

Consultation on the classification and price reporting of sheep carcases and the authorisation of automated grading methods for the classification of sheep and beef carcases.

Date: January 2024

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# Part 1 – Consultation information

## Why we are consulting

Defra and Welsh Government consulted (separately) on proposals to introduce mandatory sheep carcase classification and price reporting in 2018. This followed the Government’s announcement that it would consult on introducing measures to improve fairness and price transparency for producers in the livestock sector following the Groceries Code Adjudicator (GCA) Call for Evidence undertaken in 2017. However, due to delays caused by incidents such as the global covid pandemic, legislation has not yet been put in place.

Since that initial consultation circumstances have changed, most notably EU Exit. As part of this new consultation, we are also seeking views on a new process for the authorisation of automated grading methods for sheep carcases, and on amendments to the existing process for authorising automated grading methods for beef carcase classification (to ensure it is operable and fit for purpose now we are no longer an EU member state). The new powers provided by the Agriculture Act 2020, and the Agriculture (Wales) Act 2023, allow for greater flexibility to introduce a mandatory sheep carcase classification and price reporting scheme.

This consultation therefore covers both our revised proposals to introduce mandatory sheep carcase classification and price reporting, and new proposals for the authorisation of automated grading methods for beef and sheep carcase classification.

Defra and Welsh Government are jointly consulting on legislative proposals for schemes in England and Wales. We are collaborating with the Northern Ireland Executive and Scottish Government to ensure schemes are aligned and there is a UK wide approach to authorisation of automated grading.

## What we are aiming to achieve

The purpose of our policy is to establish a more transparent and productive sheep market. To achieve a robust system for the classification of sheep carcases, all methods of classifying carcases, manual and automated, need to grade carcases reliably and consistently to a prescribed scale. Subject to the outcome of the consultation, we aim to set out in legislation a clear and robust scheme for classification of sheep carcases and how sheep carcase prices must be reported.

We also intend to align the authorisation of automated grading methods in both the beef and sheep sectors as closely as possible so that they operate effectively in a domestic context. We are therefore including in this consultation proposals that put in place technical requirements on automated beef carcase grading methods, including some of those removed by operability amendments made when the UK left the EU.

The legislation would facilitate a weekly publication of reported prices to provide greater market transparency. The classification grades of the sheep carcases notified to producers can then be used by those producers, alongside pricing information, to target market preferences, improving returns and productivity.

## What we are proposing

Our proposal is to bring in legislation to implement and enforce a scheme for classification of sheep carcases and the reporting of the prices on those classified carcases under certain circumstances. This will, overall, align the sheep sector with the classification and price reporting already required in the beef and pig sectors. Specifically, the legislation would set out a transparent process for the authorisation of automated technology to classify sheep carcases and include requirements for the licensing of manual sheep carcase classifiers and of automated sheep carcase classification. It would also align the existing process for authorising automated methods of classifying beef carcases with the new process for authorising automated sheep carcase classification.

In England and Wales, we propose that any abattoirs slaughtering over 2,000 sheep (of any age) per week, on a rolling annual average basis, would be required to classify the carcases of all sheep that are under 12 months of age at slaughter (including contract kill and those purchased liveweight and deadweight). These abattoirs will be required to report price data by carcase classification for individual sheep aged under 12 months supplied on a deadweight basis, without burdening smaller abattoirs. The reported prices will be aggregated and published.

It is proposed that abattoirs will be required to dress and trim the carcase of sheep under 12 months of age at slaughter to prescribed specifications, prior to classification using the (S)EUROP grid, and record the details of the classification and weight of, and carcase presentation specification applicable to, each carcase when they report the price.

We anticipate some in industry will want to use automated sheep carcase grading methods. We propose that any sheep grading method, automated or manual, will be assessed and authorised by government, and that individual abattoirs are able to put forward automated methods for licencing on their premises only after they have been authorised.

We therefore propose that an authorisation test is conducted to check that the equipment classifies to the standards set out in the legislation. This test, by government expert classifiers, would provide a level of independence which should reassure industry and government that the results are fair and the equipment is classifying to a satisfactory standard.

Our proposal is for a single authorisation process to be followed across the UK to ensure a consistent, fair and transparent process wherever in the UK authorisation is sought. To achieve this, we propose there will be clear guidance on each step of the process and that legislation should state the test procedure and detail the information to be obtained about the automated technology.

The requirements for automated beef and sheep grading technologies will be aligned so that the process followed for authorisation in the beef and sheep sectors will be similar. An outline of the proposed steps for this process are shown in Figure 1 below. Further detail of the proposed system is provided prior to the specific consultation questions on authorising automated grading methods.

**Figure 1. A flow diagram of the steps for the authorisation process and licensing of automated grading methods**

We propose that for an initial period of one year after the introduction of the legislation, carcase classification will have to be carried out manually by licenced classifiers to provide the data that is required to test and authorise automated sheep grading methods. This is explained in more detail in the section on sheep specific issues relating to automated grading in the consultation questions part of this document. We are proposing that following the required period, carcase classification could be undertaken using appropriately licenced manual or authorised automated methods.

We wish to consult you on the details of this policy and how the authorisation process for automated grading methods will be conducted.

## How are we proposing to make changes?

We propose to implement the described Sheep Carcase Classification and Price Reporting Scheme in England and Wales through secondary legislation and associated guidance, as soon as Parliamentary and Senedd time allows. Both DAERA in NI and Scottish Government will also seek to lay appropriate legislation when Assembly and Parliamentary time allows.

