

Briefing Paper on the Welsh Lamb and Welsh Beef Protected Geographical Indication (PGI) Designations



BACKGROUND

The EU Protected Food Name Scheme identifies regional and traditional foods whose authenticity and origin can be guaranteed. Under this system a named food or drink registered at a European level is given legal protection against imitation throughout the EU. Products with protected name status fall into three categories - PDO, PGI and TSG.¹

Applications to protect Welsh Lamb and Welsh Beef as PGI designations were made on behalf of the Welsh red meat industry in 1999. Approval of Welsh Beef was received in November 2002 and approval of Welsh Lamb was received in July 2003.

The main requirements of the PGI specifications are that lamb and cattle must be:

- Born and reared in Wales;
- Fully traceable; and
- Slaughtered and processed in an HCC approved abattoir/ processor. Abattoirs and processors eligible for scheme approval are not restricted to Wales.

ENFORCEMENT

In July 2004 at the request of the Welsh Assembly Government, HCC accepted the role of guardian of the Welsh Lamb and Welsh Beef PGI designations. In order to maintain the integrity of the designations through adequate control and monitoring, HCC:

- Implemented a certification scheme for abattoirs and processors; and
- Developed a relationship with enforcement authorities, who have responsibility for the control and monitoring throughout the rest of the supply chain.

¹ **Protected Designation of Origin (PDO)** - Products produced, processed and prepared within a specific geographical area, and with features and characteristics attributable to that area.

Protected Geographical Indication (PGI) - Products produced or processed or prepared within a specific geographical area, and with features or qualities attributable to that area.

Traditional Speciality Guaranteed (TSG) - Products that are traditional or have customary names, and have features that distinguish them from other similar products. These features need not be attributable to the geographical area the product is produced in, nor entirely based on technical advances in the method of production.



HCC appointed an independent certification body for the certification scheme for abattoirs and processors. Annual inspections are undertaken at all abattoirs and processors that wish to brand lamb or beef as Welsh. Unannounced spot checks are also undertaken of abattoirs/processors on an annual basis. Following a successful inspection, the abattoir/processor receives a 12-month certificate of approval from HCC.

MEMBERSHIP OF THE PGI CERTIFICATION SCHEME

As of 01 June 2010, there were 50 abattoirs and/ or processors approved to use the Welsh Lamb and/ or Welsh Beef PGI designations. As the following table shows, 30 of those 50 plants (60 percent) were located in Wales and 20 plants (40 percent) were located outwith Wales.

Abattoirs/ processors approved to use the Welsh Lamb and/ or Welsh Beef PGI designations

	Stand alone abattoirs	Joint abattoir and processing plants	Stand alone processing plants	Total
Wales	9	10	11	30
Outwith Wales	3	9	8	20
Total	12	19	19	

Source: HCC

VALUE OF THE PGI

The reputation of Welsh Lamb and Welsh Beef at home and amongst countries around the world continues to grow year-on-year with more leading retailers, hotels and restaurants demanding it for their consumers.

Home Market

Using the Meridian TV area (south east England) as the benchmark, recognition of PGI Welsh lamb increased from 7 percent in October 2005 to 30 percent in October 2009.

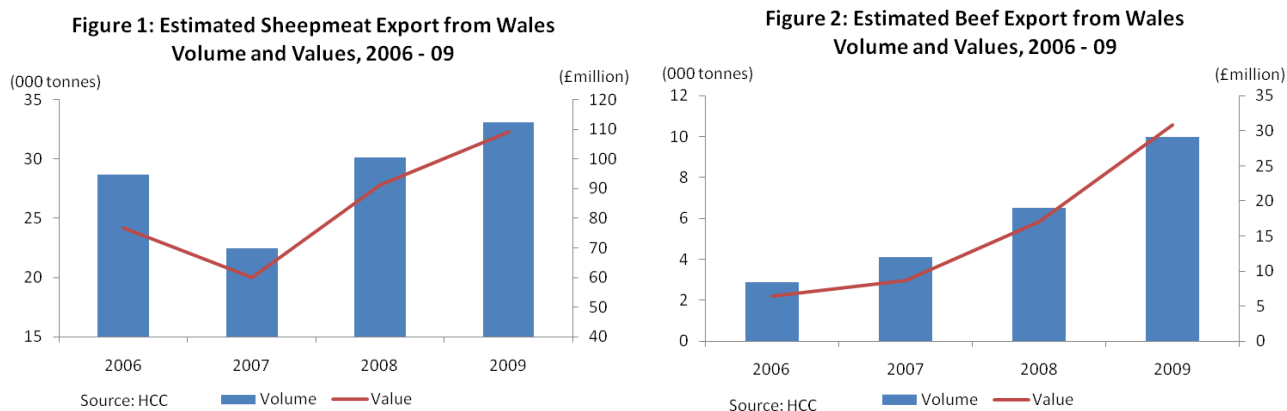
In response to the question "Welsh Lamb is a brand I can trust", 56 percent of consumers in the Meridian area agreed with this statement in October 2005 and by October 2009 this figure had risen to 75 percent. In response to the question "I would choose Welsh Lamb over lamb from other countries", 21 percent of Meridian consumers agreed in October 2005 and 45 percent in October 2009.²

² **Source:** MarketTools

Export Market

Lamb and beef exports from Wales were worth £140 million to the economy in 2009, an increase of more than £30 million over the previous year.

Figures 1 and 2 below highlight how export volumes and values of sheepmeat and beef from Wales have increased since 2006. Using exports of sheepmeat from Wales as an example, total volumes since 2007 have increased by 57 percent (12,000 tonnes) which equates to an increase in value of £54 million.



In the main markets for Welsh Lamb – France, Belgium and Italy – volumes and value are increasing and one contributory factor is the PGI status.

REVIEW

The PGI awarded to Welsh Lamb and Welsh Beef strongly supports the production of a differentiated branded product. It also offers a vehicle for adding value and creating a product premium available to producers and processors. Both Welsh Lamb and Welsh Beef is produced to a high welfare standard which provides the industry with opportunities to seek greater market value through the PGI designations.

As guardians of the designations the HCC Board has agreed that industry should be consulted in 2010. The last consultation was conducted in 2006 and as the industry evolves it is believed to be an opportune time to review whether the PGI designations are fit for purpose and reflect the current situation within the Welsh red meat industry.