



**Minutes of a meeting of the Directors of Hybu Cig Cymru held at  
10.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Friday 4 March 2016**

**Present:** Dai Davies (Chairman)  
John Brereton, Will Haresign, Bethan Jones, Gwynn Angell Jones  
Graham Probert, Richard Rogers, Richard Tudor, Wyn Williams and  
John Yeomans

**By Invitation:** Gary Haggaty, (Welsh Government)  
Kevin Roberts (Verley Consulting Ltd)

**Executive Team:  
in attendance** Gwyn Howells (Chief Executive Officer - CEO)  
Prys Morgan (Head of Operations)

Julie Finch (Corporate Strategy and Policy Manager)  
Laura Pickup (Market Development Manager)  
Bryan Regan (Corporate Services Manager)

Julie Davies-Jones (Secretariat)

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

The Chairman welcomed all to the meeting.

*End of January, February and March 2016*

The Chairman, CEO and Head of Operations attended the annual FUW Farmhouse Breakfast reception held at the National Assembly of Wales.

On the 11 February 2016, the Chairman and CEO attended the launch of the Welsh Government's Rural Communities – Rural Development Programme 2014 – 2020 and European Maritime and Fisheries Fund Wales.

The Chairman and CEO attended the annual NFU Conference, Birmingham.

The Chairman attended the Welsh Government St David's reception, Brussels on the 2 March 2016. The Chairman reported that the event, sponsored by HCC, was very successful with over 250 in attendance with European Commission Officials and Members of the European Parliament present.

2. **Apologies for absence**

There were no apologies to note.

3. **Declarations of Interest**

Declarations of Interest were noted as follows:-

Credit Control – John Brereton and Wyn Williams.  
Item 15 – Wyn Williams.

4. **To receive and approve the minutes of the Board meeting held on Friday 15 January 2016 (HCC 674)**

The minutes of the Board meeting held on Friday 15 January 2016 were taken as read, approved by the Board and signed by the Chairman.

5. **Matters arising**

**Sheep Spinal Cord removal / Splitting of Lamb Carcasses**

It was noted that HCC had supported the UK industry proposal prepared by the NFU on ageing sheep for SRM controls. The proposal had been forwarded to the FSA for consideration.

**New Zealand (NZ) Sheep Meat Imports**

It was noted that a letter from the Chairman had been issued to Commissioner Hogan highlighting the concerns amongst the Welsh red meat industry with regard to the impact of imported sheep meat products from third countries, specifically from New Zealand on the EU and UK Lamb market.

A response was awaited.

6. **HCC Reports**

a. **Activities Report (HCC 675)**

The above was taken as read.

b. **Market Bulletin (HCC 676)**

The above was taken as read.

c. **Financial – Draft Income and Expenditure and Balance Sheet to 31 December 2015 (HCC 677)**

The above was taken as read and summarized by the Corporate Services Manager.

d. Forthcoming Events (HCC 678)

The above was taken as read.

ON-Farm 2016

Following the success of the event held at Gelliaur, Carmarthen in February 2016, a similar event was in the process of being organized to be held at Llysfasi, Ruthin on the 17 May 2016. It was also proposed to host a further event at Coleg Powys, Newtown during September 2016.

Further details would be available at the next meeting.

e. To receive a presentation on the evaluation of the 2015 PGI Welsh Beef advertising campaign and the porc.wales activities

The Market Development Manager presented the evaluation results from the 2015 PGI Welsh Beef campaign.

It was highlighted that:-

- The campaign had reached seven out of the eight target consumers, rating PGI Welsh Beef as the “brand for me”.
- The TV campaign ran from the 26 October to 22 November 2016, achieved 6.4m viewings by Wales and UK shoppers exceeding the initial target with six in every ten of those consumers considered to be future purchasers.
- PGI Welsh Beef had taken a central role in the modern convenience lifestyle and was seen as more likely to be used as an ingredient in meals than other meats.
- The “Bred in Heaven” campaign based the Six Nations rugby internationals continued to be well received with strong spikes of digital media interest during key games.
- Consumer awareness of PGI Welsh Beef rose incrementally by 2% to 59% and HCC’s multi-media activity also recorded considerable increases in related page views (more than 60% during the period when the TV advert was live with average time spend on pages increasing by nearly 35%.

