

# Provenance and Profit



A strategy  
for Scotland's  
pig industry



Scotland  
A LAND OF  
food and drink

## ACKNOWLEDGEMENTS

**The development of this strategy has been led by Scottish Pig Producers, supported by the teams at Quality Meat Scotland, SAOS and Scotland Food & Drink. However, its contents have been formed by wide input from pig producers, processors and other key partners across Scotland.**

Our thanks go to Quality Pork Ltd (QPL) for funding the Scottish Pig Vision Summit, held at Huntingtower, Perth, on 6 December 2017, from which this strategy stemmed.

We are grateful to all those who contributed ideas and insights at that summit, and to all those in the private and public sector who have helped to shape the strategy subsequently, including:

Agri-EPI Centre  
Browns Food Group  
Food Standards Scotland  
Johnson Allan  
Lantra  
Marion MacCormick  
Moredun Research Institute  
NFU Scotland  
Opportunity North East  
Pareto Consulting  
QPL  
Robertsons Fine Foods  
Scotlean  
Scottish Association of Meat Wholesalers  
Scottish Government  
Scottish SPCA  
SEFARI  
SEPA  
SRUC  
Tulip  
Wholesome Pigs Scotland

We thank Andy McGowan, of Scottish Pig Producers, for his invaluable work with industry and stakeholders to develop the strategy and engage the whole sector in driving it forward. We are also grateful to Sarah Burnett for writing up this strategy document.

## ABBREVIATIONS

<b>APHA</b>	Animal and Plant Health Agency
<b>FSS</b>	Food Standards Scotland
<b>MDSC</b>	Market Driven Supply Chains
<b>NFUS</b>	National Farmers Union, Scotland
<b>QMS</b>	Quality Meat Scotland
<b>QPL</b>	Quality Pork Ltd
<b>RPID</b>	Rural Payments and Inspections Division
<b>SAOS</b>	Scottish Agricultural Organisation Society
<b>SDI</b>	Scottish Development International
<b>SEFARI</b>	Scottish Environment, Food and Agriculture Research Institutes
<b>SEPA</b>	Scottish Environment Protection Agency
<b>SFD</b>	Scotland Food & Drink
<b>SPCA</b>	Society for the Prevention of Cruelty to Animals
<b>SPP</b>	Scottish Pig Producers
<b>SRUC</b>	Scotland's Rural College
<b>WPS</b>	Wholesome Pigs (Scotland)

# Executive summary

## PROFITABLE. RESPONSIBLE. VALUED.

Three qualities that sum up what Scotland's pig sector wants to be in 2030. The sector has other aspirations too, and the following pages summarise them.

In particular, there's an ambition to double our value to over £500 million a year – a target in line with the Scotland Food & Drink Partnership's ambition to double food and drink turnover by 2030.

## HOW WE REACH OUR TARGET

The sector's plan for growth has been developed by organisations sector-wide, including producers, processors and other stakeholders.

Their work has identified 14 recommendations to realise our 2030 ambitions, of which six recommendations are high-priority. We need to:

- form an Industry Leadership Group to drive and monitor progress towards our 2030 targets
- develop collaborative and efficient supply chains
- review and build consumer-relevant USPs for Specially Selected Pork
- use market intelligence and prompt export certification to maximise carcass balance
- reduce the use of antibiotics and zinc oxide
- advance progress on eradicating disease and enhancing welfare.

These, and other recommendations, are described in this report.

## WE'LL ALL BENEFIT

Through this strategy, we'll position ourselves to grasp our market opportunities and build the brand, value and profitability of the Scottish pig sector.

We'll also create economic benefits for people, communities and wider Scotland.

Whether you're a producer or processor, a researcher or public-sector stakeholder, we hope you'll play your part in supporting the strategy. It could certainly underpin your own future success.



# A sector to be proud of: Specially Selected Pork in 2030

**The pig sector is important to Scotland, and its value is increasing strongly. Overall sector output in 2017 was almost £260m, up from around £200m the previous year on the back of strong global trade.**

Our ambition for 2030 is to double the value of the sector, bringing total sector output to over £500m. This will mainly be achieved by undertaking more Scottish slaughter and processing of pigs already born here, rather than by simply expanding breeding sow numbers. Through this, we'll increase domestic value added and exports.

By doing all this, we'll create economic benefits for Scotland and farming communities, and support job creation. As in other parts of food and farming, many of these jobs will be high-value, as the sector embraces new technologies and techniques.

In generating this growth, we want every part of the sector – from input supplier to producer to processor to retailer – to benefit from it.

Consumers too should gain from what we achieve – secure in the knowledge that in choosing Specially Selected Pork, they're eating a healthy, sustainable source of protein produced responsibly and fairly.