## Existing policy and practice

At present, sheep carcase classification and price reporting are voluntary. Live weight market prices of lambs being sold for slaughter are collated by the Livestock Auctioneers Association (LAA), whilst prices of lambs sold on a deadweight basis are supplied by a voluntary sample of abattoirs to AHDB, who collate and publish them. These two routes account for the majority of sheep slaughtered in Great Britain, with a smaller number of sheep slaughtered on a contract kill basis.

In the UK, the current legislation setting out the systems for classification and price reporting of bovine and pig carcases is contained either in Retained European Union Legislation, or in Statutory Instruments which were preserved on EU Exit. Retained EU Regulation 1308/2013 specifies the scales for the classification of carcases in the beef, pig and sheep sectors. Retained EU Commission Delegated Regulation 2017/1182 provides clear direction on identifying age and categories of bovine animals, the method for classifying beef, sheep and pigs and confirms the grading methods and automated grading techniques. Retained EU Commission Implementing Regulation 2017/1184 provides for on-the-spot checks, licencing, penalties/enforcement and the reporting and calculation of market prices. Sheep carcase classification and price reporting are voluntary under the three retained EU Regulations referred to above. In the UK, mandatory schemes have only been put in place for the beef and pig sectors. Commission Decision 2004/370/EC authorises methods for grading pig carcases in the UK

Existing domestic legislation, preserved after leaving the EU, relating to the classification of beef and pig carcases for England and Wales is contained in The Carcase Classification and Price Reporting (England) Regulations 2018 No.1164 (for England) and The Carcase Classification and Price Reporting (Wales) Regulations 2018 No. 1215 (W. 248) (in relation to Wales). Although domestic powers (under the Agriculture Act 2020 and Agriculture (Wales) Act 2023) will be used to bring in these new Regulations, we propose to draw upon elements of the retained legislation in their drafting.

Industry has become familiar with this EU model through the mandatory schemes for pigs and beef, and many abattoirs are already operating voluntary classification for sheep. Voluntary sheep carcase classification is already widely used in order to meet the requirements of both domestic customers, and the EU market to which about a third of UK sheep production is exported. Dressing specifications however can vary depending on the abattoir and the destination market. It is, therefore, sometimes challenging for producers to understand and compare the market prices they receive.

## Scope

Agriculture is a devolved matter. However, we recognise that the sheep industry operates on a UK-wide basis, therefore Defra and Welsh Government are working with the administrations in Northern Ireland and Scotland so that each can bring in similar legislative requirements in their individual jurisdictions. This is a joint consultation by Defra and the Welsh Government. Separate consultations will be undertaken by DAERA and Scottish Government.

Given the previous consultation on the principle of bringing in a scheme; the relevant evidence already available, and the technical nature of carcase classification and price reporting schemes, we are undertaking the joint targeted consultation through engagement with key stakeholders interested in the production, slaughter, processing and sale of lamb.

Responding to the consultation

We ask you to respond to the consultation questions online at: <https://consult.defra.gov.uk/red-meat-and-dairy/ee029585>

This consultation starts on 31 January 2024 and closes on 13 March 2024.

We would like your views on proposals for a mandatory carcase classification and deadweight price reporting scheme for the sheep sector, and on the mechanisms for authorising automated grading methods that could be used in England and Wales for the classification of beef and sheep carcases in abattoirs slaughtering these species.

Representative groups are asked to give a summary of the views of those they represent, and, where relevant, of whoever else they have consulted in reaching their conclusions.

We would prefer to receive responses online at <https://consult.defra.gov.uk/red-meat-and-dairy/ee029585> however enquiries and responses can be directed to:

SCCConsultation@defra.gov.uk

and written responses (specifying which question(s) you are answering) can be sent to:

Consultation on sheep carcase classification and price reporting,

Red Meat and Dairy Team,

Defra, Area SE 2nd Floor,

Seacole Building,

2 Marsham Street,

London,

SW1P 4DF.

If you would like to receive hard copies of the consultation documents, please contact SCCConsultation@defra.gov.uk or use the online link.

## After the consultation

We will summarise all responses once the consultation window has closed. This summary will include a list of organisations that respond but not individuals’ names, addresses or other contact details.

Defra and Welsh Government may publish the content of your response to this consultation to make it available to the public without your personal name and private contact details (e.g. home address, email address, etc.).

Consultation responses will be shared with the Welsh Government and may be shared with the Scottish Government and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland (DAERA), each of whom will handle the data according to their individual privacy policies and in line with the Data Protection Act 2018.

Each administration’s privacy notice may be found here:

• For the Scottish Government: Privacy - [Privacy - gov.scot (www.gov.scot)](https://www.gov.scot/privacy/)

• For the Welsh Government: [Welsh Government privacy notice | GOV.WALES](https://www.gov.wales/welsh-government-privacy-notice)

• For the Department for Agriculture, Environment and Rural Affairs in Northern Ireland: [DAERA Privacy Statement | Department of Agriculture, Environment and Rural Affairs (daera-ni.gov.uk)](https://www.daera-ni.gov.uk/daera-privacy-statement)

There may be occasions when Defra will share the information you provide in response to the consultation with external analysts, including any personal data. This is for the purposes of consultation response analysis and provision of a report of the summary of responses only.

Members of the public may ask for a copy of the responses under the Freedom of Information (FOI) legislation. If you do not want your response – including your name, contact details and any other personal information – to be publicly available, please say so clearly in writing when you send your response to the consultation. Please note, if your computer automatically includes a confidentiality disclaimer this will not count as a confidentiality request. Please explain why you need to keep the details confidential. We will take your responses into account if someone asks for this information under the FOI legislation. However, because of the law, we cannot promise that we will always be able to keep those details confidential.

