



(HCC 276)

Minutes of a meeting of the Directors of Hybu Cig Cymru held at Tŷ Rheidol, Parc Merlin, Aberystwyth on Friday 5 June 2009 at 10.30am

- Present:** Rees Roberts (Chairman)
John Brereton, John Collins, Huw Evans, Rhodri Evans,
Alan Gardner, William Jenkins, Nic Lampkin, Graham Probert,
Glyn Roberts, Wyn Williams, John Yeomans.
- By Invitation:** Lionel Walford (Chairman, Welsh Levy Board).
- In Attendance:** Julie Davies-Jones, Gwyn Howells, Siôn Aron Jones, Bill Joyce,
Alan Morris, Bryan Regan, Kirsten Smith.

1. **Apologies for absence**

Apologies were received from Will Haresign and Wynfford James.

2. **Minutes of the Board meeting – 28 April 2009 (HCC 265)**

The minutes of the meeting held on Tuesday 28 April 2009 were taken as read, adopted and signed by the Chairman.

3. **Matters Arising**

Estimated Breeding Values (EBVs)

Following a question on the accuracy of calving ease EBV's from the last meeting, it was noted that from the general feedback received from farmers who had participated in the three year Welsh Beef Quality Improvement Scheme was that 89% of the calves were born unassisted with good growth and conformation.

4. **HCC Reports**

a. **Activities (HCC 266)**

The above was taken as read.

Positive PR

Following an independent evaluation of the PR associated with the recent G20 summit where World leaders dined on Welsh lamb, it was noted that the brand had received significant media coverage valued at £484k.

Urdd Eisteddfod

HCC's presence at the above had proven worthwhile. Activities on the promotional trailer focused on the "Cool to Cook" theme including cooking demonstrations and consumer competitions which drew large audiences.

HCC's Corporate Web Site

A video link facility had been incorporated on the Corporate web site enabling viewing of HCC's presence and activities at events. This area along with the formation of web site blogs would be developed over the coming months.

Advertising

The Board were informed that HCC would continue to run with the existing Welsh lamb TV advertisement for this year. The advert would appear on screen from September to November 2009.

It was encouraging to note that demand for Welsh lamb remained strong despite the current economic climate. The export market remained robust with major retailers abroad featuring new season Welsh lamb in stores from June 2009.

International Meat Secretariat Workshop, Chicago 17-19 May 09

The Marketing Manager reported on the above which was attended by Levy Boards and other meat organisations globally. Along with numerous workshops and case studies, topics presented at the event included Future Challenges to the Meat Industry, Ethical / Environmental Meat Production and Sustainability, Animal Welfare and Consumer Communications, Product Enhancement and Retail / Food Service Demands and Diet, Health and Nutrition.

Two of the key messages emanating from the workshop was that the red meat industry should consider the future impact of livestock farming on climate change as well as future meat demands in relation to the anti-livestock farming lobby. Delegates were advised that organisations should aim to work collaboratively and be prepared with positive PR messages to mitigate the negative lobbying from anti meat groups.

An action point from HCC's Strategic Plan was to develop an "environmental roadmap for Welsh red meat production" which included a measure of the carbon emitted by livestock farming and the supply chain. This area of work was currently being developed.

It was agreed to provide a background paper on climate change and carbon emissions in relation to the red meat sector for the next meeting.

RDP – Genetic Improvement Project

It was noted that significant interest in the program had been received from farmers to date. Along with attendance at various stakeholder events and numerous media releases to promote the project, HCC had also issued information packs to breeders on the support available.

Rounding of Carcase Weights

A response from Defra to clarify industry practice of rounding carcase weights in abattoirs to the nearest 0.5kg instead of 0.1kg was awaited.

HCC's Scholarship

HCC were currently seeking applications for the above.

The Scholarship presented an opportunity for those who are employed within the industry to gain experience and knowledge on how production, technology, businesses etc are developed in other countries.

The closing date for applications was the 22 June 2009 and the Board were requested to assist with encouraging potential applicants. Further details would be forwarded to the Board for information.

b. Market Bulletin (HCC 267)

The above was taken as read.