## CUSTOMERS AND CONSUMERS

will associate us with **quality**, trust, health, welfare and taste

## SPECIALLY SELECTED PORK

will be positioned as a **premium** product, maximising its value in all market segments

## ALL PARTS OF THE SECTOR

will be collaborative, responsible and transparent, committed to **partnership** and sharing of best practice

## IN 2030:

## WE WILL LEAD

the way in operating **sustainable**, resilient, profitable and market-focused supply chains

## WE WILL INNOVATE

continually investing in R&D and new technologies to improve our **competitive** position

## APPRENTICES, GRADUATES,

researchers, vets, **investors** and others will regard us as sector of choice



# Strategic approach

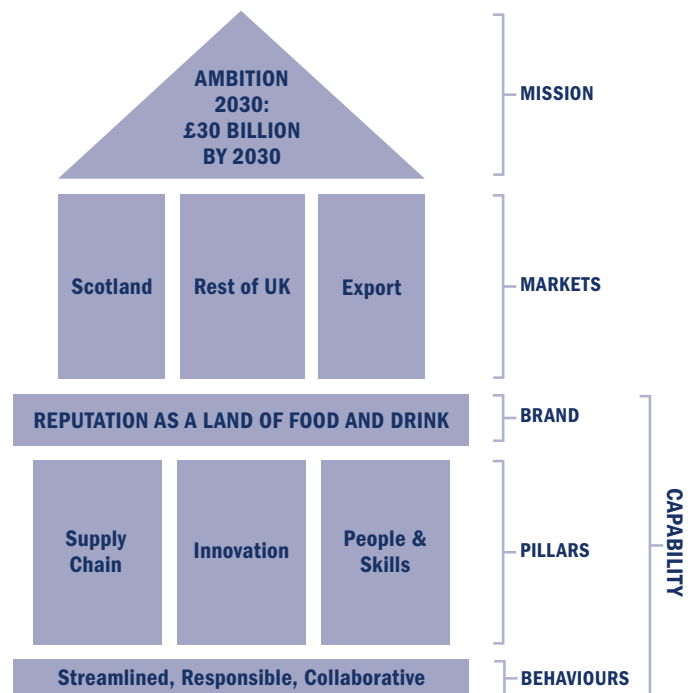
**The Ambition 2030 strategy for doubling the value of Scotland’s food and drink sector by 2030 focuses on three main pillars of growth – people and skills, innovation and supply chains – as well as our markets and brand. These priorities apply in the pig sector too:**

- **Markets:** We want to increase the value of Specially Selected Pork in Scotland and specific export markets. The sector also needs to understand how shoppers and consumers are behaving, not just in terms of buying pork, but in terms of wider market trends.
- **Brand:** Using Scotland’s reputation as a Land of Food and Drink, we will explore how ‘Scottish’ and other key attributes of pork can best be presented to generate sustainable consumer value and loyalty.
- **Supply chain:** By 2030, we want the whole supply chain engaged in driving profitable, equitable, responsible growth, enhancing value at every stage, and supported by regulation that’s fit for purpose.
- **People & skills:** We need the right people, skills, confidence and career progression for a dynamic sector in 2030.
- **Innovation:** We need an R&D strategy that supports sustainable and profitable growth – with the sector able to access commercially-relevant knowledge on anything from health to pig housing to measuring quality.

After all, this is a sector that supports rural jobs along the supply chain, contributes to food self-sufficiency and exports, creates GVA, and can contribute to Scotland’s reputation for premium food and drink produce. What the pig sector does in 2030 matters to Scotland.

**Hard work and collaboration will be required to do this, but the benefits will be great.**

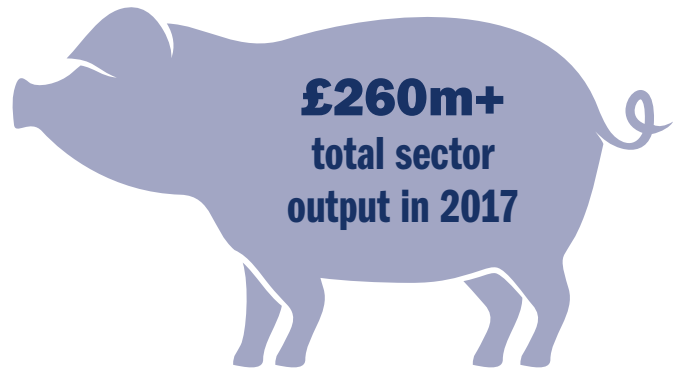
## THE PILLARS OF GROWTH FOR SCOTTISH FOOD AND DRINK



# Scotland's pig sector: where we are now

**There's already much to celebrate in our sector. We have real strengths that set us apart from competitors, and give us a platform for further growth:**

- a close-knit community of passionate and ambitious family farms, many of them outstripping UK performance on productivity measures
- short supply chains and a culture of successful long-term partnerships and sharing of best practice
- a state-of-the-art abattoir owned by farmer suppliers and other modern processing facilities
- world-class research facilities
- proactive herd health management and industry development supported by QMS
- a track record of farm assurance and welfare standards underpinning the Specially Selected Pork brand and reputation
- high-protein, low-fat products affordable to all household budgets.