## Compliance with consultation principles

This consultation is in line with the UK Government’s Consultation Principles. More information on the UK Government’s Consultation Principles can be found at: <https://www.gov.uk/government/publications/consultation-principles-guidance> .

# Part 2 – Consultation Questions

## About You

***Question 1: Are you, or do you represent:***

* ***livestock farmer(s)***
* ***livestock market(s)***
* ***abattoir(s)***
* ***cutting plant(s) not connected to an abattoir***
* ***trader(s) in livestock or meat***
* ***retailer(s)***
* ***manufacturer(s) of automated grading equipment***
* ***other (please specify)***

***Question 2: Please provide the name of the business or organisation that your responses represent***

***Question 3: Please indicate where your business/organisation operates:***

* ***England* o**
* ***Wales*** **o**
* ***Scotland* o**
* ***Northern Ireland* o**
* ***Other (please specify)*** ***……………………***

***Question 4: If you represent an abattoir(s), please indicate the number of premises you have in each country.***

* ***England …………………***
* ***Wales …………………***
* ***Scotland …………………***
* ***Northern Ireland*** ***…………………***
* ***Other (please specify)*** ***…………………***

***Question 5: If you represent an abattoir, please select the proportion of your total sheepmeat production that is supplied to the export market.***

***Proportion of total sheep meat production for export***

***Less than 25%*** **o**

***25% to 50%***  **o**

**51% to75%** **o**

***Greater than 75%*** **o**

***Question 6: If you represent abattoir/s, please provide your average weekly throughput of animals during the last 12 months***

*For multiple sites please provide one averaged figure i.e. average throughput per week per site.*

***Sheep- less than 12 months old***  ***.............................................***

***Sheep-12 months or older***  ***.............................................***

***Cattle – aged from 8 months***  ***.............................................***

***Other…please specify*** ***.............................................***

## Confidentiality

If you click on ‘**Yes**’ in response to the question asking if you would like anything in

your response to be kept confidential, you will be asked to state clearly what

information you would like to be kept confidential and explain your reasons for

confidentiality.

The reason for this is that information in responses to this consultation

may be subject to release to the public or other parties in accordance with laws

governing access to information, which are primarily the Environmental Information

Regulations 2004 (EIR), the Freedom of Information Act 2000 (FOIA) and the Data

Protection Act 2018 (DPA). We have obligations, mainly under the EIR, FOIA and

DPA, to disclose information to recipients or to the public in certain circumstances. In

view of this, your explanation of your reasons for requesting confidentiality for all or

part of your response would help us balance these obligations for disclosure against

any obligation of confidentiality. If we receive a request for the information that you

have provided in your response to this consultation, we will take full account of your

reasons for requesting confidentiality of your response, but we cannot guarantee that

confidentiality can be maintained in all circumstances.

If you click on ‘**No**’ in response to the question asking if you would like anything in your

response to be kept confidential, we will be able to release the content of your

response to the public, but we will not make your personal name and private contact

details publicly available.

***Question 7: Would you like anything in your response to be kept confidential?***

***Yes/No***

***Please provide your reasons for requesting confidentiality for all or part of your response to this consultation.***

## Abattoir throughputs

**Proposal 1.** Carcase classification and deadweight price reporting, on sheep that are less than 12 months old at slaughter, will be mandatory only for those abattoirs who slaughter 2,000 or more sheep per week on a rolling annual average basis. Abattoirs that are slaughtering between 1000 to 1999 sheep per week, on a rolling annual average basis, can choose whether they enter the scheme. Those opting-in would be subject to the regulatory requirements.

As indicated, abattoir thresholds would be calculated as a weekly throughput based on a rolling annual average using FSA sheep throughput data. These thresholds have been proposed to prevent the scheme becoming burdensome to industry whilst allowing enforcement bodies to monitor carcase classification efficiently and effectively. This should significantly improve the quantity and quality of data available to producers, not only in terms of market price but accurate classification and carcase presentation.Without a minimum threshold all abattoirs slaughtering sheep less than 12 months old would need to meet the relevant legal requirements, as they would be legally required to use licensed classifiers despite the low number of sheep actually being classified and reported.

Carcase classification and price reporting would not be mandatory on the slaughter of sheep 12 months and older. Abattoirs not subject to the regulatory requirements of the mandatory scheme could still choose, for example, to classify sheep carcases without the need to use licenced classifiers.

***Question 8: Do you agree or disagree that abattoirs in England and Wales slaughtering 2000 or more sheep per week, on a rolling average basis, should have to meet the scheme’s requirements to carcase classify and deadweight price report sheep that are less than 12 months old at slaughter?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree 6***

***If you wish, please provide comments to support your answer.***

***Question 9: Do you agree or disagree that abattoirs slaughtering between 1000 and 1999 sheep per week, on a rolling average basis, should have a choice to opt-in to the scheme?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

***Question 10: Please provide any further comments you wish to make on Proposal 1.***

## Classification scale

**Proposal 2.** We propose to legislate that abattoirs in the scheme must classify carcases of sheep that are less than 12 months old (lambs) at slaughter, assessing conformation and fat using the (S)EUROP grid. All mandated methods for classifying sheep carcases, whether that be manual or automated, will need to reliably and consistently grade carcases to the grid.

The (S)EUROP grid provides scales for conformation and fat class; these are detailed below in the tables 1 and 2. We propose to mandate the use of this grid using a 5-point scale and a 15-point scale.