The Market Development Manager outlined the activities undertaken as part of the porc.wales campaign.

Pork from Wales was positively associated with a broad range of attributes including small farms and traditional breeds which characterised the Welsh

industry. It was evident from research that these features rated highly amongst consumers and led to an increasing likelihood to purchase pork from Wales.

The awareness of pork from Wales was increasing as were the website visits.

7. **To receive a verbal update on the Welsh Government's Review of HCC - Mr Kevin Roberts**

Kevin Roberts informed the Board that he had attended several meetings with representatives throughout the supply chain to gather information as part of the process to evaluate the role of HCC and its ability as an organization to deliver value for money for Levy payers.

Initial findings indicated that:-

- The Statutory Levy should continue
- HCC continued to be the appropriate vehicle through which Statutory Levies was collected and spent
- The role of HCC in providing Market Development activities should be continued but needed refinement
- There was a need to better co-ordinate Industry Development work with other services which were available in the market for knowledge transfer, for example Farming Connect
- Closer working and Governance arrangements between HCC and the Welsh Government would benefit both organizations
- The Board of HCC should be more involved in the development of Strategic and Corporate plans. This would ensure greater ownership of the HCC Strategy and the Board and in turn would allow each Board Member to fulfill more effectively the important role of leading the work of HCC and communicating with the wider industry
- In respect of its accountability to the industry, HCC should undertake more effective engagement with Levy payers and the responsibility should extend to all Board Members.

Work was on schedule for the final report with recommendations to be submitted to the Welsh Government at the end of June 2016.

8. **HCC's Business Plan 2016 / 2017**

- a. *To receive an updated summary paper outlining the rationale adopted in preparation of the budget for HCC's draft Business Plan 2016 / 2017 (HCC 679)*

The summary paper was taken as read and presented by the Corporate Strategy and Policy Manager.

The paper gave an overview of the proposed budget for 2016 / 2017 in the context of the anticipated Levy allocation and existing commitments, the impact on reserves and looking forward to potential funding changes in 2017 / 2018 and 2018 / 2019.

There ensued a detailed discussion regarding the proposed budget for 2016 / 2017.

- b. *To approve the summary of changes to HCC's draft Business Plan 2016 / 2017 arising from the 15 January 2016 Board meeting (HCC 680)*

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

- c. *To approve the HCC's draft Business Plan for 2016 2017 (HCC 681)*

The above was taken as read and presented by the Corporate Strategy and Policy Manager.

Following discussion and subject to the minor amendments noted, HCC's draft Business Plan for 2016 / 2017 was approved by the Board.

9. **To consider a draft of HCC's Corporate Plan 2016 / 2019 (HCC 682)**

The above was taken as read and subject to the amendment noted on page 32; HCC's Corporate Plan for 2016 / 2019 was approved by the Board.

10. **GB Red Meat Levy Distribution**

- a. *To receive a verbal update on the GB Red Meat Levy Distribution*

The CEO informed that the joint Ministerial briefing document (HCC 683) had been submitted to respective Ministers for consultation. This document had been agreed by all three Levy Boards which should make it straight forward for Ministers to undertake the consultation.

However, imminent progress was not expected due to the forthcoming purdah periods in respect of the National Assembly for Wales and Scottish Parliament elections and the EU referendum.

- b. *Paper for information – Ministerial Briefing Red Meat Levy Distribution and use in Great Britain (HCC 683)*

The above was taken as read.

11. **To receive a verbal update on the EU Reflection Group on Sheepmeat**

The CEO updated the Board on the meeting of the above held at the EU Commission on the 25 February 2016 with 17 Member States (MS) represented:-

The meeting concentrated on two main topics – trade and marketing of sheep meat.

**Trade**

The Forum received presentations on the world sheep meat trade and a perspective on the EU trade – both within the EU and with third countries.

In addition, a presentation was received by Dave Harrison of Beef and Lamb New Zealand outlining NZ's lamb export trade. The majority of MS were particularly vigorous and challenging in the discussion that followed this presentation. MS were particularly perturbed at NZ imports into the EU, citing the timing of imports which were allegedly undermining European production and MS also interrogated the low prices of imported product which were alleged to be tantamount to dumping product and undermining the market.

