

QUALITY MEAT SCOTLAND

QMS QUALITY MEAT PROMOTION SCHEME (2017 – 2020)

1. Title

QMS Quality Meat Promotion Scheme

2. Objective

The objective of this scheme is to promote the red meat products of the cattle, sheep and pig sectors of Scotland, notably in relation to such products whose designations are registered under Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs. The notified scheme will be a successor to a similar scheme - N659/2007 QMS Meat Quality Advertising Scheme and the prolongation of that scheme SA36625 expiring on 31 March 2017.

3. Legal Basis

Quality Meat Scotland (QMS) was established as a Non-departmental Public Body of the Scottish Government on 1 April 2008. QMS is wholly accountable to Scottish Ministers and its purposes and functions are set out in the Quality Meat Scotland Order 2008 made under the Natural Environment and Rural Communities Act 2006.

4. Duration

From the date of approval to 31 December 2020.

5. Budget

Annual Budget - £4 million (approximately €4.7 million)
Overall Budget - £16 million (approximately €18.8 million)

6. Beneficiaries

Beneficiaries are the producers of red meat products of the cattle, sheep and pig sectors of Scotland subject to levy under the Quality Meat Scotland Order 2008.

Where aid is related to organisation of and participation in trade fairs, exhibitions and similar events, only small and medium-sized enterprises (SME's) are beneficiaries.

Undertakings in difficulty and undertakings subject to outstanding recovery orders are excluded from the scope of the beneficiaries.

7. Description of the Aid Scheme

Quality Meat Scotland

The promotional activities will be administered and undertaken by Quality Meat Scotland.

The name and logo (see below) of Quality Meat Scotland will only be used in so far as their use is necessary to inform consumers about the origin of the information and the responsible body. Where used in any promotional material the logo will be used in a peripheral way (eg in small characters legible at short distances in the corner of the promotional material).



The Board of QMS consists of members appointed by the Scottish Government following a fair and open appointments procedure in accordance with the code of the Office of the Commissioner for Public Appointments in Scotland. The Board consists of a Chair, and eleven independent members representing the interests of the Scottish cattle, sheep and pig sectors subject to levy under the Quality Meat Scotland Order 2008.

The Scottish Government controls the expenditure of QMS by exercising a right of approval of the QMS Corporate and Business Plan. A Framework Agreement between the Scottish Government and QMS ensures that QMS acts in accordance with public sector requirements. QMS is required to lay its Annual Report and Accounts before the Scottish Parliament.

The promotional activities may be provided by QMS itself but where value for money can be obtained outside the QMS structure, the activities may be procured from private sector organisations. Contracts will be awarded on the basis of market principles in line with public procurement rules.

QMS's governmental duties include the collection and administration of levy, and also determine how the levy revenue should be spent in line with QMS's statutory functions.

Levy System

The aid scheme will be funded from a statutory para-fiscal levy. The levy system operates under the Quality Meat Scotland Order 2008.

This statutory para-fiscal levy exists to fund organisations that undertake work to assist with the promotion and development of the Scottish beef, lamb and pigmeat sectors. Producers in these sectors are too small to be able to carry out such work themselves.

The statutory Scottish red meat levy is applicable to all cattle, sheep and pigs slaughtered in Scotland for human consumption (irrespective of weight, breed, etc). The levy consists of two parts: the producer (farmer) levy and the slaughter or export levy. Levy is collected from farmers and processors at the following rates and an independent audit is carried out to ensure that levy is collected correctly. These levy rates are approved annually by Scottish Government.

The levy rates as at 1 April 2016 are as follows.

Species	Paid by Producer per Head	Paid by Slaughterer per Head	Total Levy
Cattle	£4.20	£1.30	£5.50
Calves (up to 68 kg)	£0.07	£0.07	£0.14
Pigs	£1.02	£0.24	£1.26
Sheep	£0.60	£0.20	£0.80

Levy is not charged on cattle, sheep and pigs brought into Scotland from other Member States less than 3 months (cattle) and 2 months (sheep and pigs) before the date on which they are slaughtered.

Aided activities

The measure consists of two types of activities:

- (i) Organisation of competitions and organisational or participatory activities relating to trade fairs, exhibitions and similar events;
- (ii) Promotion campaigns intended to encourage economic operators or consumers to purchase beef, lamb and pork products.

The aid will be granted to the final beneficiaries indirectly, in kind, by means of subsidised services and will be paid to the provider of the promotion measure. However, in relation to measures for organisation of competitions, trade fairs and exhibitions, the aid may be granted through reimbursement of real costs incurred by the SME beneficiary.

The maximum aid intensity can be up to 100% of the eligible costs. This also applies to promotion campaigns focussed on products covered by quality schemes, as the sector contributes at least 50% of the costs, by way of parafiscal levy paid to QMS.

Organisation of competitions and organisational or participatory activities relating to trade fairs, exhibitions and similar events

The promotion activity will be designed to inform about the characteristics of beef, lamb and pork and the aid will be accessible to all eligible persons and organisations in the area concerned, based on objectively defined conditions. The eligible beneficiaries are described in Section 6 (Beneficiaries) above.

The beneficiaries will therefore be selected through appropriate selection procedures, on a first-come, first-served basis, whilst taking into account other objective factors such as participation in any previous opportunities and the benefits gained therefrom. The intention will be to maximise the general benefit to all producers regardless of location in Scotland.