The 5-point scale provides a consistent and robust mechanism for the classification of carcases based on conformation ((S)EUROP) and fatness (a numeric (1 to 5) assessment, subdivided in classes 3 and 4 into 3L(low), 3H (high), 4L and 4H)

Abattoirs could however under this proposal choose to adopt a more detailed system of subdivisions on the (S)EUROP grid, which provides a greater number of subdivisions allowing carcases to be graded more accurately, called the 15-point scale. Instead of using the standard subdivisions of the 5-point scale, which only apply to certain conformation and fat classes (For example, U+ for conformation or 4L for fat). Under the 15-point scale, each of the fat and conformation classes is subdivided into:

* low (marked as ‘-‘)
* medium (marked as ‘mid’)
* high (marked as ‘+’)

We are proposing the use of the (S)EUROP grid as the UK sheep industry is familiar with it. This grid uses conformation grades that have been used in the UK for more than 40 years to classify sheep carcases for our domestic market and for the export of carcases to the EU. Over 90% of UK lamb exports are destined for EU countries and these are classification scales that those buyers are likely to recognise as they are used in several EU countries.

**Table 1. CONFORMATION**

Development of carcase profiles, and in particular the essential parts (hindquarter, back, shoulder).

|  |  |
| --- | --- |
| **Conformation class**  | **Additional provisions**  |
| **S****Superior** | **Hindquarter:** double muscled. Profiles extremely convex **Back:** extremely convex, extremely wide, extremely thick. **Shoulder:** extremely convex and extremely thick.   |
| **E****Excellent** | **Hindquarter:** very thick. Profiles very convex. **Back:** very convex, very wide and very thick to the shoulder. **Shoulder:** very convex and very thick.   |
| **U****Very good** | **Hindquarter:** thick. Profiles convex. **Back:** wide and thick to the shoulder. **Shoulder:** thick and convex.   |
| **R****Good** | **Hindquarter:** profiles mainly straight. **Back:** thick but less wide to the shoulder. **Shoulder:** good development, but less thick.   |
| **O****Fair** | **Hindquarter:** profiles tending to slightly concave. **Back:** lacking width and thickness. **Shoulder:** tending to narrow. Lacking thickness.   |
| **P****Poor** | **Hindquarter:** profiles concave to very concave. **Back:** narrow and concave with bones apparent. **Shoulder:** narrow, flat and bones apparent.  |

**Table 2. DEGREE OF FAT COVER**

Amount of fat on the external and of the internal parts of the carcase.

|  |  |
| --- | --- |
| **Class of fat cover**  | **Additional provisions**  |
| **1.** **Low**    | **External**  | Traces of or no fat visible  |
| **Internal**   | **Abdominal**  | Traces of or no fat visible on kidneys.   |
| **Thoracic**  | Traces of or no fat visible between ribs.  |
| **2.** **Slight**    | **External**  | A slight layer of fat covers part of the carcase but may be less evident on the limbs.  |
| **Internal**   | **Abdominal**  | Traces of fat or slight layer of fat envelops part of the kidneys. |
| **Thoracic**  | Muscle clearly visible between ribs.  |
| **3.** **Average**    | **External**  | A light layer of fat covering most or all of the carcase.  Slightly thickened fat zones of the base of the tail.  |
| **Internal**   | **Abdominal**  | Light layer of fat envelops part or all of the kidneys.  |
| **Thoracic**  | Muscle still visible between ribs.  |
| **4.** **High**    | **External**  | A thick layer of fat covering most or all of the carcase but may be thinner on limbs and thickening on shoulders.  |
| **Internal**   | **Abdominal**  | Kidney is enveloped in fat.  |
| **Thoracic**  | Muscle between ribs may be infiltrated with fat.  Fat deposits may be visible on the ribs.  |
| **5.** **Very high**    | **External**  | Very thick fat cover. Patches of fat sometimes visible.  |
| **Internal**   | **Abdominal**  | Kidneys enveloped in thick layer of fat.  |
| **Thoracic**  | Muscle between ribs infiltrated with fat.  Fat deposits visible on ribs.   |

***Question 11: Do you agree or disagree with Proposal 2 (set out above) on classifying carcases to the (S)EUROP grid***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

## Licencing

**Proposal 3.** Testing and licensing requirements will apply to all sheep grading techniques including automated, and manual. This will mirror the existing licensing requirements for classifiers of beef carcases. Manual carcase classification, where required under the legislation, must be carried out by qualified persons. These persons will be required to undergo an assessment.

Authorised automated grading methods will require licencing for use at a specific site. The assessment, and the granting of any subsequent licence, will be carried out by the relevant monitoring and enforcement body which is currently the Rural Payment Agency (RPA) in England and Wales.

Conditions may be imposed on any licences granted, as with existing beef carcase classifier licences. Where a licence has been issued it is intended the following will apply:

* A licence or any condition can be varied;
* A licence can be revoked when a significant number of incorrect classifications, presentations or identifications take place;
* A licence can be suspended or revoked if the person has broken the terms or conditions of the licence or where it is no longer appropriate for the licence holder to carry out classifications;
* A licence can be suspended or revoked if the automated grading equipment no longer meets the standards required.

***Question 12: Do you agree or disagree with proposal 3 (set out above) for the licencing of carcase classifiers?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

***Question 13: Do you employ people that will require a licence under a mandatory sheep scheme******to classify sheep carcases?***

***Yes/No/Don’t know/ Not applicable***

***Question 14: – If yes, how many people will require a license?***

***1-2* o**

***3-5* o**

***6-10* o**

***Greater than 10* o**

## Carcase presentation and weighing

### Carcase Presentation

**Proposal 4.** Two carcase presentations will be accepted for classification and price reporting. These are (1) the ‘reference specification’ (based on the existing EU specification) and (2) a ‘UK-standard specification’ in which the kidney knobs and channel fat and diaphragm are also removed from the carcase.