## THE BRAND



**Specially Selected Pork is the flagship brand of the pork industry in Scotland.**

It is sourced from farms that meet stringent criteria including animal welfare and natural production methods from within Quality Meat Scotland's Pig Assurance standards.

## THE MARKET

**In the UK in recent years, the long-term trend for retail purchases of pork was downward over a number of years. But that trend reversed at the end of 2017 and start of 2018, with pork showing growth in both volume and value.<sup>1</sup>**

Mince, leg joints and diced or cubed pork are all performing strongly, and there is further opportunity for growth at home.

On a global level, pork is the most widely eaten meat in the world, and exports from the UK and Europe play an important part in satisfying demand. Consumer preferences vary from market to market, but the increasing demand for pork is a consistent and strong theme.

## THE CONSUMER

**QMS conducted consumer focus groups in Scotland in early 2018 and, following on from that, full brand review, segmentation, targeting and positioning work is ongoing in 2018.**

At present, fresh pork is viewed as healthy and versatile; however, shoppers within this category tend to have greater price sensitivity. It is apparent from the focus group work that within the Scottish consumer mindset, provenance for pork is not an active consideration, and there is not as strong an association with pig farming in Scotland as with other red meats such as beef and lamb.

Consumers also find it difficult to judge what makes quality pork different from standard pork, so this is a communication and positioning opportunity for Specially Selected Pork.

The challenge for the sector is therefore to take the target consumer from the current position to the desired premium position.

## THE SECTOR

**In 2017, the Scottish sow herd stood at just over 31,000 sows.**

Higher productivity means the herd size doesn't need to reach historic levels, but this is still below the minimum herd size of 45,000 sows believed necessary for supply chain efficiency and effectiveness.<sup>2</sup>

Most of the Scottish slaughtering takes place in the new Quality Pork Ltd abattoir in Brechin, which is farmer-owned and supplies Tulip Ltd. But around half of the sows in Scotland belong to the Karro Food Group which owns an abattoir in Yorkshire and so its progeny leave the Scottish supply chain. Only 35% of the pigs born in Scotland are slaughtered here and even fewer stay in Scotland for further processing and marketing.

As a result, Scotland is only 24% self-sufficient in pork, leaving plenty of scope for expansion. To take our opportunity and consistently meet market demand for high-quality Specially Selected Pork, we need growth in slaughtering and added-value processing capacity, along with investments in supporting infrastructure. Crucially, there needs to be a continuous pipeline of farmers, workers and investors committed to growing the sector.

This growth needs to be sustainable and efficient, reducing greenhouse gas emissions, particularly ammonia, and minimising other environmental impacts.

## HOW DO WE GROW THE SECTOR?

**On the following pages, we sketch out a roadmap for sustainable growth, with recommendations for action to help us double the value of the pig sector by 2030 and overcome barriers in the way of success.**

## PLAY A PART

**Growing the sector will be about collaboration – with organisations and people from all parts of the supply chain doing their bit. Read on to find out what you can do.**

<sup>1</sup> Kantar Worldpanel. <sup>2</sup> SAOS Strategic Review of the Scottish Pig Industry.

# A roadmap for growth to 2030

**Achieving our 2030 ambitions means focusing on our markets, brand, people and skills, innovation and supply chains.**

Discussions with industry, researchers and other stakeholders have highlighted four key themes that relate to all these areas.

**A. Building integrated, innovative, sustainable and profitable supply chains**

**B. Increasing the demand for and value of Specially Selected Pork**

**C. Driving investment in infrastructure, people, skills and herds**

**D. Leading the way on herd health & welfare improvements.**

These cross-cutting themes will involve collaboration by all supply chain partners and sector support organisations. By addressing them in the coming months and years, we can unlock growth across the sector.





