



Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 10.00am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Thursday 3 May 2018

- Present:** Kevin Roberts (Chair)
Gareth Wynn Davies, Huw Davies, John Davies, Illtud Dunsford, Helen Howells, Barrie Jones, Rachael Madeley Davies, Catherine Smith, Claire Williams and Ogwen Williams
- By Invitation:** Gary Haggaty (Welsh Government)
Keith Smyton (Welsh Government) (Item 4)
Gareth Wilson (Welsh Government)
Stewart Whitehead, Project and Sales Manager, Oritain (Item 5b)
Alison Wright (Calland Wright Consulting Ltd) (Item 11)
- Executive in attendance:** Gwyn Howells (Chief Executive Officer - CEO)
Julie Davies-Jones (Secretariat)
Kirsten Hughes, Red Meat Executive (Items 5a and 5b)
- Management team:** 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.

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

- 9 – 19 March 2018 - The Chair participated on the Red Meat Sector Supply Chain Integrity Programme trip to New Zealand (Defra Study Tour).
- 3 April 2018 – The Chair presented to a group from FUW Pembrokeshire on HCC's activity and Brexit.
- 26 April 2018 - The Chair attended a meeting of the First Minister's European Advisory Group. The meeting received an influential presentation by Elmar Brok MEP on his views on the Brexit Withdrawal Agreement.
- 30 April 2018 – The Chair attended a meeting of the Cabinet Secretary's Brexit Roundtable.
- 2 May 2018 – Attendance at HCC office.

2. **Apologies for absence**

There were no apologies for absence received.

3. **Declarations of Interest**

There were no new Declarations of Interest declared.

4. **To receive a presentation on “Wales – the Food Nation”**

A presentation was given by Keith Smyton (Head of Food Division) on the many aspects on the role of the Welsh Government’s Food Division. An update was given on the Action Plan for the Food and Drink Industry 2014 – 2020 and the potential impact of Brexit on the UK food and drink trade such as possible disruption of supply chains, tariffs and non tariff barriers and TRQs.

Discussion also took place regarding current challenges for the Welsh industry for example:-

- Common Standards and UK frameworks
- Trade and Behavioural Aspects
- Competitiveness / Productivity
- A complete supply-chain
- Import substitution / regional saturation
- Route to Market (UK and international)
- Importance of Networks (EIT)

It was noted that HCC worked closely with the Food Division in particular with sharing information and attendance at food and trade exhibitions at home and abroad such as Food and Hotel Asia, Singapore, 24 – 27 April 2018, SIAL, Montreal, Canada 2 – 4 May 2018. A forthcoming event was a Trade Development visit to Doha, Qatar 29 September 2018 – 3 October 2018.

HCC had agreed to be one of the sponsor’s at the Welsh Government’s Taste Wales event, a major food and drink trade and conference to be held at the Celtic Manor during March 2019.

5. **Food traceability, food safety breaches and consumer confidence**

The Red Meat Executive joined the meeting for the following two items:

a. **To receive a presentation on the current Welsh PGI auditing process**

The Red Meat Executive presented on the above in order for the Board to have an insight into the process.

It was agreed to provide a briefing paper on the PGI Welsh Lamb and PGI Welsh Beef designations for the next meeting.

- b. *To receive a presentation on the enhancement of the Welsh PGI auditing process using the Oritain scientific traceability service*

The Chair introduced Stewart Whitehead to the meeting to present on the above:-

HCC had commissioned Oritain (a New Zealand formed organization that specializes in forensic scientific techniques to prove the origin of agricultural products) to undertake an exercise involving Verification of Origin programme to scientifically underpin traceability for PGI Welsh Lamb, which would in turn enhance HCC's brand reputation, reduce risk and offer a non-price attribute to existing and prospective clients.

The Oritain Origin Fingerprinting Programme model for PGI Welsh Lamb had been modelled following sample collections from across Wales, ensuring the model incorporated the differences in lambs being presented for slaughter in terms of topography, breed, management, age and feed regimes. The first test of the model had found the samples to be 'consistent with the claimed origin (i.e. indistinguishable from 99% of the baseline samples)'. Further blind testing of the model was underway to ensure the model was fully robust ahead of the programme's launch which would be held at the Royal Welsh Show 2018.

6. **To receive and approve the minutes of the Board meeting held on Thursday 8 March 2018 (HCC 808)**

The minutes of the Board meeting held on Thursday 8 March 2018 were taken as read, approved by the Board and signed by the Chair.

7. **Matters arising**

HCC's Vision and Strategic Direction to 2025

The launch of the above was held at the Royal Welsh Grassland event at Carnbwl, Four Crosses, Powys on Wednesday 16 May 2018.

It was noted that discussion continued with Welsh Government with regard to the alignment of the Welsh Red Meat Industry Strategic Action Plan (Action Plan until 2020) and HCC's Vision to 2025.

£50m EU Transition Fund financial and tailored support as the UK prepares to leave the EU) / Sector Readiness – post Brexit

It was noted that work was ongoing to support the Welsh Government's sponsor division regarding a submission to the EU Transitional Fund for a proposal which would involve a benchmarking scheme involving beef and sheep farmers.