We propose that the classification shall be carried out at the time the carcase is weighed. We propose that in England and Wales carcases must be presented for classification using one of the two specifications detailed below.

We also propose that the skin must be removed from all carcases in such a way as to leave the subcutaneous fat and membrane intact (avoid tearing the carcase) and that there must be no trimming of the necks and flank edge/breasts.

No other presentations will be permitted before carcase classification. However, once the carcase has been classified, weighed and price reported as mandated by the scheme (with payment to the producer based on this), abattoirs and processors can then customise dressing specifications. This will ensure there is consistency in carcase specification at the points of weighing and classification, which will improve transparency and fairness.

For clarity the two dressing specifications are set out below.

The ‘**reference specification’** - the carcase is presented without the head (severed at the atlantooccipital joint), the feet (severed at the carpometacarpal or tarso-metatarsal joints), the tail (severed between the sixth and seventh caudal vertebrae), the udder/cod fat, the genitalia, the liver and the pluck.

The ‘**UK standard specification’** - the carcase is presented without the head (severed at the atlantooccipital joint), the feet (severed at the carpometacarpal or tarso-metatarsal joints), the tail (severed between the sixth and seventh caudal vertebrae), the udder/cod fat, the genitalia, the liver, the pluck, the kidney knobs and channel fat and diaphragm.

***Question 15: Do you agree or disagree with proposal 4 (above) which sets out the carcase presentations to be used at classification?***

***1 Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

### Weighing the carcase and the warm to cold weight coefficient

**Proposal 5.** We propose to legislate that the weight of the carcase must be accurate and recorded to the nearest 100g. The carcase must be weighed within 60 minutes of the animal being stuck (producing the “warm weight”). Carcase warm weights must be recorded as indicated on the scale display and not rounded. A deduction of 2% (the warm to cold coefficient) is then applied to the warm weight for the purpose of price reporting. This takes into account weight loss on chilling after slaughter and produces the cold weight. The carcase weight upon which the market price will be reported will be its cold weight.

***Question 16: Do you agree or disagree that weights should be measured and recorded to the nearest 100g?***

 ***1 Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

***Question 17: Do you agree or disagree with the application of a 2% warm to cold weight coefficient?***

***1 Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

## Reporting of classification grades and prices

**Proposal 6.** Abattoirs will be required to provide to a supplier (whoever has sent the animal to slaughter) the following details: date of slaughter, dressing specification, carcase category, weight, conformation class, fat class, price and kill number. These details on sheep, less than 12 months old at slaughter, that are purchased from suppliers on a deadweight basis must be reported to Ministers or their agents, on a weekly basis. This will be used for market monitoring and publication purposes.

Information shared with government should be in a usable and understandable format. As most commercial businesses now utilise digital technology, we propose this data shall be reported in an approved digital format.

For beef, under the existing scheme, this includes any bonuses for elements such as rare or native breeds, GM-free, farm assurance and organic. It is proposed that the same approach should apply for sheep.

This would provide for a more open sheep market and increase the information available to producers who sell sheep to abattoirs on a deadweight basis.

**Question 18: Do you agree or disagree with Proposal 6 (above) on information reporting?**

**1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree**

**If you wish, please provide comments to support your answer.**

***Question 19:*** ***Do you agree or disagree that abattoirs should be required to complete their data and price reporting to government using an electronic format?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

**Question 20: If your business will be required under these proposals to report pricing information in an electronic format, can you already meet this requirement.**

**Yes/ No/ Don’t know/NA**

**If you have responded no or don’t know please give your reason.**

**Question 21: If you need to make changes to your systems to enable you to report prices electronically- please estimate how much this will cost and details of what you will need to do.**

## Price reports and publication

### Coefficient applied to align the dressing specification on reported prices

**Proposal 7.** Coefficients will be applied to allow for consistent price reporting, whichever of the two dressing specifications is used. These coefficients will be applied to the reported details, after they have been submitted to government, as appropriate. It is proposed that the coefficient adjusting for kidney knob and channel fat (KKCF) is a percentage of the carcase cold weight by fat class and that the adjustment for the diaphragm is a fixed percentage of the cold weight of the carcase.

For the purpose of consistent price reporting based on the ‘reference specification, a carcase submitted as dressed to the ‘UK standard specification’ will have percentage increase coefficients applied to the carcase weight (cold) to adjust the carcase weight back up to the “reference specification” cold weight’. When price reporting is based on the ‘UK standard specification’, then carcases submitted as dressed to the ‘reference specification’ will have a cold weight deduction applied using the coefficients.

The coefficient applied to a carcase to adjust for the KKCF will be a percentage of its cold weight, fixed according to the fat class (1 – 5) determined for that carcase (see table 3 below). In addition, a coefficient of 0.64% will be applied to the cold weight carcase to adjust for the removal of the diaphragm.

**Table 3 Kidney knob and channel fat (KKCF) coefficients (excluding diaphragm)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Fat Class- 5-point scale | 1 | 2 | 3 | 4 | 5 |
| Coefficient – percentage  | 1.38 | 1.51 | 2.02 | 2.86 | 5.18 |

Source: AHDB 2020 [Establishing coefficients for the weight of KKCF and diaphragm skirt in lamb carcases FINAL REPORT 22092023.pdf (windows.net)](https://projectblue.blob.core.windows.net/media/Default/Research%20Papers/Beef%20%26%20Lamb/Establishing%20coefficients%20for%20the%20weight%20of%20KKCF%20and%20diaphragm%20skirt%20in%20lamb%20carcases%20FINAL%20REPORT%2022092023.pdf)

**Question 22: Do you agree or disagree with proposal 7?**

**1 Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree**

**If you wish, please provide comments to support your answer.**

### Data publication

**Proposal 8.** We propose that data collected on sheep carcase grades and pricing information will be published. This will be in an aggregated format to preserve commercial confidentiality.