# SUMMARY OF RECOMMENDATIONS

NO.	RECOMMENDATION	RESPONSIBLE	TIMELINE	PRIORITY
<b>BUILDING INTEGRATED, INNOVATIVE, SUSTAINABLE AND PROFITABLE SUPPLY CHAINS</b>				
1	<b>Form an Industry Leadership Group</b>	Industry, Scottish Government, SFD, QMS, SEFARI, NFUS	October 2018	High
2	<b>Develop collaborative and efficient supply chains</b>	<b>QPL</b> , industry, SAOS, MDSC, QMS	Ongoing	High
3	<b>Use R&amp;D to build distinctiveness</b>	<b>SEFARI</b> , industry, QMS, customers	Ongoing	Normal
4	<b>Ensure 'fit for purpose' regulation and regulatory compliance</b>	<b>NFUS</b> , SEPA, FSS, RPID, APHA, QMS, Scottish SPCA, co-ops	Ongoing	Normal
<b>INCREASING THE DEMAND FOR AND VALUE OF SPECIALLY SELECTED PORK</b>				
5	<b>Review and build consumer-relevant USPs for Specially Selected Pork</b>	<b>QMS</b> , co-ops, industry, SEFARI, QPL	August 2018	High
6	<b>Develop understanding of the opportunities for Specially Selected Pork and processed products</b>	<b>QMS</b> , SFD, SDI, processors	Complete by end of 2019	Normal
7	<b>Use market intelligence and prompt export certification to maximise carcass balance</b>	<b>QMS</b> , QPL, SFD, SDI, industry, Scottish and UK governments	Ongoing	High
8	<b>Improve product consistency and eating quality</b>	<b>SPP</b> , co-ops, QMS, MDSC, industry	By 2020	Normal
<b>DRIVING INVESTMENT IN INFRASTRUCTURE, PEOPLE, SKILLS AND HERDS</b>				
9	<b>Increase slaughtering and processing capacity</b>	<b>QPL</b> , industry, QMS, MDSC, SAOS, Scottish Government	Ongoing	Normal
10	<b>Address medium-term skills gaps and map the skills of the future</b>	<b>Lantra</b> , industry, Skills Development Scotland, SRUC, QMS, Scottish vet schools	Commence by 2019	Normal
11	<b>Generate a pipeline of new entrants in pig farming and explore finance options</b>	<b>SPP</b> , co-ops, industry, Scottish Government, SRUC, SAOS	Ongoing	Normal
<b>LEADING THE WAY ON HERD HEALTH &amp; WELFARE IMPROVEMENTS</b>				
12	<b>Reduce the use of antibiotics and zinc oxide</b>	<b>QMS</b> , industry, Chief Veterinary Officer (Scotland), SEFARI, WPS, Scottish Government	Ongoing	High
13	<b>Advance progress on eradicating disease</b>	<b>WPS</b> , industry, ScotEID, SRUC, Moredun Research Institute, QMS, Scottish Government	Ongoing	High
14	<b>Further enhance welfare</b>	<b>QMS</b> , Scottish SPCA, co-ops, SEFARI, Scottish Government	Ongoing	Normal

## A: BUILDING INTEGRATED, INNOVATIVE, SUSTAINABLE AND PROFITABLE SUPPLY CHAINS

Productivity in the Scottish herd is high. Since 2009 it has improved by 18%, through a combination of improved health, genetics and management. We are producing a greater number of pigs from fewer sows, and the meat yield of these pigs is also greater due to higher slaughter weights. These improvements are helping to significantly reduce climate change impact.

With a strong research base in disciplines relevant to the pig sector, Scotland has a positive story. But industry seeks R&D that connects more directly to its needs, and we see a wide array of research areas where there are opportunities to support the sector:

- **health & welfare**
- **eating quality**
- **better use of by-products and waste**
- **future farms and processing**
- **reducing environmental impact**
- **packaging.**

Collaboration, long-term partnerships and continued sharing of best practice also have a critical role in our sector.

Regulation needs to be 'fit for purpose', conducive to sustainable growth and responsive to developments in scientific knowledge and technology. This will encourage investment in innovative environmental and welfare improvements and infrastructure.

We should also build on the existing strong relationships between the sector and stakeholder NGOs.



## RECOMMENDATION 1: FORM AN INDUSTRY LEADERSHIP GROUP

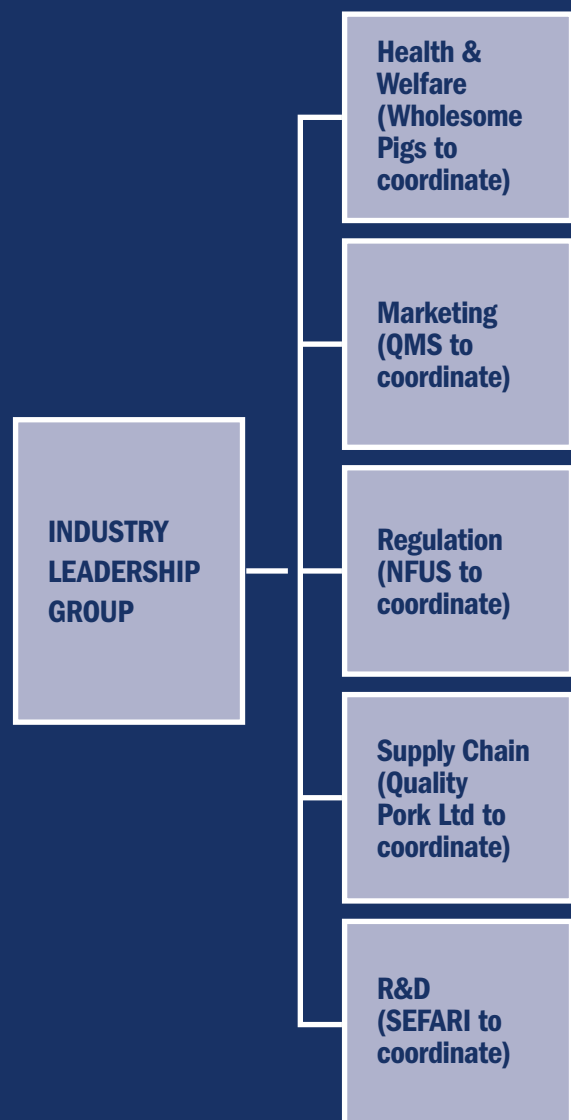
Learning from success in other sectors, we recommend the formation of an Industry Leadership Group (ILG) for the sector, representing the wider supply chain and stakeholders.