**Marketing of Sheep Meat**

Presentations were received from numerous EU lamb promotion programmes including Ireland, Scotland and Spain. The CEO presented on the joint EU / Welsh Lamb promotion programme in Germany, Italy, Denmark and Sweden. It was generally agreed that these programmes were valuable in raising awareness of the category and were a crucial tool in stemming the decline in EU sheep meat consumption. However, it was emphasized that the current programmes were very complex and onerous thereby making them difficult to administer. The Forum suggested that a ring fenced amount in these EU programmes should be allocated to sheep meat. It was understood that these programmes had been reviewed by the Commission and there would be an announcement on new programmes very soon.

The next meeting was scheduled for late June 2016.

12. **Audit and Risk Committee**

**To receive a verbal report of the Audit and Risk Committee meeting held on Friday 4 March 2016**

The Chair of the Audit and Risk Committee gave a verbal report on the matters discussed at the meeting.

13. **R&D Advisory Committee**

To receive a verbal report of the R&D Advisory Committee meeting held on Wednesday 2 March 2016

The Head of Operations gave a verbal report on the matters discussed at the meeting:-

- Dr Sharon Huws from IBERS presented at the meeting outlining her work with Rumen function and meat quality.
- Hannah Vallin, an MSc student funded by HCC, presented on the influence of adding Echium oil to a ruminant diet.
- All current projects were running on schedule. A project update meeting would take place over the coming months.
- The Head of Operations gave the Committee an update on the recent HCC technical conference held at Gelli Aur which featured practical developments from research programmes that have been or are continued to be funded by HCC and others.
- There were no new project proposals presented to the Committee for consideration.

14. **To receive a verbal update on the Wales Rural Development Programme 2014 – 2020**

The Corporate Strategy and Policy Manager gave an update to the Board.

To date, HCC had prepared an application for funding to develop a Strategic Initiative on behalf of the Red Meat Sector in Wales through the RDP 2014-2020 collaboration call. If successful, the funding would provide the dedicated resource needed to bring together the series of industry working groups that would provide input and expertise to enable the full project application(s) to be submitted to the appropriate funding streams. Funding had been sought for a 10 month period to support this activity.

The concept for the Strategic Initiative for the Red Meat Sector would be presented to food related businesses and organizations at the Welsh Government Cooperation and Supply Chain Development Scheme Collaboration Event on the 10 March 2016.

15. **To receive a paper on the Assessment of Capacity in the Welsh Red Meat Slaughtering Industry (HCC 684)**

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

16. **EIDCymru**

a. To receive a verbal update on EIDCymru – the sheep movement database

The Corporate Strategy and Policy Manager informed the that the system had gone live on the 18 January 2016 with no problems.

Case studies of those utilizing EID were currently being prepared for the Welsh Government and would feature in GWLAD.

The Board thanked the HCC Executive and EIDCymru staff for the smooth start to the service.

b. Paper for information – Memorandum of Understanding between the Welsh Government and HCC in relation to EIDCymru (HCC 685)

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

17. **Papers for information**

a. UK Production and Slaughterings 2015 (HCC 686)

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

b. Updated paper on Lamb and Beef Imports for Key Markets and Welsh Targets (HCC 687)

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

c. Comparative volume and sales data on UK versus PGI Welsh Lamb Campaign for 2014 and 2015 (HCC 688)

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

18. **Any other business**

Welsh Government - Strategic Framework for Agriculture Partnership Group

It was noted that the Welsh Government had led the formation of the above Group (with Kevin Roberts appointed as Chair) in order to work towards achieving the following vision:



“A prosperous, resilient agriculture industry promoting Wales' present and future well-being”.

This work would include undertaking the following:

- Undertaking a detailed, critical analysis of the challenges and opportunities facing Welsh agriculture
- Preparation of a long term Strategic Plan to achieve the vision and a short term Annual Business Plan to progress the plan
- Commissioning, managing and appraising work undertaken by Task and Finish Group and individuals which would help deliver the vision

The Chairman and CEO represented HCC on the Group.

19. **Date of next meeting**

Friday 6 May 2016.

**Signed.....**  
**Chairman of HCC**