



(HCC 605)

**Minutes of a meeting of the Directors of Hybu Cig Cymru held at  
10.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Friday 7 November 2014**

- Present:** Dai Davies (Chairman)  
John Brereton, Will Haresign, Bethan Jones, Gwynn Angell Jones,  
Prys Morgan, Graham Probert, Glyn Roberts, Richard Rogers,  
Richard Tudor, Wyn Williams and John Yeomans
- By Invitation:** Mark Alexander and David Morris, Welsh Government
- In Attendance:** Gwyn Howells (Chief Executive Officer - CEO)  
Julie Finch (Corporate Strategy and Policy Manager)  
Siôn Aron Jones (Industry Development Manager)  
Alan Morris (Communications 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 in particular Dr Julie Finch in her role as Corporate Strategy and Policy Manager and David Morris, Welsh Government.

The Chairman gave a verbal update on the key events and meetings he had attended since the previous meeting:-

**September 2014**

The Chairman attended a dinner hosted by HCC as part of an EU funded press inward mission visit for journalists from Germany, Italy and the UK.

The Chairman represented HCC at the annual Association of Independent Meat Suppliers (AIMS) Annual Conference held in Nottingham.

A new series of S4C's Pryd o Sêr, presented by Dudley Newbury was recorded in September 2014. The Chairman was a guest at a gala dinner where PGI Welsh Lamb and PGI Welsh Beef was cooked and served by celebrities. The programme would be broadcasted during January 2015.

The Chairman and CEO attended a meeting of the Red Meat Levy Group hosted by HCC on the 29 September 2014 (Item 10 refers).

In addition, the Chairman and CEO were present at the Agriculture and Horticulture Development Board (AHDB) dinner held the same evening.

October 2014

The Chairman and CEO attended the FUW Annual Conference held at IBERS, Aberystwyth.

The Chairman and Industry Development Manager met with James Parsons, Chair of Beef and Lamb New Zealand during a visit to Cig Calon Cymru.

The Chairman and CEO met with the exporters and key customers during the SIAL Trade Fair in Paris.

The Chairman attended a meeting of the Knowledge Transfer Bio Science Group in Edinburgh.

November 2014

The Chairman and Industry Development Manager represented HCC at a roundtable discussion on Animal Welfare with the National Assembly's Environment and Sustainability Committee on the 5 November 2014.

The Chairman and CEO attended the NFU Cymru Conference held at Llanelwedd.

2. **Apologies for absence**

Apologies were received from Gary Haggaty and Helen Minnice-Smith, Welsh Government.

3. **Declarations of Interest**

Declarations of Interest were noted as follows:-

Discussion that may arise in relation to Credit Control – John Brereton, Prys Morgan and Wyn Williams.

4. **To receive and approve the minutes of the Board meeting held on Friday 5 September 2014 (HCC 595)**

The minutes of the Board meeting held on Friday 5 September 2014 were taken as read, approved by the Board and signed by the Chairman.

5. **Matters arising**

*Welsh Government Food Division – Protected Food Name Status for Lamb sub brands in Wales*

The Market Development Manager had met with the Welsh Government Food Division to discuss proposed Protected Food Name (PFN) and Protected Designation of Origin (PDO) applications relating to red meat.

The Welsh Government was currently undertaking an in depth evaluation exercise on Protected Food Names in general which included investigation work on consumer understanding and recognition of brands. HCC would be kept informed of developments in this area.

#### 2014 PGI Welsh Beef Consumer Campaign

It was noted at the previous meeting that the strapline “Bred in Heaven” would not translate literally into Welsh. The Market Development Manager confirmed that the Welsh advert would now include the strapline “Llawn Daioni” as an alternative.

#### Evaluation process for the Board of Directors

The Chairman had completed the individual meetings exercise and thanked the Board for their participation.

#### Board of Directors – Training

The Board was invited to partake in a tour of Castell Howell’s Celtic Pride facilities at 1.30pm on Wednesday 12 November 2014.

## 6. HCC Reports

### a. Activities Report (HCC 596)

The report was taken as read.

#### Welsh Government Rural Development Plan (RDP) Supply Chain Efficiencies 2007 – 2013 Technical Development project variation “Removing barriers to the uptake of electronic recording on farm”

The Corporate Policy and Strategy Manager presented on the above.

HCC had received additional funding for the project from the Welsh Government through the RDP for Wales 2007 – 2013.