***Question 23: Do you agree or disagree with Proposal 8 (above) on the publication of data?***

***1 Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please provide comments to support your answer?***

***Question 24: Would you prefer that collated price data is published on pence/kg basis for ‘all lambs’ slaughtered deadweight or for those slaughtered deadweight meeting the Standard Quality Quotation ‘SQQ’?***

*The Standard Quality Quotation (SQQ) is a GB industry standard weight band for the carcase of dressed prime sheep weighing between 12kg and 21.5kg.*

***Please select your preference***

***‘SQQ’ on sheep aged less than 12 months at slaughter* o**

***‘All sheep aged less than 12 months at slaughter’* o**

***Other (please specify)* o**

***If you wish, please give the reason for your selection?***

## Monitoring and enforcement

**Proposal 9**. We propose that the enforcement and offences provisions which exist in the pig and beef sectors will serve as a model for sheep carcase classification and price reporting. These existing provisions are detailed for England in ‘The Carcase Classification and Price Reporting (England) Regulations 2018, and in relation to Wales in The Carcase Classification and Price Reporting (Wales) Regulations 2018. These regulations are currently monitored and enforced by the RPA. Under our proposals this would continue and be extended to include mandatory sheep carcase classification and price reporting.

#### Compliance offences:

The proposed offences will relate to compliance failures regarding:

* Classification;
* Record keeping;
* Reporting of information;
* Enforcement notices, and
* Assisting authorised officials.

“Classification” will include associated matters such as the presentation; weighing, and identification (by means of marks and labels) of carcases, and the licensing of manual classifiers and of automated grading methods.

Specifically with regard to licences, we are proposing that, for both manual and automated carcase classification, the following will be guilty of an offence:

* Separately, both the classifier and the operator of the relevant slaughterhouse, if classification is carried out either without a licence, or in breach of the terms and conditions of a licence, and
* Any person who alters a licence granted.

We propose that the following enforcement methods will also be available (as they already are with regard to beef carcase classification and price reporting):

* Enforcement notices, the purpose of which will be to enforce the remediation of breaches, but without recourse to legal proceedings, and
* Penalty notices, the purpose of which will be to allow conviction for a breach to be avoided, if a stated sum is paid by a stated time.

The proposed punishments for offences are fines (either on summary conviction or, for marking a carcase or part carcase in a way that is likely to mislead, also on conviction on indictment).

As with the legislation for beef carcase classification and price reporting, inspections will take place at appropriate intervals.

#### Powers of entry

We propose that powers of entry comparable to those which apply to beef and pig carcase classification and price reporting will apply to sheep carcase classification and price reporting.

These provide that an authorised officer may at any reasonable hour enter an approved slaughterhouse and associated premises in which carcases may be handled or records relating to those carcases may be kept, for the purpose of checking whether:

* + any offence under the proposed sheep carcase Regulations is being or has been committed on the premises; or
	+ there is on the premises any evidence of any such offence.

The officer may be accompanied, including by any representative of the Government.

If there are reasonable grounds and, for example, admission to the premises has been refused, a justice of the peace may sign a warrant authorising an officer to enter any premises.

A private dwelling can always only be entered with a warrant issued by a justice of the peace.

#### Inspections

It is proposed that inspections shall be carried out at appropriate intervals, with varying frequency and relative to the number of sheep slaughtered in a particular abattoir, their past history of compliance and other appropriate factors. It is intended that powers identical to those of authorised officers who enter premises regarding beef and pig carcase classification and price reporting will also apply in respect of sheep carcase classification and price reporting. These allow authorised officers to:

* + Inspect carcases on the premises;
	+ Examine records which the operator is required to keep;
	+ Require copies or extracts of records to be produced;
	+ Retain records which the officer believes may be required as evidence.

***Question 25: Do you agree or disagree with our Proposal 9, covering the offences, powers of entry and inspections to be used to monitor and enforce the regulations for the sheep carcase classification and price reporting?***

 ***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please comment on your selection?***

## Automated grading methods

**Proposal 10.** We propose to model the legislative requirements for authorising automated sheep carcase grading methods on the provisions which already exist in the beef sector, thus putting in place a fair and transparent process for the authorisation of automated sheep grading methods.

When the UK was a member of the EU, legislation detailed the authorisation process for automated grading methods for beef, sheep and pigs. That legislation provided requirements for automated grading methods, including an authorisation test to ensure equipment to be used was grading reliably and consistently against the classification scale. Following the UK’s exit from the EU, these requirements remain mandatory in the UK pig and beef sectors, with only minor changes to ensure continued operability in the UK context. Our proposal models the legislative requirements for automated sheep carcase classification on these existing beef and pig carcase provisions.

When the authorisation of automated grading methods was introduced for beef carcases, there was existing data on UK beef carcases classification as reporting of manual classifications had been mandatory for several years. However, sufficient UK data for the sheep sector is not currently available. To enable us to collect the required UK sheep flock data on which we can accurately base the representative sample of carcases for the authorisation test for automated grading methods, only manual carcase classification will be permitted for a period during which a full year of sheep carcase classification data is collected. Thereafter, automated sheep grading methods will be able to seek authorisation.