Establishing an ILG would ensure that industry leads and oversees implementation of this strategy, to drive sustainable growth and strong environmental and welfare practices. Its structure and activity will build on existing committees and liaison groups in our sector, rather than duplicate existing work.

The group would also be pivotal in creating productive collaboration and alignment between government and industry.

**Responsible:** Industry, Scottish Government, SFD, QMS, SEFARI, NFUS (lead responsibility to be confirmed)

**Timeline:** Establish by October 2018



## RECOMMENDATION 2: DEVELOP COLLABORATIVE AND EFFICIENT SUPPLY CHAINS

We should continually seek out opportunities to drive efficiency in our supply chains, to maximise resources and address price volatility.

Developing more effective supply chain collaboration and alternative pricing mechanisms could do much to reduce volatility, offering everyone in the supply chain a fairer return for effort and a greater ability to plan and invest.

Building on our existing culture of co-operation and collaboration, the sector should explore further opportunities for supply chains to work together in new ways.

For example, joint investment and joint working could offer ways to expand our processing capacity and capability in order to meet specific market opportunities.

And there are opportunities for greater collaboration to address issues around finance and risk, purchasing, research and investment.

The sector should also work with SAOS and the Market Driven Supply Chains (MDSC) project to pilot new supply chain approaches where there could be significant commercial benefits; learnings from these pilots would be shared widely.

**Responsible:** QPL, industry, SAOS, MDSC

**Timeline:** Ongoing

## RECOMMENDATION 3: USE R&D TO BUILD DISTINCTIVENESS

Premium prices and differentiation have to stand on a base of evidence. A valuable task for industry and researchers would be to map possible research activity around what makes (or could make) Specially Selected Pork distinctive in order to compete successfully against other proteins and pork from outside Scotland.

Research should explore whether there is scope to develop distinctive points of difference for Specially Selected Pork, perhaps through eating quality; and whether there is an opportunity to use research around welfare, health and eating quality to strengthen our brand.

There are opportunities for research to improve efficiency and reduce the impact of the sector upon the environment.

Particular priorities would be controlling ammonia emissions, energy efficiency, waste management, reducing resource use and recycling.

**Responsible:** SEFARI, industry, QMS, customers

**Timeline:** Ongoing

## RECOMMENDATION 4: ENSURE 'FIT FOR PURPOSE' REGULATION AND REGULATORY COMPLIANCE

Effective regulation is born from productive and transparent collaboration between industry and regulators. Ongoing dialogue between our sector and regulators would help to align economic growth, environmental management and pig health & welfare agendas, and promote a 'beyond compliance' approach across the sector. This works both ways, with the pig sector needing to be proactive in understanding regulatory requirements and generating evidence to assist with regulatory development and regulators needing to engage constructively.

One specific area for better alignment is designation of Nitrate Vulnerable Zones (NVZs). Many producers believe the current rules on slurry/manure application have not kept pace with science, and place unnecessary demands on pig production units in affected areas. The regulations and their implementation should align with scientific knowledge and technology improvements.

A designated regulatory contact point in SEPA, at a senior level, for the pig sector would help support 'fit for purpose' regulation and regulatory compliance. This dialogue could take place through the auspices of the proposed Industry Leadership Group and is a model other regulators should consider too.

Another specific area for better alignment is on planning decisions. Under the current planning regime in Scotland, planning permission is required for buildings and structures used for housing pigs. Modern housing could bring benefits in terms of hygiene and reduction of antibiotic usage, but planning authorities' decision-making is not always supportive of this. Planning decisions should be based upon genuine evidence, rather than misconceptions or campaigns by lobby groups.

Co-operatives could also help here, marshalling the arguments and data around the benefits of modern housing in terms of hygiene and reduction of antibiotic usage, so that individual producers can use them in planning applications.

**Responsible:** NFUS, SEPA, FSS, RPID, APHA, QMS, Scottish SPCA, co-ops

**Timeline:** Ongoing

## B: INCREASING THE DEMAND FOR AND VALUE OF SPECIALLY SELECTED PORK

Unlike Scotch Lamb and Beef, Specially Selected Pork (SSP) does not benefit from PGI status. The mark currently provides a level of differentiation, but we need to ensure that the values underpinning the brand and the marketing approaches are appropriate for tomorrow's marketplace.

If we do this, the scope for expansion is great, particularly in Scotland and specific export markets.

