



(HCC 925)

Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 9.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Thursday 16 January 2020

- Present:** Kevin Roberts (Chair)
Huw Davies, Gareth Wynn Davies, John Davies, Rachael Madeley Davies, Helen Howells, Barrie Jones, Catherine Smith, Claire Williams and Ogwen Williams (via teleconference)
- By Invitation:** Mark Alexander, Welsh Government
- Executive in attendance:** Gwyn Howells (Chief Executive Officer - CEO)
Julie Davies-Jones (Secretariat)
Kirsten Hughes (Red Meat Executive) – Items 8 and 10
Rhys Llywelyn (Market Development Manager)
Bryan Regan (Corporate Services Manager)
John Richards (Industry Development and Relations Manager)
Owen Roberts (Communications Manager)

1. **Welcome and Chair's Comments**

The Chair welcomed all to the meeting and gave an update on the key events and meetings he had attended since the previous Board meeting: -

7 November 2019 – The Chair and CEO attended the NFU Cymru annual conference.

11 November 2019 – The Chair attended a meeting of the Farming Connect Strategic Advisory Board meeting.

22 November 2019 – The Chair, CEO and Red Meat Executive attended a Governance meeting with Welsh Government.

5 December 2019 – The Chair attended a meeting of the First Minister's European Advisory Group.

17 December 2019 – HCC hosted a meeting for the major processors to discuss industry defense issues and climate change.

7 January 2020 – The Chair attended the Oxford Farming Conference.

15 January 2020 – The Chair and CEO attend a meeting of the Minister's Environment, Energy and Rural Affairs Brexit Round Table (Item 6).

2. **Apologies for absence**

There were no apologies.

3. **Declarations of Interest**

There were no new Declarations of Interest.

4. **To approve the minutes of the Board meeting held on Wednesday 6 November 2019 (HCC 915)**

The minutes of the Board meeting held on Wednesday 6 November 2019 were taken as read, approved by the Board and signed by the Chair.

5. **Matters arising**

PGI Welsh Lamb and PGI Welsh Beef Consumer Campaigns

The Market Development Manager confirmed that the HCC Activities report captured relevant information on consumer campaigns and from time to time were presented more formally to the Board.

Welsh Red Meat Levy Rates and recovery costs for 2020 / 2021

It was noted that the Board's recommendation that the Levy rates remain unchanged for 2020 / 2021 had been submitted to the Minister for consideration.

Review of PGI Welsh Lamb and PGI Welsh Beef Specifications

Work in relation to the above was ongoing.

6. **Brexit Update – to discuss the latest developments with regard to the UK departing the EU**

It was noted that the new Government's priority would be to deliver Brexit with the intention of the UK departing the EU on the 31 January 2020. There would be an ensuing transition period for 11 months until the end of 2020 whilst the UK and EU negotiated arrangements. It was anticipated that current rules on trade, travel and business would continue to apply during the transition period with new guidelines taking effect on the 1 January 2021.

A meeting of the Minister's Energy, Planning and Rural Affairs Stakeholder Roundtable meeting was held on the 15 January 2020 attended by the Chair and CEO. The meeting received updates from the Minister, Tim Render, Director of Agriculture, Gian Marco Currado (International Trade Negotiations) and James Owen (Post CAP farming policy).

7. **HCC Reports**

a. Activities (HCC 916)

The above was taken as read.

Communications

HCC Annual Conference Feedback

The above would be discussed in detail at the Communications Advisory Committee meeting on the 16 January 2020.

There had been very positive feedback from delegates in terms of speakers, venue and catering.

The general view of the Board was that the conference had gone extremely well with an excellent line up of speakers and a good cross section of stakeholders present. However, it was agreed that there was not enough time for Q&A and that the Communications Advisory Committee needed to consider whether the venue for the 2020 conference should remain at the Royal Welsh Showground.

This matter would be discussed by the Communications Advisory Committee with a recommendation to the Board at the 5 March 2020 meeting.

Winter Fair Feedback

The Board felt that the Winter Fair was successful for HCC.

The HCC breakfast had been well attended with the more premium products served proving to be a positive improvement. The stand had remained busy at all times with activities to attract stakeholders and consumers. The Scholarship event was also well attended and it was felt that this was a good networking platform for past and current scholars.

The Board congratulated the Executive for the stand design and format which had received the Best Trade stand award.

HCC's presence at the Winter Fair would also be discussed by the Communications Advisory Committee on the 16 January 2020.

Consumer campaign on the sustainability of Welsh Red Meat – The Welsh Way

Information showing the theme and example creatives for this marketing and communications campaign was tabled and summarised by the Market Development Manager.

Activities included a targeted social media strategy as well as advertising on radio, digital TV and print media.

A communications plan was under development and this would be shared with the Board in due course.

In terms of measuring the success of the campaign, specific measurements had been put in place and would be evaluated on an ongoing basis. A final evaluation would be undertaken at the end of the campaign and would be reported to the Board.

The development of the campaign was well received by the Board.

Market Development

PGI Welsh Lamb and PGI Welsh Beef Campaigns 2018 – 2019 / 2019 – 2020

The Market Development Manager tabled a consolidated booklet produced to highlight the work undertaken on the above over the past two years. The booklet had been produced for the Board's information and as a reference guide.

