



(HCC 613)

**Minutes of a meeting of the Directors of Hybu Cig Cymru held at  
10.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Friday 16 January 2015**

- Present:** Dai Davies (Chairman)  
John Brereton, Will Haresign, Gwynn Angell Jones, Prys Morgan,  
Graham Probert, Glyn Roberts, Richard Tudor and Wyn Williams
- By Invitation:** Helen Minnice-Smith and David Morris, Welsh Government
- In Attendance:** Gwyn Howells (Chief Executive Officer - CEO)  
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 and gave a verbal update on the key events and meetings he had attended since the previous meeting:-

November 2014

The Chairman chaired HCC's Annual Conference held at Parc y Scarlets, Llanelli on the 13 November 2014.

The Chairman presented awards at the annual Saltmarsh PGI Welsh Lamb Challenge in Paris organized by Monoprix and supported by HCC.

On the 27 November 2014, the Chairman and Executive attended the launch of the Review of the Beef Sector in Wales report. The launch was attended by representatives from across the whole supply chain including retailers. The report was very well received and would be utilized by HCC and the Welsh Government as a reference document for the Strategic Action Plan for the Red Welsh Meat Industry 2015 – 2020 and the Red Meat Programme for the RDP 2014 – 2020.

December 2014

The Chairman attended the Winter Fair and thanked the Board for their presence.

The Board congratulated HCC on the quality of the stand and activities undertaken. The Chairman commended HCC staff for their hard work and commitment to making it a successful event for HCC.

The Chairman represented HCC at an FUW County Executive meeting in Carmarthen. The Chairman also participated as a panel member for the final interviews of the Head of Operations vacancy.

The Chairman chaired the inaugural meeting of the Industry Discussion Group on Carcase Grading to review the EUROP grid and automated evaluation systems (for Beef and Lamb) and to explore and develop the views of the red meat supply chain. The meeting was well attended and included representatives from the whole supply chain.

The Group was unanimous in its support for a revised carcase evaluation system and identified a number of key areas for consideration.

A mission statement was developed and agreed:-

“In order to incentivize producers and meet the requirements of consumers and the wider supply chain, a collective approach is required to explore automated carcase evaluation. The Group is united in a collaborative industry approach towards moving to a payment system based on meat yield”.

A Sub Group would be formed to take forward initial discussions. The Sub Group would consist of processors, producers and Welsh Government and would be facilitated by HCC. The Sub Group would report back to the wider Group.

The Chairman thanked John Yeomans for his support with arranging the initial meeting.

### January 2015

The Chairman attended the annual FUW Breakfast event held at the National Assembly for Wales.

## 2. **Apologies for absence**

Apologies were received from Bethan Jones, Richard Rogers and John Yeomans.

## 3. **Declarations of Interest**

Declarations of Interest were noted as follows:-

Credit Control – John Brereton, Prys Morgan and Wyn Williams.

Head of Operations – Prys Morgan.

The Chairman congratulated Prys Morgan on his appointment as Head of Operations with HCC. It was noted that he would commence in post on the

30 March 2015 and would simultaneously resign from his position as a Non-Executive Director of the HCC Board.

4. **To receive and approve the minutes of the Board meeting held on Friday 7 November 2014 (HCC 605)**

The minutes of the Board meeting held on Friday 7 November 2014 were taken as read, approved by the Board and signed by the Chairman.

5. **Matters arising**

Welsh Government Food Division – Evaluation Exercise on Protected Food Names

The above area of work was ongoing and HCC would be invited to input in due course.

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

It was noted that official confirmation had been received from the EU regarding the jointly funded (EU and Levy) promotional activities funding. The fund was £3,214,000 spread over a period of three years commencing from the 1 April 2015.

The Board would be kept updated on developments.

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

HCC had met with Nigel Scollan, IBERS to receive an update on the above.

It was agreed at the meeting that HCC would be involved with IBERS in submitting a proposal for consideration by Agri-Tech.

Welsh Red Meat Levy rates and recovery costs for 2015 / 2016

It was noted that a report had been submitted to the Deputy Minister for consideration and a response was awaited.

6. **HCC Reports**

a. Activities Report (HCC 606)

The report was taken as read.

RDP – Removing Barriers to Electronic Recording

A total of 671 claims had been received to date from the 1500 participants who completed the training and downloaded their vouchers. Feedback continued to be very positive.

It was highlighted that some of the funds that had initially been allocated to awareness raising for the project would now be diverted to provide vouchers for approximately 100 additional farmers that had not completed the training before the target was reached.

The first two dissemination events had been held at Glynllifon College and at Llwyn yr Brain, Adfa during January 2015 with further events being scheduled during February 2015 to support and encourage active engagement by participants. Participants would also be invited to complete two online surveys via the website during the project lifetime to gather their experiences in the use of EID.

*Diplomatic visit to Norway*

The Market Development Manager reported on the above.

The overall objective of the diplomatic visit to Norway led by the Deputy Minister was to understand the market for lamb in the country and to explore the possibilities of achieving an EU quota for lamb imports into Norway.