The continued decline in the production of both beef and sheepmeat was of concern with some predictions indicating further decrease in 2010. It was agreed to keep this issue under review.

c. Forthcoming events (HCC 268)

The above was taken as read.

5. **Audit Committee**

a. To approve the Financial Statements for 2008/09 (HCC 269)

The above were taken as read.

The Finance and Administration Manager presented the report of accounts and findings for the year ending 31 March 2009 to the Board.

It was noted that no depreciation had been provided on Tŷ Rheidol as the building was still subject to a defects warranty which would return the

property to as new. Therefore, a valuation of the property would be undertaken next year.

The Board were requested to consider Note 16 of the Statements pertaining to transactions with Directors. Board Members confirmed that there were no transactions that needed to be declared. Board Members also confirmed that details presented in Note 3 (Directors and their Interests) were also correct.

The Board approved the Financial Statements for 2008/09.

A paper indicating HCC's performance against targets for 2008/09 was tabled for information. It was noted that HCC had achieved all targets set for the year. This information would be published within the Annual Report and Accounts.

- b. To receive a report and adopt the Minutes of the Audit Sub-Committee held on 22 May 2009

The Chairman of the Audit Sub-Committee reported as follows:-

A report from the auditors Baker Tilly confirmed that HCC had received an unqualified audit for the year 2008/09. The Chairman of the Audit Sub Committee and the Board commended the Executive for the work undertaken.

Letter of Representation – Baker Tilly, Auditors

The above was considered and approved by the Board.

Audit Sub-Committee Minutes

The minutes of the Audit Sub-Committee held on the 22 May 2009 were taken as read and adopted by the Board.

- c. To approve a Work Plan for the Audit Sub-Committee 2009/10 (HCC 271)

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

6. **To consider the WAG consultation on Implementation and Proposals for EID of Sheep (Circulated to Members via email 21 May 2009)**

The purpose of the consultation was to seek views on the implementation of electronic identification for sheep and individual recording for sheep and goats in Wales.

The deadline for comments to the WAG was the 31 July 2009.

EU rules governing the identification of sheep and goats would be implemented in Wales on the 31 December 2009.

The objective of the Regulation is to improve the effectiveness of the identification and tracing system for sheep and goats by introducing individual traceability.

All lambs born after 31 December 2009 must be identified with two identifiers, one of which must be electronic within 6 months of birth (if intensively farmed) or within 9 months of birth (if extensively farmed) or before any movement from the holding of birth (subject to derogations noted below).

The rules provide for changes to record keeping requirements (holding records and movement documents), including individual recording.

- Individual recording will be required in movement documents for sheep electronically identified after 31 December 2009.
- Individual recording will be required in movement documents for all breeding sheep (including those born before 31 December 2009) from 31 December 2011 unless they are moving to slaughter or via an auction market to slaughter.

As the consultation required further consideration, it was proposed to form an "EID Sub Committee". The Sub Committee would recommend an appropriate response to the consultation for the Board's consideration.

7. **To receive a report and adopt the Minutes of the R&D Advisory Committee held on 6 May 2009 (HCC 273)**

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

The Chairman reported that Chris Lea, Head of Technical Services, WAG was present at the meeting and gave an update on the future of the LINK Programmes.

8. **Paper for information – Copy of the Minister's response regarding Defra Link Committee (HCC 274)**

The above was taken as read.

9. **Paper for information – Current trends in breeding ewe numbers and meat production within the EU (HCC 275)**

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

10. **Any other business**

NAW - Rural Development Sub-Committee Inquiry into the Production and Promotion of Welsh Food

HCC had recently given oral and written evidence to the above.

The aim of the inquiry was to:

- Examine the challenges facing the Welsh agri-food sector
- Assess the success of WAG initiatives to date
- Evaluate the appropriateness of the WAG's proposals for the future of the sector
- Make recommendations to the WAG.

It was agreed to forward HCC's evidence paper to the Board for information.

Approval of an amendment to the Budget 08/09

An amended Financial Summary was tabled to the Board for inclusion within the Business Plan for 2008/09. This was approved by the Board.

11. **Date of next meeting**

The next Board meeting would be held on Friday 4 September 2009.

Signed.....
Chairman of HCC