The pilot project aimed to encourage the uptake of electronic recording in sheep flock by:-

- Providing practical information and training to enable sheep farmers select the right kind of equipment for their flock and use it with confidence

- Providing 1500 farmers with £500 to support their participation
- Collate regular feedback during 2015 to identify the practical barriers to use

The project would provide practical information on electronic recording (EID) and how the systems could be used to obtain accurate data to improve flock performance and efficiency.

A specific website had been created for the project and further information was available at [www.ewemanage-IT.org.uk](http://www.ewemanage-IT.org.uk)

European Commission (EU) Funding for PGI Welsh Lamb and PGI Welsh Beef

Item withheld – commercial in confidence.

SIAL Trade Show 19 – 23 October 2014

HCC's attendance at the trade show had proven to be very successful aided by a strong presence from the exporters. A reception was held on the stand with the Deputy Minister in attendance.

During the show, HCC launched a new export DVD which gained a considerable amount of publicity. A link to the DVD would be forwarded to the Board.

b. Market Bulletin (HCC 597)

The above was taken as read.

c. Financial – Income and Expenditure and Balance Sheet to 30 September 2014 (HCC 598)

The above was presented by the Corporate Strategy Manager.

d. Forthcoming Events (HCC 599)

The above was taken as read.

HCC's Annual Conference – 13 November 2014

The Communications Manager summarized arrangements:-

Over 200 delegates had confirmed attendance at the conference to be held at Parc y Scarlets, Llanelli on Thursday 13 November 2014.

Speakers were:-

The Deputy Minister

Kate Humble - TV presenter, author and Monmouthshire farmer

Jeff Martin – HCC’s Agent, Italy

Sion Aron Jones, HCC’s Industry Development Manager

Shaun Hall Jones and Thomas Jones, HCC Scholars

Arrangements were in hand for two workshop sessions based on Market Intelligence and a Butchery demonstration.

Winter Fair 1 – 2 December 2014

HCC would once again host a breakfast reception at Hafod a Hendre at 8am on Monday 1 December 2014. The Deputy Minister’s attendance was confirmed.

Numerous activities were planned including a Beef Carcass competition and cookery demonstrations by Elwen Roberts and Dudley Newbury. In addition, there would be space allocated on the stand for advising and registering farmers on the “Removing barriers to the uptake of electronic recording on farm” project.

7. **To receive a 6 month update on HCC’s Business Plan Targets for 2014 / 2015 (HCC 600)**

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

The document outlined HCC’s performance for the first six months against the 2014 / 2015 Business Plan.

It was noted that 11% of the targets (highlighted in green) had already been achieved. The boxes highlighted in blue signified that performance had not been measured as activity would not commence until the second half of the financial year.

8. **To agree the Welsh Red Meat Levy rates and recovery costs for the next financial year 2015 / 2016 (HCC 601)**

The paper was presented by the CEO.

It was recommended to the Board that HCC maintained the current Levy rates and recovery costs for 2015 / 2016 as follows:-

<b>Welsh Red Meat Levy Rates (for 2014/2015)</b>			
<i>(per head)</i>	<b>Total Levy Collected</b>	<b>Total Paid by Producer</b>	<b>Total Paid by Slaughterer/ Exporter</b>
<b>Sheep</b>	£0.83	£0.63	£0.20
<b>Cattle</b>	£5.67	£4.34	£1.33
<b>Calves</b> (up to 68kg)	£0.17	£0.085	£0.085
<b>Pigs</b>	£1.30	£1.05	£0.25

<b>Levy Recovery Costs for (2014/2015)</b>	
<b>Species</b>	<b>Levy Recovery (per head)</b>
Sheep	£0.010
Cattle	£0.030
Pigs	£0.013

The Board agreed to the recommendation. However, it was agreed that it would be prudent to review the Levy rates in advance of the 2016 / 2017 financial year.

The recommendation for 2015 / 2016 Levy rates would be presented to the Deputy Minister for consideration.

9. **To receive a verbal update on HCC's Review of the Beef Sector in Wales**

The report "A Review of the Beef Sector in Wales" commissioned by HCC and supported by the Welsh Government was complete.

The publication would be launched and findings discussed at an industry event in Cardiff to be held on the 27 November 2014.

The report would be shared with the Board in due course.

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

The CEO summarized the meeting of the Red Meat Levy Group (AHDB, HCC, LMCNI and QMS) on the 29 September 2014:-

At the meeting, AHDB acknowledged the concerns of QMS and HCC regarding the impact of the movement of livestock had on the distribution of Levy between the three organizations.