***Question 26: Do you agree or disagree with Proposal 10, on providing for the authorisation of automated sheep grading methods?***

1. ***Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish please comment on the reason for your selection***

***Question 27: Do(es) the business(es) that you are representing operate an automated grading method for classifying the carcases of sheep?***

***Yes/ No***

***Question 28 : If you answered yes to question 27, has it been authorised for use in another country?***

***Yes/No/Don’t know***

***Please name the country/ies?***

***Question 29: If your business uses automated carcase classification, please provide details of the number of manual classifiers used on that/those line(s)?***

***0*** **o**

***1-2*** **o**

***3-5*** **o**

***6-10*** **o**

***Greater than 10*** **o**

***Question 30: If you were unable to use the automated carcase classification technology of that/those lines, please estimate the number of manual classifiers would you need to replace the automated grading technology?***

***0*** **o**

***1-2*** **o**

***3-5*** **o**

***6-10*** **o**

***Greater than 10*** **o**

***Question 31: If your business is using automated grading currently, please provide evidence of the impact of the requirement to use licensed manual carcase classifiers, for a period whilst appropriate sheep classification data is collected, will have on your business?***

## Process for authorising automated grading methods for sheep and beef

**Proposal 11.** The authorisation process shown in the diagram below is proposed to be used UK wide to ensure there is a fair and transparent process wherever in the UK the authorisation is sought.

By setting out clearly the steps to be taken during the authorisation of automated grading methods we will deliver a process that is open and robust. There will be clear guidance on each step of the process detailed in the diagram below. Legislation will state the test procedure and detail the information to be obtained about the automated technology, for example a description of the security concept of the technology against any type of manipulation.

In order for an authorisation approved in one administration to be recognised by the other administrations in the UK we propose for provisions in each administration’s legislation to allow for that arrangement. The key requirements for authorising automated sheep and beef grading methods that we used when we were an EU member state will be adapted to fit our domestic circumstances.

During the calibration and test phases government expert classifiers will be supplied by Defra and the Devolved Administration’s so that their representation supports a mutually recognised authorisation process within the UK.

**Figure 2. A flow diagram of the steps in the** **authorisation process of automated sheep and beef carcase grading methods**

### Proposed steps in process for authorising automated grading methods

We propose that

#### Step 1.

A manufacturer or industry member may approach government, or an agent acting on its behalf, seeking authorisation of an automated grading method. To ensure best use of resources and early elimination of unsuitable grading methods, it is proposed that the manufacturer and /or industry member provides evidence supporting the capability of the technology and information about the automated grading method to government before that grading method is tested.

#### Step 2.

Government expert classifiers set the standard of carcase classification of sheep or beef during the calibration and validation stage of the authorisation process in order that the equipment can be set to provide suitably accurate carcase grades during both the authorisation test, the follow up in-situ licensing process and continued future use

At least three government expert classifiers should be involved to set the classification standard during this stage. This takes into account value for money and resource considerations as well as the approach used for authorisation under the beef carcase classification scheme.

#### Step 3.

An authorisation test would be conducted to ensure the automated grading method is accurately and consistently classifying carcases. We propose that the methodology prescribed in retained EU legislation for testing automated sheep and beef carcase grading methods serves as a model for the sheep sector under the Agriculture Act 2020 and the Agriculture (Wales) act 2023., The authorisation test is to be independently coordinated, and an independent body will analyse the authorisation test data.

The methodology includes a number of statistical criteria that the test data must fulfil for the automated grading method to be authorised. For example, the percentage failures of the automated grading method are to be no more than 5% of the carcases that are fit for classification. We have used this method of testing for automated beef grading technology in the UK.

During the authorisation test, the equipment’s classification grades are compared to the manual classifications of the same carcases by a jury of five government expert classifiers, to confirm accuracy and consistency. Each administration will provide at least one government grader for the jury. The jury members should work in an independent and anonymous way with the test coordinator ensuring that for the duration of the test none of the jurors or any other interested party have access to the automated grading method’s classification grades for the carcases being assessed. In order that the test coordinator remains impartial we propose that the test coordinator should not be involved with the calibration and/or validation of the technology being tested. The test coordinator will ensure each carcase’s suitability according to various parameters, including correct dressing or hanging presentation.

#### Step 4.

The test coordinator will issue a report to government on the conduct, conditions and requirements of the authorisation test and the established accuracy of the automated grading method.

#### Step 5

Government will grant or refuse authorisation having reviewed the evidence from the authorisation test and report. Authorised grading methods will be listed on GOV.UK with the conditions for which its use is authorised. It is proposed that the authorisation of a grading method will state the carcase and hanging presentations used for the test.

***Question 32: Do you agree or disagree with Proposal 11 above, which sets out the process for authorising automated sheep and beef grading methods?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish please comment on the reason for your selection***

***Question 33: Are there any steps in Proposal 11 that you think should be changed?***

***Yes/No /Don’t know***

***If yes, please state which step and provide comments to support your answer***

## Methodology of test

**Proposal 12.** We are proposing to legislate that the authorisation test on automated sheep grading methods should follow the methodology that is used in the beef sector. This is below:

(a) each of the classes of conformation and of fat cover shall be subdivided into three subclasses;

(b) a representative sample of a minimum 600 validated carcases (that is, carcases of sheep that are less than 12 months old at slaughter and meet the hanging and dressing specifications) carcases shall be required;

(c) the percentage of failures shall be no more than 5 % of the carcases that are fit for classification using automated grading methods.

