes (England) Regulations 2006 (S.I. 2006 No. 1161) which controlled the production, certification, and the marketing of seed potatoes in England. These Regulations provides the legislative basis for the compliance regime for implementing measures made under the following EU directives - Commission Implementing Directives 2014/20/EU and 2014/21/EU, Commission Decision 2004/3/EC, Commission Decision 2004/842 and Council Directive 2002/56/EC on the marketing of seed potatoes. As a result, the following assumptions were made: (1) A certification scheme has been established and applied across the industry in England, (2) the requirements of the Seed Potatoes (England) Regulations (2015) are applied through the Seed Potato Classification Scheme (SPCS), (3) higher standards are applied in protected regions, and (4) the regulations allow breeders to assess the market value of their varieties through early marketing of not yet registered varieties.

5. Were there any unintended consequences? (Maximum 5 lines)

Feedback from industry organisations noted unintended consequences in the form of financial losses, due to the impact of high virus prevalence resulting in reduced quality and yield. In addition, finances were expended by growers looking for legal recourse for their losses. Failure to identify the virus pressure on English crops undermined industry confidence in the scheme. This does not represent an under-implementation of the regulatory requirements but indicates that the SPCS should be reviewed to increase buyer assurance on the quality of marketed seed potatoes and cope with the new challenges faced as a result of increasing virus prevalence. The United Kingdom Seed Potatoes Ad-Hoc Sub-Committee (a technical sub-group with members from Defra, the devolved administrations and scheme delivery agencies), are aware of the challenges faced by the industry as a result of high virus prevalence and is already working on an action plan for the SPCS.

6. Has the evidence identified any opportunities for reducing the burden on business? (Maximum 5 lines)

Feedback from industry organisations noted that, in the main, the scheme was not considered to be overly burdensome on businesses. It was suggested that the regulation would benefit from revision in testing protocols and that the burden on businesses could be decreased by (1) stricter controls over crop duration, (2) greater data collection from inspectors, and (3) scrutiny of this data to monitor performance of the scheme in relation to specific viruses and varieties. Whilst these suggestions would improve assurances to growers and breeders, they could fundamentally increase the burden and costs on businesses

7. For EU measures, how does the UK's implementation compare with that in other EU member states in terms of costs to business? (Maximum 5 lines)

Data comparisons on the implementation of the Regulations were made with RoI as a representative EU Member State which implements a similar Seed Potato Classification Scheme and applies protected region status throughout the territory. RoI indicated that no cost analysis has been carried out, however, all stakeholders wish to retain the High Grade Status. In addition, data comparisons on the implementation of the Regulations were made with Scotland due to the protected region status applied throughout the territory and similarities in market set-up. Scottish Government carry out an annual review of fees for the Scottish Seed Potato Certification Scheme but no other specific costs analysis has been undertaken. Defra has recently completed an annual review of the costs accrued by APHA in delivering SPCS services. This review highlighted a number of changes that needed to be made in order to maintain full cost recovery within APHA. Overall, the costs to industry have decreased due to efficiencies in resourcing.

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