Symbolic prizes will not exceed €1,000 per prize and per winner of a competition and will be paid to the provider of the promotion measure if the award and presentation of the prize is properly demonstrated.

The following costs are eligible:

- participation fees;
- travel costs and transportation costs for animals;
- costs of publications and websites announcing the event;
- the costs of erecting, dismantling and renting premises and stands,
- symbolic prizes for competitions.

Beneficiaries of aid shall submit an application with the minimum content required by point 71 of the European Union Guidelines for State aid in the agricultural and forestry sectors in rural areas 2014 to 2020 (hereinafter referred to as “the Guidelines”) prior to the organisation of the event.

Promotion campaigns intended to encourage economic operators or consumers to purchase beef, lamb and pork products

These promotion campaigns will be either focussed on products covered by quality schemes for the benefit of all producers of the product concerned.

Samples of promotional materials to be used have been provided with this notification. Any additional samples of materials will be provided in accordance with point 457 of the Guidelines as required.

The promotion campaigns will satisfy Article 2 of Directive 2000/13/EC and the requirement of Regulation (EU) No 1169/2011 and specific EU labelling rules in each case as are in force at the appropriate time.

The quality schemes on which the promotion campaigns will focus are:

- (a) EU recognised denominations: Protected Geographical Indications (PGI) “Scotch Beef” and “Scotch Lamb”;
- (b) Nationally recognised quality schemes:
 - (i) The quality scheme recognised as complying with point (282)(b) of the Guidelines, commonly known as the Quality Meat Scotland Cattle and Sheep Assurance Scheme managed by QMS. This scheme provided quality specifications for beef and lamb products and controls are carried out to ensure compliance with these specifications.
 - (ii) The quality scheme recognised as complying with point (282)(b) of the Guidelines, commonly known as the Quality Meat Scotland Pigs Assurance Scheme managed by QMS. This scheme provided quality specifications for pigmeat products and controls are carried out to ensure compliance with these specifications.

As regards those nationally recognised schemes QMS are submitting additional information, specifically the QMS Cattle and Sheep Assurance Scheme Standards and the QMS Pigs Assurance Scheme Standards, to demonstrate compliance with the conditions set out in point (282)(b) of the Guidelines. These schemes are open to all producers.

Promotion campaigns focussed on quality schemes mentioned above will not be earmarked for products of one or more particular undertaking.

Promotion activities focussed on EU-recognised denominations may refer to the origin of the products in a way that corresponds exactly to that denomination. The logos to be used are:



Promotional activities based on national quality schemes may refer to the origin of products, provided it is secondary in the message, i.e. secondary to the part of the promotion that is not focused on origin.

The logo to be used to promote pork and pork products from the QMS Pigs Assurance Scheme include the main symbol related to the quality scheme and a secondary symbol related to the origin expressed by way of a national emblem.



The colour and emblem of the Specially Selected Pork label may vary according to national origin - See Annex 1. The UK authorities will ensure that quality schemes are open to products and operators through the EU provided the same quality standards are met. References to the origin of these quality products will only be made in the form of a message which is subsidiary to the primary quality message.

The eligible costs for promotion of a quality scheme comprise:

- placing of printed advertisements in newspapers and magazines, or securing promotional activity space, e.g. on promotional activity hoardings;
- security slots for promotional activity on radio, TV, cinema or internet (e.g. social media, blogs);
- demonstrations and tastings within retail outlets
- distribution of printed material, e.g. placing printed fliers in newspapers or magazines and displaying material at point of sale;
- hiring consultants in promotional activity, e.g. advertisement designers;
- administration of promotional activity.

In line with the Commission Guidelines on the labelling of foodstuffs using protected geographical indications as ingredients (2010/C 341/03), where the products Scotch Beef PGI, Scotch Lamb PGI and Specially Selected Pork are used as ingredients in, for example, a ready meal then the following logos may be used.



Defending products from adverse publicity

QMS will defend products derived from the cattle, sheep and pig producers in Scotland from any adverse publicity where this threatens to impact negatively on consumers, so as to provide appropriate reassurance about the safety, quality or other characteristics of these products and thus leading to continuing consumer satisfaction and consumption of such products. It is not excluded that the media give negative messages about such products and fail to provide a balanced view of the issue concerned. Where QMS feels that there is a lack of balance and, in particular where this could have a negative effect on the consumption of a product, it may join the debate and put across a balanced view of the issue. It will also act as a focal point in communicating balanced messages to the public, including via the media to ensure that consumers are properly informed.

These costs are not an integral part of the promotion campaigns that will generally be run by QMS. It is envisaged that one off promotional campaigns may be run to counter adverse publicity (for example, about the safety of a particular product). In these instances the following costs are eligible:

- the costs of publications in print and electronic media, websites, and spots in electronic media, on radio or television, aimed at presenting factual information about producers from a given region or producers of a given product, provided that the information is neutral and that all producers have equal opportunities to be represented in the publication;
- the costs for the dissemination of scientific knowledge and factual information on (i) quality schemes open to agricultural products from other Member States and third countries; (ii) generic agricultural products and their nutritional benefits and suggested uses for them;
- the costs for consumer targeted promotion campaigns organised in the media or at retail outlets as well as for promotion material which is distributed directly to consumers.