Export Market Development

The Export Market Development team was currently planning for and reviewing stand locations, themes and engagement / support from processors ahead of the trade fairs SIAL, Paris 2020 and Anuga, Cologne 2021.

Industry Development and Relations

HCC Red Meat Sustainability Roadmap

It was noted that work was progressing well with the development of the above. Work had commenced on Carbon Auditing of around 20 farms. This data set would be fundamental in providing evidence to underpin the Roadmap. Work was also being undertaken to research the available evidence on the Welsh red meat industry which would also inform a 'gap' analysis. The Board would be informed of progress at the next Board meeting. It was anticipated the roadmap would be launched in June 2020.

Red Meat Development Programme (RMDP)

Hill Ram Scheme

The Industry Development and Relations Manager informed that the expression of interest window had opened for farmers to partake in the scheme. The closing date for expressing interest was the 31 March 2020. Further information was available on HCC's corporate website.

Innovating Farming for a Sustainable Future

Arrangements were in hand for the two RMDP events to be held at Coleg Meirion Dwyfor, Glynllifon (Tuesday 4 February 2020 at 6.30pm) and Coleg Sir Gar, Gelli Aur (Thursday 6 February 2020). Speakers at the conferences would include Alwyn Philips, farmer (Glynllifon event), Aled Picton Evans, farmer (Gelliaur event) and researcher Non Williams, currently working on her PhD entitled "Optimised management of upland pasture for economic and environmental benefits" at Bangor University who would speak at both events.

b. To receive a verbal report on the Forecast Outturn 2019 / 2020

The Corporate Services Manager reported on the above.

c. Market Bulletin Summary (HCC 917)

The above was taken as read.

It was highlighted that perhaps there was a misconception amongst industry as to why beef prices had in the past few months been depressed. However, it was felt that there was currently positive news to share as beef prices had increased lately. Some positive PR would be issued in relation to this in order to inform stakeholders.

It was pleasing to note that in the year to October 2019, the value of sheep meat exports increased 8.8% on year-earlier levels.

d. Forthcoming events (HCC 918)

The above was taken as read.

8. **Corporate**

a. To consider HCC's draft Corporate Plan 2020 / 2023 (HCC 919)

b. To consider HCC's draft Operational Plan 2020 / 2021 (HCC 920)

Both documents were taken as read and summarised by the Red Meat Executive.

There were no significant changes to the drafted documents other than updates on statistics. More emphasis had been placed on industry challenges such as the environment and climate change and the KPIs had been revised.

The budgeted income and expenditure profile had been set as a nil budget for 2020 / 2021.

Following roundtable discussion, the Board approved the documents and it was agreed to submit the Corporate Plan 2020 / 2023 and the Operational Plan

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2020 / 2021 to the Minister for consideration. The documents would include the same caveats as in the previous year, that they would be reviewed on an ongoing basis depending on the outcome of Brexit.

9. **To receive and approve the Work Plan for the Board 2020 / 2021 (HCC 921)**

The above was taken as read and approved by the Board.

10. **To receive an update on Levy Repatriation (HCC 922)**

The above was taken as read and summarised by the Red Meat Executive.

The proposed methodology as the basis for repatriation had now been agreed by all three Levy Boards (AHDB, HCC and QMS). This had been previously considered by the Board and centred on the redistribution of the producer Levy based on residency data. The processor Levy would be retained in the country of collection.

Next steps:

Ministerial agreement was currently being sought on these proposals, that could be adopted as part of a redistribution scheme in the future.

The scheme was dependant on enacting primary legislation through the Agriculture Bill. The Bill as drafted included the provision to allow the scheme to redistribute Levies. The Bill would shortly be starting on its journey through the Westminster law making process.

The CEO and Red Meat Executive were commended by the Board for the work undertaken in relation to the above.

11. **HCC Committees**

Audit and Risk Committee

a. **To receive a verbal report and adopt the minutes of the Audit and Risk Committee meeting held on Wednesday 6 November 2019 (HCC 923)**

The above was taken as read and adopted to by the Board.

The minutes were utilized as a report to the Board with no issues raised.

Marketing Advisory Committee

b. **To adopt the minutes of the Marketing Advisory Committee meeting held on Tuesday 1 October 2019 (HCC 924)**

The above was taken as read and adopted to by the Board.

12. **Any other business**

EIDCymru

It was noted that the Minister would be announcing funding to support digital infrastructure investments by eligible livestock auction markets, collection centers and abattoirs (small and medium sized businesses) in Wales.

From the 1 February 2020, eligible businesses which serve as Central Point Recording Centres (CPRCs) could apply for funding to upgrade their digital infrastructure. This would allow an increased use of technology and support the potential introduction of Bovine Electronic Identification alongside the similar successful system for sheep.

The Board welcomed the above and it was agreed to provide an update on EIDCymru at a future meeting.

13. **Dates of forthcoming meetings**

Board teleconference update – Thursday 6 February 2020 at 9.30am
HCC Board meeting – Thursday 5 March 2020

Signed.....
Chairman of HCC