

**Minutes of the Forty Ninth AHDB Pork Board Meeting
held on Wednesday 16 September 2015
Boardroom, Stoneleigh**

MINUTES OF THE LAST MEETING

The minutes of the meeting held on 15 July were approved.

MATTERS ARISING (and not on the agenda)

There were no matters arising.

AHDB RESTRUCTURE – update from Chair

The Chairman gave an update on the AHDB restructure informing the Board that the three senior posts in the leadership team have now been filled. A press release has been circulated.

DIRECTORS REPORT

The Board was updated on the current EU markets. The UK market has remained generally stable, however, the rest of the market more volatile. The UK price premium in the most recent week still being 24p/kg.

The introduction of an EU promotional fund/scheme which may be around 30 million Euros (70% possibly be targeted around exports) could bring possible opportunities to AHDB Pork and is going to be looked into over the coming months. The Chief Veterinary Officer took the opportunity of being in Beijing to meet the relevant Chinese departments (AQSIQ and CNCA). This was to discuss the inward inspection visits in April 2015 regarding trotters and site approval.

There was a discussion at a recent European industry meeting regarding visual inspection of pork carcasses. This was originally acceptable, however, is now being questioned by some trading partners and may possibly be revisited.

The current budget is in reasonable shape. A change in accounting requirements means that £864,000 has been moved from last year's budget to this year at the request of National Audit Office.

A discussion was held about AHDB Reserves Policy. AHDB's policy is that it needs enough cash flow to keep the business running and enough in reserve as an emergency fund. The methodology remains in line with last year's policy, being to apportion out to the relevant sectors (approximately 16% for AHDB Pork). The Board was asked where they would like to see reserves being spent and the consensus of opinion was that reserves should be held back in case of 'changing circumstances', eg PED on farm, other notifiable diseases, redundancies, insurance costs, etc.

With reference to the significant diseases charter, the Chairman requested that the producers on the Board are signed up.

The Chairman gave an update on the Centre of Innovation and Excellence in Livestock (CIEL), informing the Board that it is moving at a fast pace and she has now taken over as Chair of the industry Steering Group, following the resignation of Stuart Roberts. There are 13 partners involved, £27 million of capital expenditure will be match funded with capital by the academic partners, giving a total of £54 million investment in livestock research facilities and negotiations have concluded. £6 million will be put into pig research facilities. The intention is that if successful in securing AgriTech funding, a consortium company will be established to be the focus of industry-led livestock research. There is a meeting on 28 October between providers and funders to discuss R & D priorities for the industry.

The International Agency for Research on Cancer (IARC) will be releasing a report on the possible link between red and processed meat and cancer. Negative media coverage is anticipated. Members were

told how AHDB is working with international industry partners on a robust response. AHDB is to act as a lead spokesman on behalf of the industry to ensure consistency of the message and is currently collating many positive messages on red meat prior to the announcement.

The publication of research into the potential risk of Hepatitis E contamination in pork products, undertaken by Public Health England, has received very little media coverage. Professor Tedder of PHE will soon be visiting an abattoir and a pig farm so he can more fully understand the industry. A Risk Assessment tool is currently under development to address current issues surrounding the specific causes. The Board has asked to be kept up to date with the action plan for this and be provided with regular updates.

Additional funds were requested to allow the Pulled Pork phase 1 to be matched in phase 2 in February and March and to finance extra work in human health. This would allow a direct comparison of the impact of both phases of the campaign. A detailed discussion took place around where the money would be spent and general unexpected costs that may occur. The conclusion was to invest the same amount in the campaign as the first burst of activity. The funds for other activity would come from extra income and, if necessary, from reserves.

FUTURE FUNDING OF MARKETING ACTIVITY – BP173

A number of options were discussed and the Board was asked to consider these together with which, if any, to progress. It was agreed that the Board should seek an exemption to government imposed approval procedures that are very bureaucratic. One member informed the Board that he had consulted his local MP who is very 'pro-pigs' and may well be supportive with a view to getting a workable agreement for Defra.

Stable Isotope Reference Analysis (SIRA) – FUTURE DEVELOPMENT

A discussion took place around the valuable use of isotopes in the industry, what a comprehensive data base SIRA is and the impact it has had. The Board was asked to consider the proposal to allow the licensing of the database to accredited organisations from November 2015. Concerns were raised over the fact that there is a possibility it could fall into the wrong hands/how much benefit would extra samples actually bring and the fact that the database needs refreshing. The decision was that we need to continue to develop the technology without compromising our role as an independent auditor of traceability. AHDB should also retain control of the databases. The decision was made not to license the database.

BUSINESS PLAN 2016/17 _BP175/BP176

The current Interpig summary and review of the export promotion plan was presented and members were told of the timeline for the completion of the Business Plan for 2016/17, indicating that a detailed plan and budget is to be produced for the November meeting to be taken to the AHDB Board and consulted with the industry.

In Summary:

The 5-point plan within the Going for Growth strategy should continue.

Technical

To review Closing the Gap and report back on its effectiveness prior to the next Board meeting. The Board is supportive of the Monitor Farms idea in principle but on the condition it is supported by enough farmers. Case studies should be put on the website.

Environment

The Board considered this a priority area, where legislation/building design functionality/sign posting solutions adds value to the levy payer. Building and equipment suppliers should be encouraged to engage.

Safe and Traceable

The BPHS/CCIR Roadmap is to be continued with a view to looking at different ways of focusing the

budget.

Real Welfare

Look at how this can be developed and how it adds value to producers and processors.

Recording

Promote and use more strongly. Use facilities we have such as Pig Clubs, training courses and so on.

Other

The role of AHDB Pork within the CIEL network as a funding partner to be looked into further within the Business Plan and budget spend. AHDB Pork also has a collaborative role of signposting opportunities for pre-competitive research and development of the next generation of researchers through the PhD program.

MI

This work is vital and to continue, however, not a great budget increase planned.

Exports

The Board agreed this is an increasing priority. An increase in the budget is proposed. We will also seek to leverage money from the EU. New Opportunities/Markets need to be explored with a more strategic focus. The shared activity with Beef and Lamb to continue.

Marketing

The proposed double burst of activity featuring Pulled Pork in 2016 was agreed. There was a discussion on another burst of activity featuring a different cut in early 2017, but there was no commitment for such spend.

AOB

The LIPS meeting will be held in October. It is proposed to continue to provide substantial financial support for this important activity.