### So how do we exploit our opportunities?

By strengthening retailer, foodservice operator and consumer buy-in, by better understanding what different markets are looking for and what the market trends are, and by identifying opportunities that play to our strengths.

We should also explore what could generate premium, whether it's existing strengths such as traceability and provenance, or whether we need to build further distinctiveness.

And we should optimise the quality and supply of pork, targeting known market opportunities which may not be in the UK and may not be for traditional cuts.

To capitalise upon these market opportunities and improve carcass balance, the industry infrastructure will need significant expansion across the supply chain.

## RECOMMENDATION 5: REVIEW AND BUILD CONSUMER-RELEVANT USPS FOR SPECIALLY SELECTED PORK

With a richer understanding of what works in key existing and potential markets, we will be better placed to strengthen the Scottish brand. We need to build the distinctiveness of Specially Selected Pork and maximise its value, rather than let our product be swept along in low-margin, commodified markets.

To use the market opportunities identified in work under Recommendations 6 and 7, we should review how to differentiate Specially Selected Pork, and how we can develop the Specially Selected Pork mark, to increase its resonance with retailers and customers.

Whilst we aspire to achieve a premium for all parts of the carcass – for processed products, such as sausages or pies made with Specially Selected Pork, as well as loin and leg pork – we recognise that, in many cases, simply securing our market share will be an acceptable result.

**Responsible:** QMS, co-ops, industry, SEFARI, QPL

**Timeline:** August 2018

## RECOMMENDATION 6: DEVELOP UNDERSTANDING OF THE OPPORTUNITIES FOR SPECIALLY SELECTED PORK AND PROCESSED PRODUCTS

We need to understand consumer purchasing and eating trends to keep our sector fit for future purpose.

We know that, generally, Scottish produce is valued for provenance and premium quality, but what else could 'Scottish' mean for pork in our main markets? And do we need to build further distinctiveness into Specially Selected Pork – perhaps around eating quality, flavour or health and welfare.

In looking for opportunities for Specially Selected Pork, we need to develop markets and customers both in Scotland and overseas – export markets put a higher value on certain cuts than UK consumers, enabling overall carcass value to be maximised, and this opportunity should remain, whatever the outcomes of Brexit.

So, we recommend a new research project into what's important to our customers in Scotland, the rest of the UK and internationally – collating existing research, developing sector-specific work and accessing key expertise within QMS, Scotland Food & Drink (SFD), Scottish Development International (SDI) and Danish Crown.

**Responsible:** QMS, SFD, SDI, processors

**Timeline:** Complete by end of 2019





## RECOMMENDATION 7: USE MARKET INTELLIGENCE AND PROMPT EXPORT CERTIFICATION TO MAXIMISE CARCASE BALANCE

We see huge potential in markets such as China and the US to maximise carcase balance.

The research project in Recommendation 6 should explore how we could develop existing or new markets to help improve carcase balance, using SDI's network of in-market specialists.

Additionally, maximising carcase balance in key potential markets may require certain standards to be met in terms of welfare, health or supply. Policymakers, regulators and export specialists should work with industry to understand and incorporate these standards, as far as possible, into Scottish supply chain practices. An early priority is to achieve China and USDA export certification for QPL Brechin.

**Responsible:** QMS, QPL, SFD, SDI, industry, Scottish and UK governments

**Timeline:** Ongoing

## RECOMMENDATION 8: IMPROVE PRODUCT CONSISTENCY AND EATING QUALITY

We must ensure the quality (including eating quality and flavour) of Specially Selected Pork products is consistently high and tailored to the requirements of different customers, helping to achieve carcase balance.

We should look at:

- developing innovative tools to measure carcase and meat quality that can operate at commercial line speeds
- benchmarking and sharing best practice to ensure that product quality standards are maintained across all parts of the supply chain
- how to ensure there is always sufficient supply available at the right quality to maintain the reputation of Specially Selected Pork in all key markets
- developing dedicated supply chains for particular customers to enhance quality and consistency, using a study by the Market Driven Supply Chains (MDSC) project to explore this.

The research base in Scotland can also support the sector with commercially-relevant R&D into eating quality and consistency.

**Responsible:** SPP, co-ops, QMS, MDSC, industry

**Timeline:** By 2020

## C: DRIVING INVESTMENT IN INFRASTRUCTURE, PEOPLE, SKILLS AND HERDS

Investment in our infrastructure is essential for success, and we need to expand Scottish slaughtering/added-value processing capacity at a rate that keeps pace with the market opportunities.

There is potential to do more with our existing resources and to utilise spare capacity, in addition to exploring opportunities for collaborative investment in new facilities.

On the production side, the number of full-time Scottish pig producers is declining and there is a risk that future production volumes will decline at a time when demand for Specially Selected Pork is growing.

We need to give existing pig farmers the confidence to expand and invest – in buildings, ventilation and feeding systems, handling systems and other farm infrastructure; in breeding, research and the workforce. We need a pipeline of new entrants who want to work in the sector, stay in the sector, and lead the sector in 2030 and beyond.