(d) for each validated carcase the median of the results of the members of the jury shall be considered the correct grade of that carcase.

(e) to estimate the performance of the automated grading method, the results of the automated grading method shall, for each validated carcase, be compared to the median of the results of the jury.

(f) in order to establish the accuracy of the automated grading method a system of points, attributed as detailed in table 4 below are used, and that to be authorised the automated grading method should achieve at least 60 % of the maximum number of points for both conformation and fat cover.

***Table 4***

|  |  |  |
| --- | --- | --- |
|  | ***Conformation*** | ***Fat cover*** |
| ***No error*** | ***10*** | ***10*** |
| ***Error of one unit (i.e. one subclass up or down)*** | ***6*** | ***9*** |
| ***Error of two units (i.e. two subclasses up or down)*** | ***– 9*** | ***0*** |
| ***Error of three units (i.e. three subclasses up or down)*** | ***– 27*** | ***– 13*** |
| ***Error of more than three units (i.e. more than three subclasses up or down)*** | ***– 48*** | ***– 30*** |

In addition, the classification resulting from use of the automated grading methods must be within the limits shown in table 5:

***Table 5***

|  |  |  |
| --- | --- | --- |
|  | ***Conformation*** | ***Fat cover*** |
| ***Bias*** | ***± 0,30*** | ***± 0,60*** |
| ***Slope of the regression line*** | ***1 ± 0,15*** | ***1 ± 0,30*** |

***Question 34: Do you agree or disagree with Proposal 12 above, on the methodology to be used to test automated sheep grading methods?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish please comment on the reason for your selection***

***Question 35: Are you content that authorisations granted by government are listed, with the terms of authorisation, on Gov.UK.?***

***Yes/No/ Don’t know/Not applicable***

***If you have any further comments on the authorisation process being proposed, please make them here.***

## Sheep specific issues for automated grading methods

We recognise that some aspects relating to the authorisation of automated sheep carcase grading, e.g. variation in hanging presentation, are different to those of automated beef carcase grading. The main issues and the proposed adaptions are detailed in the sections below.

### New season and old season lamb

**Proposal 13**. The authorisation test will be conducted on a sample of a minimum 600 carcases, representative of the carcases slaughtered in the UK of sheep less than 12 months old at slaughter. To be ’representative’ that sample would include the variety of lamb maturity, weights, fat and conformation classes seen in lambs slaughtered in the UK.

To check the automated grading method can operate accurately and reliably across both old season lamb (OSL) and new season lamb (NSL), it is proposed that the authorisation test may be split into periods through the year. The automated grading method will be tested on new season lamb and old season lamb at times when there is sufficient access to representative samples of carcases.

There is a significant variation in the colour and distribution of fat on new season versus old season lamb and software in automated grading methods will need to account for this. It will therefore be necessary for the manufacturers of automated grading technology to be able to calibrate the equipment at times of the year when these types of lamb carcases are readily available. In late summer and early autumn new season lamb will form a majority of the slaughtering's, with old season lamb peaking from January to March.

***Question 36: Do you agree or disagree that automated grading methods must be capable of classifying carcases from new season lamb and old season lamb?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please comment on the reason for your selection***

***Question 37: Do you agree or disagree with Proposal 13 (above), that a minimum of 600 representative sheep carcases are tested?***

***1. Strongly Agree 2. Agree 3. Neither agree nor disagree 4. Disagree 5. Strongly Disagree***

***If you wish, please comment on the reason for your selection***

***Question 38: Do you have any alternative suggestions how the accuracy and reliability of the automated grading method can be ensured/tested when classifying carcases of lambs year-round? If so please comment below***

### Hanging presentation

**Proposal 14**. To future proof the legislation we propose not to mandate the hanging presentation to be used. However, when authorising equipment, the approval would state the hanging presentation for which the grading method is authorised (i.e. the one that was used in the test). The authorisation will only be valid for use with that hanging presentation.

Hanging presentation refers to how a carcase is hung as it moves through an abattoir. Hanging presentation can have a significant effect on the accuracy of automated carcase classification. We are aware several different hanging presentations are currently in use including cross legged, straight legged, banded shoulders, legs together, and legs apart but some of these variations can be achieved after the point of carcase classification. Those hanging presentation variances that can be achieved after classification will not be tested, for example banded shoulders.

Authorisation tests may only be conducted on the key hanging presentations necessary at the point of automated grading. The hanging presentation tested is likely to be restricted to legs together (legs on one hook) or legs apart (legs hung on a gambrel or A-frame). In the case of the later, the authorisation will detail the specifics of the hanging presentation tested, for example, the distance the legs are apart, or the apparatus used.

***Question 39. If you operate or intend to operate automated grading equipment in the next 5 years, please can you:***

* ***confirm what hanging presentation you use, or plan to use?***

*For example-cross legged, straight legged, banded shoulder, unbanded shoulder, legs together, legs apart, other-please specify, N/A*

* ***provide details of what hanging apparatus you use (or plan to use, if you know) to hang sheep carcases on your automated line(s)?*** *For example -gambrel, hook, J-hook, A-frame (size and width)*
* ***comment whether it would it be possible to change the hanging presentation of sheep carcases if required?*** *For example an approximate cost of changing from gambrels to hooks or vice versa****.***
* ***provide an estimate of the cost of changing the hanging presentation you use?*** *For example an approximate cost of changing from gambrels to hooks or an additional person to cross the legs after the scale.*

***Question 40. Would you like to receive a copy of the summary of responses to this consultation?"***

 ***Yes/ No.***

***If yes, what is your email? Your email will only be used to send a copy of the summary of responses to this consultation****.*