At present the legal framework under which AHDB operated clearly stated that Levy raised on cattle, sheep and pigs slaughtered in England can only be used in relation to the English livestock industry currently precluding the transfer of Levy money to QMS and HCC.

An options paper prepared by AHDB was discussed.

In order to move forward, it was agreed by all parties to evaluate the options paper in advance of the next meeting scheduled for the 29 January 2015. This work had commenced and would be reported to the Board at the next meeting.

11. **To receive a draft of the Strategic Action Plan for the Welsh Red Meat Industry 2014 – 2020 (HCC 602)**

The draft Action Plan was taken as read and presented by the Corporate Strategy and Policy Manager.

Significant progress had been achieved against the vision and objectives set out in the current plan which was launched in 2009. However, it was noted that there was much to do to sustain and develop the sector's contribution to the rural economy.

The Action Plan was being reviewed in light of significant challenges and opportunities identified and the goal was to provide forward direction whilst being flexible enough to respond to changing circumstances with the aim of providing sound, ambitious but realistic targets.

Strategic priorities identified were:-

- To increase demand for Welsh red meat products (thereby increasing sales and returns)
- To improve production efficiency (thereby increasing quality supply) whilst maintaining the environment and landscape of Wales.

The informal consultation exercise with the industry had been completed. The formal consultation would be undertaken during January 2015. A final draft would be presented to the Board for consideration at the 6 March 2015 meeting with an official launch held during the summer of 2015.

12. **To receive a verbal update on the development of a Red Meat Programme for the RDP 2014 – 2020**

The CEO updated the Board:-

HCC continued to work closely with the Welsh Government in order to move forward with a proposal for a sector specific approach for the red meat industry in Wales; an ambitious, market led suite of interventions that would be highly targeted, business focused; that engaged the whole supply chain and that geared specifically to the strategic needs of the Welsh red meat sector.

Informal meetings to discuss the above were currently being held with the industry.

The Board agreed in principle to the proposal of the need to work collaboratively as an industry with a wholly integrated approach.

The Board would be kept updated on this subject.

13. **To receive a verbal update on EIDCymru – The sheep movement database**

It was noted that Ministerial changes within the Government had led to a delay in the announcement on the outcome of the consultation by the Deputy Minister.

The announcement was expected imminently with initial implementation possibly during late 2015 or early 2016.

14. **Papers for information**

a. *Opportunities for the Welsh red meat sector in the Netherlands (HCC 603)*

The above was taken as read.

b. *Response from the Chair of the FSA regarding the splitting of lamb carcasses (HCC 604)*

The above was taken as read.

The CEO would discuss the matter further with the Director of FSA Wales, Nina Purcell at a forthcoming meeting.

15. **Any other business**

*Industry Discussion Group on Carcass Grading*

Following discussion, it was agreed to form an Industry Discussion Group on Carcass Grading to review automated grading systems (for Beef and Lamb). HCC would organize the inaugural meeting to be held in the near future which would provide an opportunity to explore and develop the views of the red meat supply chain on the subject.

*Agri – Tech Centre for Innovation in Ruminant Livestock (CIRL)*

In July 2013, the UK Government published its UK Agricultural Technologies Strategy stating “that the UK should become a world leader in Agricultural Technology, Innovation and Sustainability, exploring opportunities to develop and adopt new and existing technologies, products and services to increase productivity and thereby contributing to global food security and international development.”

Funding made available was a £90m investment over five years to establish a small number of centers for Agricultural Innovation.



The Board was informed that the Institute of Biological, Environmental and Rural Sciences (IBERS) was involved in a bid for funding and HCC was urged to engage with the process to ensure a UK wide perspective.

Siôn Aron Jones

The Chairman on behalf of the Board thanked Siôn Aron Jones, for his contribution over the years to Welsh agriculture and for his commendable efforts in his role as Industry Development Manager with HCC. The Chairman conveyed his best wishes to Siôn and the family in their future in Australia.

Head of Operations

As communicated to the Board previously, the CEO informed that he had reviewed HCC's staff resource and structure. The review was timely given the forthcoming departure of the Industry Development Manager.

As a result, the CEO had decided to progress with creating two distinct platforms within HCC's organizational structure; one for Operational Delivery and one for Corporate Policy and Services.

As part of the realignment, the post of Head of Operations had been created which would have management responsibility for the delivery of Industry Development, Market Development and Communications' operational remit.

The post had been advertised with a closing date for applications of 14 November 2014.

16. **Date of next meeting**

Friday 16 January 2015.

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