Success on this will come down to skills, people and investment. They're all interlinked, and we need structured skills progression at all stages.

## RECOMMENDATION 9: INCREASE SLAUGHTERING AND PROCESSING CAPACITY

To maintain the integrity of Specially Selected Pork and maximise carcass value, we need to increase the slaughtering and added-value processing capacity within Scotland. Over 600,000 Scottish-born pigs are moved to England or Wales for slaughter each year – a significant lost economic opportunity for the Scottish sector. Small and medium-sized abattoirs are closing at an unprecedented rate, limiting the potential for retail butchers and farmers selling direct to the public.

To address this, we should:

- explore the potential for collaboration/joint ventures to utilise any existing spare capacity in the processing sector
- look at collaboration/joint venture opportunities to develop new added-value processing capacity
- ensure the primary sector understands and/or is involved in any collaborative ventures to encourage a corresponding increase in herd size
- seek support through initiatives such as the Market Driven Supply Chains (MDSC) project, or capital finance through the Scottish Government's Food Processing Marketing and Co-operation Grant Scheme (FPMCG).

**Responsible:** QPL, industry, QMS, MDSC, SAOS, Scottish Government

**Timeline:** Ongoing





Image courtesy of SRUC

## RECOMMENDATION 10: ADDRESS MEDIUM-TERM SKILLS GAPS AND MAP THE SKILLS OF THE FUTURE

To prosper to 2030 and beyond, the sector needs access to the right skills, with structured skills progression throughout the supply chain.

In the short term, the sector needs to fill post-Brexit labour and skills gaps and draw people into the sector. Modern Apprenticeships have a role to play here but won't alone fill the gaps. Rather, the pig sector needs to be involved in the wider food and farming industry's efforts to attract new people at all ages and stages.

For those already working and farming in the sector, we believe that current peer-to-peer schemes – such as Monitor Farms and knowledge sharing – are effective. Funding for such schemes has often been for limited terms, and it's important that the resources are in place to sustain and develop them. We recommend that more secure, long-term funding opportunities are explored.

We should also ensure the sector has the vet skills it needs. There are few formal opportunities for student vets to get work experience with pigs, and this risks a skills deficit. Rather than rely on informal connections, the sector should work with vet schools in Scotland to make work experience available to young vets and build a skills pipeline.

We recommend a mapping exercise to identify the skills needed in the pig sector (and other livestock sectors) in the future, and make sure that Scottish colleges and universities will be ready to deliver them. This could be supported within the Lantra Scottish Workplan.

**Responsible:** Lantra, industry, Skills Development Scotland, SRUC, QMS, Scottish vet schools

**Timeline:** Commence by 2019

## RECOMMENDATION 11: GENERATE A PIPELINE OF NEW ENTRANTS IN PIG FARMING AND EXPLORE FINANCE OPTIONS

The sector needs a talent pipeline of new entrants, who can keep it competitive and dynamic in decades to come. There are good opportunities in the pig sector for the younger generation and the barriers to entry are lower than in other parts of agriculture.

We should develop our pipeline by ensuring financial, as well as management, support is available to encourage new entrants. This includes exploring the opportunities for contract or share farming as a means of giving existing farmers an exit from the sector whilst ensuring their assets continue in use within it.

The commercial pig sector is currently excluded from new entrants' schemes such as the New Entrants Capital Grant Scheme. When arrangements for these schemes are next reviewed, we recommend that pig breeding and finishing units are included.

New entrants also need mentoring and advice – from fellow producers, and other parts of the supply chain too such as feed merchants, abattoirs, processors, even retailers. Co-operatives have a key role to play here, as does the Skills for Farming Group.

**Responsible:** SPP, co-ops, industry, Scottish Government, SRUC, SAOS

**Timeline:** Ongoing

## D: LEADING THE WAY ON HERD HEALTH AND WELFARE IMPROVEMENTS

The health status of the national herd offers a good opportunity to increase competitive advantage, as the Scottish Pig Meat Supply Chain Strategic Review of 2013 highlighted.

Proactive health management has delivered notable successes on health, but there is always more we can do – monitoring problems, maintaining vigilance on biosecurity and control measures, and exploring how health measures could be used to differentiate Specially Selected Pork and add value.

There are four specific elements where we want to focus attention:

- Antibiotic/zinc oxide: minimising antibiotic use is vital but the removal of zinc oxide from medicines by 2022 could stall progress. We can do more here to balance the needs of livestock, producers, regulators, stakeholders and consumers alike.
- Endemic diseases: Porcine Reproductive and Respiratory Syndrome (PRRS) and other endemic diseases have significant economic impacts for the sector through lost productivity. We need to make more progress in controlling and then eliminating these key diseases.
- Notifiable diseases: we need to continue building on our existing capability for handling outbreaks rapidly.
- Welfare: we need to develop even better ways to demonstrate the high welfare standards of the industry and innovate to push these standards even higher.

