

MINUTE of MEETING of COUNCIL of
THE SCOTTISH POTATO TRADE
ASSOCIATION held in the ICE RINK,
GLOVER STREET, PERTH at 2.00 p.m. on
Thursday, 3 May, 2001.

PRESENT: Messrs. A. M. Beattie, D. J. Harley, R. Haynes, A. D. Lamont, V. Lumb, J. Macfarlane, J. R. McArthur, A. B. Pullar, A. J. B. Redpath and D. Y. Stewart along with H. B. Edmond, the Secretary.

The Association President, Mr D. J. Harley, occupied the Chair and welcomed those present at the meeting. He expressed his condolences and that of Council to D. Y. Stewart on the recent death of his father.

- (1) APOLOGIES: Apologies for absence were intimated on behalf of Messrs R. J. S. Doig, T. Halliwell, J. M. Marshall, K. A. McKenzie, A. Melrose, J. L. Milne, P. Peebles and J. M. Swinton.
- (2) MINUTES: The Minute of the Meeting of Council of 8 March 2001 was taken as read and approved subject to V. Lumb's name being removed from those present and inserted in the apologies list. The Chairman thereafter signed the minute.
- (3) MATTERS ARISING:
 - (a) Entertainment Matters: Arising from Item (3)(a) The Secretary had received an application form for ice for next season from Perth Ice Rink. It was agreed the Secretary should apply for the same ice as in past years for Friday 1 March 2002. A. B. Pullar confirmed that the annual Golf outing was now fully booked for Forfar Golf Course for Thursday 7 June 2001. The Secretary was instructed to send details to Members as in the past.
 - (b) Association Subscriptions: Arising from Item (3)(b) The Secretary reported that 46 members had so far paid their subscriptions with a further 4 in the post. 16 were outstanding and the members of Council agreed to contact most of those concerned. The Secretary presented a half-year budget showing a reduced subscription income due to reduced membership. There was now likely to be a deficit for the year but with savings through using email this would be kept at a manageable level. Council agreed to the membership for H. & J.M. Bennett (Scotland) Ltd changing to H. & J.M. Bennett International Ltd.
 - (c) Third Party Rights Legislation: Arising from Item (3)(d) the President reported that following K. A. McKenzie's contact with McCash and Hunter a letter had been received from them confirming that the new legislation did not affect Scotland. Council agreed that there was therefore no need to alter SPTA Conditions of Sale or Purchase.
 - (d) British European Potato Association: Arising from Item (3)(e) it was reported that the Secretary had written BEPA informing them that Council had decided to leave it to individual companies to become members as corporate membership was not an appropriate outlay of funds for the Association.
 - (e) NASPM Presentation: Arising from Item (3)(f) The Secretary reported that he had sent a letter to NASPM offering them dates for their presentation. There had as yet been no reply although David Fradd had indicated that the October meeting would probably be suitable.

(f) Arbitration Seminar 30/31 May: Arising from Item (9) it was reported that the Seminar had to be cancelled due to an extremely poor response from both members of SPTA and NASPM.

(g) Correspondence: Arising from Item (10) the Secretary reported that the Scottish Executive had extended the time for responses on the Consultation on 'The Action Programme of Nitrate Vulnerable Zones (Scotland) Regulation 2001' to 31 May 2001.

(h) Climate Change Levy: The Secretary reported that he had now written to the British Potato Council on this subject as per the terms of Item (12)(c) of the minute.

All other matters were on the agenda for today.

(4) BRITISH POTATO COUNCIL: A copy of the Minute of the meeting of the British Potato Council held on 3 April 2001 had been circulated with the agenda. Mr Stewart said he had not attended that meeting but the minute was very full and if any member had questions he would be prepared to answer them. He indicated that most of the meeting had been taken up with discussion on the proposed levy collection system and on the levy rate. Council had still to respond to the Scottish Executive on the BPC's proposals to maintain levy rates at their current level. At our Council meeting on 25 January 2001 when the minutes of the meeting of the British Potato Council of 5 December 2000 were being discussed, Council agreed and the Secretary minuted the following '*As reserves were now almost cleared there was the option to reduce activities or to increase the levy income to maintain the current level. Council was in general agreement with the principle of maintaining the same level of development activities*'. Council was disappointed at the suggestion of reducing activities as they felt they were at an acceptable level. They did however accept the reasons for maintaining the rate at the 2000/2001 levels and were happy to accept the BPC's proposals. They continued to stress that every effort should be made to look for ways to contain and/or reduce administration costs. The Secretary was instructed to respond accordingly. Council was concerned at the levy collection percentages reported in the minute and at the volume of legal work involved in pursuing non-payment. It was pointed out that the number of cases involved was small in relation to the total number of levy payers.