HCC Corporate Plan 2018 / 2021 and Operational Plan 2018 / 2019

Both documents were currently being considered by the Cabinet Secretary.

8. **HCC Reports**

a. Activities Report (HCC 809)

The activities report was taken as read.

b. Market Bulletin (HCC 810)

The above was taken as read.

c. Financial – Income and Expenditure and Balance Sheet to 31 March 2018 (HCC 811)

The above was taken as read.

Expenditure was within £10k of the anticipated total but levy income was £96k above budget. This was due to sheep slaughterings for the final six months of the year exceeding expectations.

d. Forthcoming events (HCC 812)

The above was taken as read.

e. To receive a verbal update on Post Brexit Contingency Planning and Environmental Friendly Livestock Schemes

The Industry Development and Relations Manager reported as follows:-

Contingency Planning Activity

HCC was progressing on this area. The objective of the work would be:-

- to fully evaluate current production performance to highlight opportunities and potential weaknesses
- to work with the retail and food service sectors to ensure demand is balanced with supply
- to explore the unforeseen 'cliff edge' consequences including welfare issues

Future Environment / Production Schemes

HCC was considering how a future rural / agricultural framework could be delivered which would enhance Wales' production and environmental credentials.

9. **HCC Committees**

To receive the draft minutes of the R&D&KE Committee meeting held on Wednesday 7 March 2018 (HCC 813)

The above was taken as read.

To receive the draft minutes of the Audit and Risk Committee meeting held on Thursday 8 March 2018 (HC 814)

The above was taken as read.

Communications Advisory Committee

To receive a verbal report of the Communications Advisory Committee teleconference meeting held on Thursday 26 April 2018:-

The Chair of the Committee reported that discussion had taken place regarding HCC's position at this year's Royal Welsh Show. Planning was in hand by the Executive regarding on stand activity for the duration of the Show.

Discussion had taken place with regard to HCC's Annual Conference for 2018, with possible venue options under consideration such as the Royal Welsh Showground or Theatr Hafren, Newtown.

To adopt the minutes of the Communications Advisory Committee meeting held on 12 February 2018 (HCC 815)

The above was tabled and adopted by the Board.

To receive a verbal report of the Flock and Herd Health and Welfare Working Committee meeting held on Wednesday 2 May 2018

The Chair of the Committee gave a verbal report on the above.

Informative updates and presentations had been given to the Committee on:-

- APHA update – Moyna Richey
- Welsh BVD Eradication Programme update – Dr Neil Paton
- Farming Connect animal health activity – Dewi Hughes
- Animal Health Planning – John Richards / James Ruggeri (HCC)
- HCC F&H health and welfare activity update – John Richards (HCC)

Consideration would be given to processor representation on the Committee and this would be taken forward by the Chair of the Committee and Industry Development and Relations Manager.

The Chair of the Committee would present to the Animal Health and Welfare Framework Group on Friday 25 May 2018.

10. To receive a verbal update on HCC's Strategic Initiative (SI) application for RDP funding 2014 – 2020 on behalf of the Red Meat Industry

The Industry Development and Relations Manager gave an update on the above. In summary:-

HCC had submitted an application to the Welsh Government to the value of £9.2 million for three projects, which, were under the wider banner title of 'Red Meat Development Programme'.

The three projects consisted of:-

1. Assessing the impact of pro-active animal health and welfare on red meat production
2. Evaluating the ability of a new Hill Ram scheme to improve performance of the Welsh national flock
3. Development of an eating quality based grading system for Welsh Lamb

If successful with the application, it was anticipated that work would commence on the projects during summer 2018.

11. To receive a verbal briefing on the forthcoming evaluation process for the Board of Directors

The Chair introduced Alison Wright to the meeting who would assist the Chair with the forthcoming Board evaluation exercise.

Suggested dates, information on the process and paperwork for completion would be shared with the Board in due course.

In addition, the Board would be invited to partake in a peer review exercise for the Chair. This exercise would be based on a set of core competencies with opportunity to comment further if necessary. The competencies would form the framework for the formal evaluation process of the Chair, which would be conducted by a panel comprising Gary Haggaty, Welsh Government, the CEO and Rachael Madeley-Davies.

Further details would be forwarded to the Board in due course.

12. **Papers for information**

The following papers were taken as read:-

- a. HCC Directors Remuneration and Expenses Policy (HCC 816)
- b. Current HCC R&D&KE Portfolio (HCC 817)
- c. Waste and Resource Action Programme (WRAP) Cymru Project (HCC 818)
- d. The Chair's Report on the Red Meat Sector Supply Chain Integrity Programme trip to New Zealand (Defra Study Tour) (HCC 819)

13. **Any other business**

Staffing

It was noted that the recruitment exercise for the role of Programme Delivery Lead / Manager was underway. The advert would be forwarded to the Board for sharing.

14. **Date of next meetings**

HCC Board update teleconference – to be confirmed
HCC Board meeting – Thursday 5 July 2018.

Signed.....
Chairman of HCC