Progress on these four elements will result in better pig performance, a more sustainable sector, and a continuing ability to deliver a safe and high-quality product to customers.

## RECOMMENDATION 12: REDUCE THE USE OF ANTIBIOTICS AND ZINC OXIDE

Key to reducing antibiotics usage are information and transparency.

Firstly, a benchmarking scheme should be implemented using the information recorded in the UK-wide e-Medicines Book. Technical support would be provided to those identified as high antibiotics users to help them lower their usage. This requires AHDB to return Scottish producers' data within the terms of a QMS-AHDB data sharing agreement.

Secondly, industry, regulators and stakeholders would benefit from further research into the impacts of removing zinc oxide from the health toolkit, and the consequent requirements for antibiotic usage.

We recommend a detailed research study into pig performance, to inform development of new protocols, best practice recommendations and targets on antibiotic usage and reduction.

Thirdly, investment in modern pig housing infrastructure, in particular the replacement of wooden housing, would facilitate hygiene, and bring added pig herd health benefits, such as a likely reduction in the need for antibiotics. But this is capital-intensive, and we should incentivise investment by farmers.

Researchers, industry and government all have a role here, and we recommend the formation of a working group to develop new designs and standards and feed into regulation.

Fourthly, a more supportive approach in terms of planning authorities' decision-making on applications for modern pig housing could bring benefits in terms of hygiene and reduced antibiotic usage (see Recommendation 4).

**Responsible:** QMS, industry, Chief Veterinary Officer (Scotland), SEFARI, WPS, Scottish Government

**Timeline:** Ongoing





## RECOMMENDATION 13: ADVANCE PROGRESS ON ERADICATING DISEASE

To enhance traceability and work towards the eradication of diseases, we should explore with the Scottish livestock traceability research team (ScotEID) how we could build on its existing systems.

In addition, to determine our future approach on Porcine Reproductive and Respiratory Syndrome (PRRS) and be at the leading edge of best practice, we need more refined financial models around the costs and benefits of eradication programmes.

We recommend a detailed cost/benefit analysis of eliminating/not eliminating PRRS in the Scottish pig sector. We also want more regular activity to map and monitor the extent of PRRS in Scotland, to inform decision-making.

In terms of dealing with notifiable diseases, the Scottish Pig Disease Control Centre (SPDCC) has established trust in its capacity to deal with outbreaks of notifiable diseases, such as porcine epidemic diarrhoea (PEDv). Its procedures for responding to outbreaks of diseases have been shown to be effective. This is supported by close collaboration with SRUC Epidemiology Research Unit and the Scottish Government Centre of Expertise on Animal Disease Outbreaks.

We recommend the Centre continues to be resourced to do this, and is recognised as the lead in dealing with these situations.

**Responsible:** WPS, industry, ScotEID, SRUC, Moredun Research Institute, QMS, Scottish Government

**Timeline:** Ongoing

## RECOMMENDATION 14: FURTHER ENHANCE WELFARE

The Scottish pig sector has a strong track record on welfare; we should aim even higher. There are a number of ways we can do this, and a new ILG could drive progress, align activity and identify other opportunities or priorities as they emerge.

Firstly, we want to explore scope for developing the sector's relationship with the Scottish SPCA. The SPCA's support for the Specially Selected Pork brand, through the 'Approved by the Scottish SPCA' label, has been valuable for the sector, demonstrating to consumers that the product meets the highest animal welfare standards.

We recommend that co-ops, the SPCA and QMS build on this constructive relationship, looking at other opportunities for welfare assurance in both outdoor and indoor pig production.

A second welfare opportunity is in housing and farming systems, to ensure that the Scottish pig sector continues to be a world leader in welfare.

**Responsible:** QMS, Scottish SPCA, co-ops, SEFARI, Scottish Government

**Timeline:** Ongoing



# Moving forward

**This strategy sets out a direction of travel for the pig sector to 2030, and outlines recommendations for how we can fuel sustainable, equitable growth. Now the real work begins, with industry and public-sector stakeholders pulling together to drive progress on every recommendation.**

In the coming months, clear actions and measures of progress will be developed.

In the immediate term, the priority actions are to set up an Industry Leadership Group, review the USPs of Specially Selected Pork, and address issues around export certification as Brexit approaches.

Longer-term, every single recommendation in this document is a priority – each one a platform for reaching our 2030 ambitions and bringing benefits to businesses, consumers and the wider Scottish economy.

By sharing the work of delivering the strategy, the prize will also be shared: total output of over £500m a year, job creation, vibrant rural communities, and a culture of equitable growth.

**Now it is time to make it happen.**







## Scotland Food & Drink

3 The Royal Highland Centre  
Ingliston, Edinburgh EH28 8NB

0131 335 0940

[www.foodanddrink.scot](http://www.foodanddrink.scot)

Follow us on Twitter @scotfooddrink