(5) BPC LEVY COLLECTION PROPOSAL: A copy of the original paper and the seed industry groups' options for seed had been circulated to all members of Council by email. As SPTA had originally favoured a tonnage levy system for funding the BPC, the main subject for discussion was how the seed sector would be treated. There were basically two options:-

1. A tonnage system similar to ware.
 2. A system involving MAFF/SERAD and the classification labels for seed.
- A lengthy discussion took place on both possibilities. In respect of 1. the advantages would be:-
- (a) One System for the whole industry.
 - (b) Could be done electronically.
 - (c) Only traded tonnage above the threshold would be levied.
 - (d) In effect seed growers would be better off than with levy collection by planted area as they grow less tonnes per Ha.

Disadvantages:-

- (a) As seed industry is smaller there would need to be a lower threshold. (A lengthy discussion on where this should be, took place but no conclusion was reached)

- (b) Too many unknowns – What tonnage would be levied at 10,000 tonnes or 5,000 tonnes? Would the rate have to be higher to collect sufficient?
- (c) Seed merchants will be levy payers for the first time.

D. Y. Stewart had attended a meeting with MAFF and SERAD/SASA on Monday 30 April to discuss option 2, and he explained the advantages and disadvantages.

Advantages:-

- (a) It would encompass all the tonnage on which labels were drawn.
- (b) MAFF/SASA already have the necessary information. (With some amendments especially with MAFF).
- (c) Retained multiplication stocks would not be levied.

Disadvantages:-

- (a) Different system to tonnage levy, so would add some costs to the BPC and there would also be some additional costs for SERAD/MAFF.
- (b) Could be illegal under confidentiality or data protection rules.
- (c) Would not be possible to charge a movement levy to seed merchants under this system.

A. M. Beattie proposed that Council should opt for the seed label levy system. The BPC should progress with MAFF/SASA on any difficulties and if not resolved pursue option 1. R. Haynes seconded this. A counter proposal was made by V. Lumb and seconded by J. R. McArthur that Council should support option 1. A vote was taken and support for the counter proposal of option 1, resulted in a marginal majority of one (5 to 4). A response was to be made to the BPC by the end of May. Industry would still have the opportunity to comment on the final proposals before being adopted.

- (6) SEED SECTORAL GROUP: A copy of the Minute of the meeting of the Seed Sectoral Group held on 1 March 2001 had been circulated by the Secretary. Mr Harley gave a report on the meeting. J. Knowles had requested the labels issue figures from SASA but it appeared SASA system could not currently provide this. It would be available for next season. Downgrading had been discussed but as the subject was on the agenda this was left until later. NIAB variety trials had been discussed. These were in their final year and a decision as to whether they should continue took place. M. Storey was preparing a paper for their next meeting. The BPC had added 20 new varieties to their Website. Concern had been expressed at the threat from Brown Rot and Ring Rot. Council again asked members to be vigilant in dealing with risk countries and not to import seed. From provisional figures issued by the BPC, seed exports were down by 11%. A report on a presentation by Mark Pettigrew of Walkers/Frito Lay titled 'Perspective on Future Processing Markets for Potatoes and the Implications this may have on seed' was noted.
- (7) VOLUNTARY DOWNGRADING OF CLASSIFIED SEED POTATO STOCKS:
A letter from SASA as a follow up to Council's discussions with them on the subject of downgrading had been issued with the agenda. This letter notified the Association of SASA's intention to allow, at the request of the applicant, the voluntary downgrading of seed stocks, produced from the 2001 crop, during labelling in the autumn/winter of 2001-02. Seed stocks that have been voluntarily downgraded at the request of the applicant will not normally be eligible for reinstatement, for the purposes of re-entry into the Classification Scheme. There had been no reply as yet on the request to allow the planting of seed and ware on the same farm. SASA was to be contacted on this subject. It was suggested that

if this were allowed the downgrading to AA grade would not require the facility of reinstating to allow planting on a seed farm. This was provided AA grade was treated similarly to once saved seed. It was suggested that further discussion with SASA was required.

- (8) FOOT AND MOUTH DISEASE: Two letters from SASA had been circulated with the agenda. The first was a reply to the Association's letter requesting a refund or rebate on the label fee for consignments not inspected during the Foot and Mouth outbreak. The letter ruled this out for various reasons, the main one being that it would be too difficult to administer. On the motion of A. Pullar it was agreed not to pursue the subject any further. It was suggested that the lack of inspection of seed before movement had had no impact on the level of complaints and as a consequence was the current inspection system necessary? A. M. Beattie said that the industry had fought hard for 100% inspection and it was a good marketing benefit as well as bolstering the reputation of Scottish seed. It was agreed the subject required a full debate and should be an item for a future meeting agenda. It would be useful to have figures on inspections and failures etc during the last season.

The second letter dealt with the progress of soil sampling for potato cyst nematodes. SASA were hopeful of clearing all the outstanding applications and would strive to have the results to growers before planting.

- (9) IDENTIFICATION OF ORGANIC SEED POTATOES: A. J. B. Redpath presented a paper proposing that the Association should lobby SASA/SERAD to identify seed crops grown on organic accredited land in the Register of Basic Seed Potato Crops. A discussion for and against the proposal took place. Council came to the conclusion that the seed register was for showing only the classification of crops and not a marketing tool. Other specialist categories could ask to be identified in the same way. It was suggested that it was something for an organisation such as the Soil Association to do.

