



**Minutes of a meeting of the Directors of Hybu Cig Cymru held at
The Conrah Hotel, Aberystwyth on Friday 6 June 2008 at 10.00am**

Present: Rees Roberts (Chairman)
John Brereton, John Collins, Rhodri Evans, Alan Gardner,
Will Haresign, William Jenkins, Nic Lampkin, Graham Probert,
Glyn Roberts, Wyn Williams.

By Invitation: Lionel Walford (Chairman, Welsh Levy Board).

In Attendance: Gwyn Howells, Bill Joyce, Bryan Regan, Elin Williams
Julie Davies-Jones (Minutes).

Welcome

The Chairman welcomed Lionel Walford and new Board Members to their first meeting.

1. **Apologies for absence**

Apologies were received from Norma Barry and John Yeomans.

2. **Minutes of last meetings**

The minutes of the meetings held on Friday 7 March 2008 and Wednesday 26 March 2008 were taken as read, adopted and signed by the Chairman.

3. **Matters arising**

MLC Assets and Liabilities

The Board noted the outcome of the above and thanked the Executive for the excellent work undertaken during the negotiation process.

4. **HCC Reports**

a. **Activities (HCC 209)**

The above was taken as read.

Meat Hygiene Service . Charges

Board Members were updated on the proposed increase in charges for MHS services within abattoirs. The proposal would be agreed at the FSA Board meeting to be held in July 2008. HCC and WAG were continuing discussion with

FSA / MHS on this matter. The increase in charges would have potentially far-reaching repercussions for abattoirs and the industry as a whole. HCC will be meeting with Ian Reynolds, (MHS Chairman) on 7 July 2008 to discuss the situation further. Charges have already increased by 8% since 1 April 2008 and further increases were likely to be introduced from 1 April 2009. Abattoirs of all sizes were keen to see a system based on throughput rather than on the basis of time spent inspecting as it would be fairer and more equitable.

Staffing

Two senior management posts (Industry Development Manager and Communications Manager) had been advertised and interviews undertaken. These would be progressed over the coming months.

Farming Connect Knowledge Transfer Development Programme for the Red Meat Industry 2008-2011

Farming Connect is an integrated Wales wide service for farming families. Its aim is to encourage farm and forestry businesses to develop, to remain viable and meet future challenges in a sustainable and innovative way which safeguards the future of the Welsh agricultural industry.

Following a tender exercise, the above had been awarded to HCC and had commenced from the 1 June 2008. The programme was formally launched on the 10 July 2008.

EID

The EU Council of Ministers has agreed that from 31 December 2009, EID of sheep will become obligatory and that Member States will be responsible for its implementation.

HCC and WAG currently have a project in place with selected farms that included the monitoring of the EID systems available.

Biodigester (alternative disposal system for Fallen Stock)

The first phase of the HCC / WAG commissioned project had been completed and well received by industry / government. The next phase jointly funded by WAG and HCC will look at the system in more detail including the environmental impact.

Bluetongue (BT)

The lack of vaccine available for Wales was of significant concern.

It was agreed that HCC discuss the effect and disruption that BT could have on the whole of the supply chain with WAG. The possibility of producing a BT information leaflet for the industry would also be raised with WAG.

It was agreed to circulate HCC's paper on the impact of BT to new Members for reference.

HCC's Regional Conferences

Board Members praised the quality of the conferences in terms of appropriateness of content. The conferences had been held during a difficult time for the farming industry. It was agreed that such events were important for HCC to communicate with the industry.

Corporate Issues

In the interest of openness and transparency, the minutes of Board meetings would be placed on HCC's web site in future.

Royal Welsh Show 2008

HCC would have two stands at the show consisting of the main stand adjacent to the Food Hall and the Industry Development stand located in the NSA building.

The main stand would host various activities throughout the period to include:-

- Industry Breakfast with the Minister in attendance
- Product Evaluation Final
- Meat cutting and cooking demonstrations
- Celebrity Chef - Dudley Newbury
- Meetings with international visitors
- Various retailer launches

The Industry Development stand's theme would be based on 'Producing for the Market' and would also be promoting the Welsh Beef Quality Improvement Project.

Unique

In the absence of the legislation covering the labelling of meat in the foodservice sector, HCC's voluntary labelling scheme, 'Unique', was progressing steadily with negotiations currently ongoing with a large foodservice company offering premium Welsh lamb to the middle sector of the market. WAG was supportive of

the principle of identifying the origin of meat products and was currently exploring the details of legislative process that needed to be undertaken.

Advertising

The Welsh Lamb television commercial shown last year will again be used this year. A new Welsh Lamb press advertisement, linked to the television commercial, has been developed for use in food and lifestyle consumer magazines. This new advertisement, together with an integrated public relations campaign, will highlight Welsh Lamb's PGI logo as the real mark of quality and provenance.

The Board congratulated staff on the quality of the Welsh lamb and Welsh beef adverts.

Welsh Pork

HCC had recently met with the Minister and Welsh pig producers to discuss future plans for this sector. HCC would offer a marketing package to producers to develop routes to the market. HCC would also provide assistance to ensure that the Welsh pig breed is sustained. Obtaining PGI status would also be investigated.

b. Market Bulletin (HCC 210)

The above was taken as read.

The relative strength of the Euro against Sterling would undoubtedly aid export trade over the forthcoming weeks / months. This was evidenced by an increase of 11% in sheep exports for the first quarter in 2008.

Plans were in hand for HCC to host an EU Commission delegation visit to Wales in September 2008.

5. **Audit Sub Committee**

a. To receive a report of the Chair of the Audit Sub Committee

The Chair of the Audit Sub Committee reported to the Board as follows:-

The Audit Committee had met to review the Terms of Reference of the Audit Committee and to consider the Annual Report and Accounts for 2007/08.

The auditors informed the Committee that HCC had received a clean audit. This was, according to Baker Tilly, unusual within companies. The Chairman and Board congratulated the Executive for the work undertaken.

It was agreed that HCC's internal procedures will be reviewed in the near future.

- b. To adopt the minutes of the Audit Sub Committee of Tuesday 27 May 2008 and Tuesday 3 June 2008

The minutes of the meetings held on Tuesday 27 May 2008 and Tuesday 3 June 2008 were taken as read and adopted by the Board.

- c. To adopt the Terms of Reference of the Audit Sub Committee (HCC 211)

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

6. **To approve the 07/08 Accounts (HCC212)**

The Audit Sub-Committee had considered the accounts, reports and letter of representation and commended them to the Board.

The above were approved by the Board.

7. **To review the Business Plan for 2008/2009**

The above was taken as read.

The above had previously been approved by the preceding Board subject to review by the New Board.

The Board approved the Business Plan for 2008/09.

8. **To receive a paper on The Carbon Footprint of Sheep Farming in Wales (HCC213)**

The above was taken as read.

9. **Paper for information – Red Meat Consumption Trends (HCC 214)**

The above was taken as read.

10. **To consider the updated Strategic Action Plan for the Red Meat Industry (HCC 215)**

A summary of the main points following the 2 May 2008 meeting was tabled.

The Board approved the document subject to the minor changes discussed. A further update would be made available to the Board at the next meeting.

11. **To consider HCC's response on the WAG consultation: Responsibility and Cost Sharing for Animal Health and Welfare in Wales (HCC 216)**

The above was taken as read.

The Board were content with HCC's response.

12. **Any other business**

HCC's New Office Accommodation

Following the close of the meeting, Board Members were invited to a tour of the above.

Date of next meeting

Friday 5 September 2008.