

UK-wide review of pig supply chain launched

The Government has today (15 July) launched a [review of the pig sector](#) to increase fairness and transparency in the industry.

The consultation follows recent challenges experienced by the sector due to global pressures including rising costs and labour shortages, which have raised questions about the functioning of the supply chain. It seeks views on issues such as transparency, price reporting, clarity of contractual terms and conditions, and market consolidation.

It will run until 7 October 2022 and invites views from pig farmers, abattoirs, processors, retailers, marketing groups and all stakeholders involved in the pig supply chain across the whole country.

Today's announcement is the latest action from the UK Government and the Devolved Administrations to support farmers as they have been dealing with turbulence in international commodity markets, exacerbated by Russia's invasion of Ukraine, leading to increased input costs, including feed, fuel, energy, and fertiliser.

Farming Minister Victoria Prentis said:

Recent months have been very difficult for pig farmers due to a range of pressures including rising costs and global labour shortages. We have engaged closely with the sector to support them in considerably reducing the backlog of pigs on farms and I continue to work with producers and retailers to support the sector.

I am a firm believer in 'Buy British' and supporting our domestic pig producers, and a fair and transparent supply chain is paramount. I hope the industry engages fully with this consultation so that we can help to address the challenges that they are facing.

Scottish Government's Secretary for Rural Affairs and Islands Mairi Gougeon said:

The Covid-19 pandemic and the continued lack of available skilled labour have had a disproportionate impact on the pig sector. It is imperative that we understand the current supply arrangements within the sector and explore the nature of the relationships between the various parties in the supply chain.

I welcome this consultation, with the hope that it effects proposals for a more consistent approach across the pig supply chain. I would like to encourage all producers and processors, across Scotland, to take part in this consultation and ensure that their voices are heard on this matter.

Welsh Government Minister for Rural Affairs and North Wales, and Trefnydd, Lesley Griffiths said:

These are challenging times for the pig sector and I encourage everyone involved in the industry in Wales to respond to the consultation. This will enable us to gather important feedback and evidence about how supply arrangements in the pig sector currently function and to explore the nature of the relationships between the various parties in the supply chain.

We will continue to work collaboratively with the industry, as well as governments across the UK, to ensure a resilient future for our Welsh pig sector.

Northern Ireland Agriculture, Environment and Rural Affairs Minister, Edwin Poots MLA said:

The pig sector has seen significant challenges recently with pig farmers being financially impacted by the effects of the Covid-19 pandemic, a marked reduction in skilled labour, increased feed costs and moving pigs off the farm for slaughter.

I am committed to raising the issue of fairness for pig farmers in the marketplace and exploring further any issues faced in the pig sector. I am pleased that Northern Ireland stakeholders will have the opportunity to take part in this UK wide consultation and I strongly encourage all Northern Ireland stakeholders to respond.

Once responses have been analysed, a summary of responses will be published to outline findings and propose any actions.

Government support to pig farmers:

- The UK Government have provided a package of measures to help address these unique circumstances and support the pig sector, including temporary work visas for pork butchers, and Private Storage Aid (PSA) and Slaughter Incentive Payment (SIP) schemes to facilitate an increase in the throughput of pigs through abattoirs. We are also working with industry to support their efforts on the longer term recruitment and

retention of domestic workers.

- In England and Scotland, the two meat levy bodies, the Agriculture and Horticulture Development Board and Quality Meat Scotland, suspended the statutory levy for pig farmers and producers during November 2021 – suspending payments of the levy pig farmers and producers are required to pay.
- Farming Minister Victoria Prentis has chaired three roundtables – in February, March and July 2022 – with pig industry representatives from across the UK to discuss the challenges that the sector has been facing in recent months. Following this, Minister Prentis met with representatives of the agricultural banking sector to discuss the current situation in the pig sector. The banks confirmed that they are working closely with impacted pig farmers during this exceptionally challenging period and remain keen to be supportive.
- We have established the UK Agricultural Market Monitoring Group (UKAMMG), to monitor all key agricultural commodity markets. We and have also increased our engagement with industry to supplement our analysis with real time intelligence.
- Together with Agriculture and Horticulture Development Board (AHDB), we are working to both expand existing export markets and to identify new export markets for pork, particularly lightly processed pork. On 17 March this year, we were able to announce the opening of a new export market to Chile worth £20 million in the first 5 years of trade. This follows us gaining market access to Mexico, for fresh pig meat in September 2021 – with support from the UK Export Certification Partnership (UKECP) and pork producing establishments. Defra continues to work to expand the UK's access to the Mexico market to include offal and edible by-products.
- The Scottish Government have put measures in place to aid the pig sector and successfully ran a Private Storage Aid Scheme for pork processors at the beginning of this year. Also, a Pig Producers Hardship Support Scheme was made available and extended twice, providing much needed support for pig farmers of around £1.8 million in total.
- In Northern Ireland, DAERA launched a support scheme worth up to £2 million for pig farmers who have been financially impacted by the effects of weakening markets, increased feed costs and getting pigs moved off the farm for slaughter earlier this year.