- (10) CORRESPONDENCE: The Secretary reported that the following correspondence had been received:

Letters from the Scottish Executive headed:

- (a) "Commission Proposal for a Council Directive Amending Directive 66/401/EEC, 66/402/EEC and 66/403/EEC on the Marketing of Fodder Plant Seed, Cereal Seed and Seed Potatoes". (Response by 8 May 2001)
- (b) "Consultation Paper: The Action Programme of Nitrate Vulnerable Zones (Scotland) Regulation 2001" (Response requirement delayed until 31 May 2001)
- (c) "Non-Domestic Rating and Hardship Relief for Businesses Affected by Foot and Mouth Disease: Guidance for Local Authorities in Scotland"
- (d) "Foot and Mouth Disease – Impact Assessment Phonenumber"
- (e) "British Potato Council Levy 2001-2002"
- (f) "Marketing of Seed for Test and Trial Purposes". (Response by 20 June 2001)
- (g) "Foot and Mouth Disease – 1. Implementation of CAP Subsidy Rules/Agriculture Environment Schemes. 2. Future Schedule of CAP Subsidy Payment"
- (h) "EC Proposals for an Optional Small Farmers' Scheme"

Letter from SASA headed

- (a) "Foot and Mouth Outbreak – Soil Sampling for Potato Cyst Nematodes"
- (b) "Foot and Mouth Disease an Inspection of Seed Potato Consignments".
(Item (8) on Agenda)

- (c) "Letter of Thanks for Donation to M. Barnes's Retiral".
- (d) "Voluntary Downgrading of Classified Seed Potato Stocks within the Scottish Potato Classification Scheme". (Item (7) on Agenda)
- (e) "Notes to Producers on Sampling for Potato Cyst Nematodes".

Letters from the Pesticides Safety Directorate headed:

- (a) "Revised Arrangements for Access to Information on Pesticides".
- (b) "News Update No 53 – A New Structure for PSD".
- (c) "News Update No. 54 – Training Opportunity – Compilation of Efficacy Overviews and Biological Assessment Dossiers".
- (d) "Implications of the Outbreak of Foot and Mouth Disease".
- (e) News Update No 52 – Report of the Main Developments at the EC's Standing Committee on Plant Health (SCPH) on 1-2 March 2001".
- (f) "Arrangements for the Transfer of Responsibility for the Registration of Non-Plant Protection Pesticide Products".
- (g) "Second Meeting of Essential Uses – Monday 2 April 2001".

Letters from British Potato Council.

- (a) "EYEWITNESS – March/ April Edition".
- (b) "Minutes of the Meeting of the Seed Sectoral Group of 1 March 2001 ". (Item (6) on agenda)
- (c) "Minutes of the Meeting of the British Potato Council of 3 April 2001". (Item (4) on agenda)
- (d) " British Potato Council's Levy Collection High Level Proposal". (Item (5) on Agenda)

Letters from Food Standards Agency.

- (a) "Proposed Council/EP Regulation Laying down General Principles of Food Law and Establishing the European Food Authority".
- (b) "Consultation: Migration of Bisphenol A from Can Coatings into Food".
- (c) "European Commission Working Document on Dioxins in Animal Feedingstuffs".
- (d) "Update on Chloropropanols".
- (e) "Mycotoxins – EC Permitted Levels".
- (f) "Food Labelling Meetings".
- (g) "Food Standards Agency News". (April Edition)
- (h) "European Commission Working Documents on Dioxins in Food".
- (i) "European Commission Regulation (EC) No 466/201 Setting Maximum Levels for Certain Contaminants in Foodstuffs".
- (j) "Application for National Approval of New Sweetener 'Sucralose' under the Sweeteners in Food Regulations 1995 (as amended)".
- (k) "Food Labelling Action Plan: Improving Information in Catering Outlets and for Food not Sold Pre-Packed".
- (l) "Codex Committee on Food Labelling (CCFL) – 29th Session".
- (m) "Implementation of Directive 1999/34/EC Extending Product Liability to Primary Agricultural Products and Game".
- (n) "The Draft Natural Mineral Water, Spring Water and Bottled Drinking Water (Amendment) (Scotland) Regulations 2001".
- (o) "Food Standards Agency News". (March Edition)
- (p) "Food Labelling: Labelling of Foods Containing Caffeine and Quinine".

(q) "Mycotoxins – EC Permitted Levels".

Letter from the Patent Office

"The Patents (Amendment) Rules 2001".

Letters from Scottish Food & Drink

(a) "Notice of Conference on 23 May 2001".

(b) "Notice of website – www.scottishfoodanddrink.com".

Letter from the Society of Events Organisers

"Offering their Services".

The President agreed to draft responses to the Scottish Executive's on their letters at (a) and (f) above.

(11) DATE OF NEXT MEETING: It was confirmed that the next meeting of Council would be held on Thursday 28 June 2001 in Perth provided there were sufficient items for the agenda to justify a meeting.

(12) ANY OTHER BUSINESS:

There being no further business the meeting closed with a vote of thanks to the Chairman.