However, it needed to be recognized that the EU had exclusive competence for direct trade negotiations with Norway. The Deputy Minister was committed to entering into dialogue with the EU and with the Norwegian Ministry of Agriculture on this matter.

b. *Market Bulletin (HCC 607)*

The above was taken as read.

c. *Forthcoming Events (HCC 608)*

The above was taken as read.

d. *To receive a presentation on the evaluation of the 2014 PGI Welsh Lamb advertising campaign*

The Market Development Manager presented the above.

In summary, key learnings from the evaluation were:-

- HCC ran TV and geo-targeted digital advertising in two television regions (Wales and Meridian)

- The strategy of combining TV and digital advertising had proven to be very effective in terms of increasing awareness
- Achieving greater awareness had been achieved slightly at the expense of perception due to limited budgets to invest in the range of channels required to achieve both awareness and engagement (which is what influences perception)
- Fortunately, perception measures were already relatively high – but sustained investment would be required to ensure this continued to be the case in the future.

European Commission (EU) Funding for PGI Welsh Lamb (France, Germany and Italy)

The Market Development Manager presented on the above.

Both presentations would be forwarded to the Board for information.

Given the changes in exchange rates between Sterling and the Euro, clarification was sought on what impact this would have on EU funded promotional activities.

7. **To consider HCC's draft Business Plan for 2015 / 2016 (HCC 609)**

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

It was noted that the draft Business Plan for 2015 / 2016 had been aligned with the context of the Welsh Red Meat Industry Strategic Action Plan for 2015 which was currently being refreshed.

The draft Business Plan had therefore been refocused to be outcome driven as opposed to output focused.

The draft Business Plan required to be approved by the Board at the 6 March 2015 Board meeting and therefore it was agreed that further feedback or comments should be referred to the Executive by no later than the end of January 2015 so that they could be incorporated into the final draft.

The Corporate Services Manager highlighted that it was proposed to work towards a nil surplus for the 2015 / 2016 financial year. This would be reviewed in light of the financial position at the end of the 2014 / 2015 financial year.

The Board's observations were discussed and noted.

A revised draft of the Business Plan for 2015 / 2016 would be issued to the Board in advance of the next meeting along with a summary of the changes noted.

8. **To receive a Work Plan for the Board for 2015 / 2016 (HCC 610)**

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

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

The Red Meat Levy Sub Group (AHDB, HCC, LMCNI and QMS) had met on the 14 January 2015.

All parties had evaluated a draft "Options paper" which had originally been presented by AHDB to the Red Meat Levy Group on the 29 September 2014.

The meeting agreed to draft a recommendation for the Red Meat Levy Group to consider at its next meeting on the 29 January 2015.

10. **To receive a verbal update on the Strategic Action Plan for the Welsh Red Meat Industry 2015 – 2020**

The draft Strategic Action Plan 2015 – 2020 was on schedule to be submitted to the Welsh Government for the Deputy Minister's approval prior to formal consultation.

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

The Deputy Minister had recently announced that formal EU approval of the RDP was unlikely before the summer 2015. However, HCC continued discussions with Welsh Government in developing a strategic project which would benefit the Welsh red meat industry.

The Chairman and CEO would discuss this item further with the Deputy Minister at a meeting on the 21 January 2015.

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

A Memorandum of Understanding (MoU) had been drawn up between HCC and the Welsh Government for consideration.

13. **Audit and Risk Committee**

a. ***To receive a verbal report of the Audit and Risk Committee meeting held on Friday 7 November 2014***

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

- b. *To adopt the minutes of the Audit and Risk Committee meeting held on Monday 23 June 2014 (HCC 611)*

The minutes of the Audit and Risk Committee meeting held on Monday 23 June 2014 were taken as read and adopted by the Board.

14. **R&D Advisory Committee**

- a. *To receive a verbal report of the R&D Advisory Committee meeting held on Wednesday 3 December 2014*

The Chairman gave a verbal report on the matters discussed at the meeting.

- b. *To adopt the minutes of the R&D Advisory Committee meeting held on Thursday 4 September 2014 (HCC 612)*

The minutes of the R&D Advisory Committee meeting held on Thursday 4 September 2014 were taken as read and adopted by the Board.

15. **To receive a verbal update on the process of the replenishment of the HCC Board members**

The Chairman thanked the Board for their participation in the recent evaluation process.

It was evident that all Board members discharged their duties as Non-Executive Directors in a commendable manner which contributed to the success of the organization.

A report on the evaluation process had been submitted to the Deputy Minister for approval.

16. **Any other business**

*WRAP Cymru*

WRAP Cymru had been appointed by the Welsh Government to undertake analysis work on the sustainability of various food products. It was proposed to undertake some work on the red meat sector and therefore HCC would be invited to input accordingly.

*Registration of the PGI Welsh Lamb PGI trade mark in Hong Kong*

The Board confirmed that Bryan Regan was authorised to sign documents in relation to registration of trade marks in Hong Kong.

17. **Date of next meeting**

Friday 6 March 2015.

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