

ADDING VALUE

FOR AIC MEMBERS

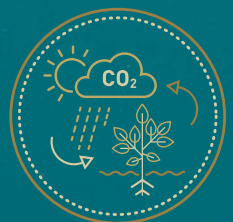
2024 | Working in support of modern, sustainable, commercial agriculture



Competitiveness



Productivity



Environment

Welcome

2023 saw AIC celebrate its 20th anniversary. It took foresight and vision to unite three organisations, in doing so creating a stronger, clearer, and more influential voice for our industry.

AIC used this major milestone as a strategic platform to promote the work of AIC more widely than ever before. AIC's Board commissioned Anglia Ruskin University to produce an independent report on food security and agricultural productivity which will frame future work. The core finding of the report – Powering Productivity for Sustainable UK Food Security – recommends an independent UK Food Security Committee, something we will work with stakeholders to progress with the Government.

AIC has had a busy year both throughout the UK and across all the sectors it represents. It has been a more politically stable year, relatively speaking. Policy development continues at differing speeds across the UK with AIC feeding into Westminster and each devolved nation.

The landmark Precision Breeding (Genetic Technology) Act has now become law, with corresponding secondary legislation underway in England, and discussions progressing in Scotland and Wales.

In summer 2023, we welcomed Vicky Robinson as AIC's new Head of Sustainability. Her pivotal role significantly bolsters our commitment to sustainability and reinforces our dedication to achieving industry-wide progress towards net-zero targets. Collaboration with Members of the Sustainability Liaison Group and the broader sector committee will be a focal point in the forthcoming year.

Anticipating the challenges and opportunities in the year ahead, including a likely General Election, AIC remains resolute in advocating for the interests of its Members. There is consistent engagement with all major political parties on key issues, as informed by the insights gleaned from our 2023 Member survey which continues to shape our priorities.

We will also work to champion the need for an independent UK Food Security Committee, continuing to engage with stakeholders, policymakers, and politicians to secure a bright future for UK agriculture by giving everyone the confidence to invest in UK production.

The team remains dedicated to making sure your voice is heard by those who make the decisions.



Robert Sheasby
AIC Chief Executive

aic20
YEAR
ANNIVERSARY

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Policy

Key achievement 1

Taking gene editing forwards in the UK and EU

The Precision Breeding Act was signed into law in April 2023, representing a step change in how innovation and plant breeding can help address environmental, nutritional, and agronomic challenges. This could be highly important long-term legislation which, although focused on plant breeding, may prove significant for all five sectors represented by AIC.

AIC is taking a central role on gene editing. It speaks to the depth of AIC’s technical and policy work that Government has relied on our information, advice, and advocacy in promoting the legislation to the wider supply chain and media. After a year of regularly working with the Food Standards Agency (FSA) as the body that will be regulating gene editing, it is significant that a current consultation is offering a pragmatic and proportionate future approach.

Most notable for AIC, the FSA is proposing to use existing food and feed law to enforce the legislation, with no new auditing or traceability requirements and using existing assurance schemes. Many in Government and across NGOs were lobbying for labelling and new schemes to be set up. It is reassuring that the FSA recognises the value and importance of existing food and feed assurance to deliver fresh innovation.

As the European Union pursues its own gene editing legislation, AIC remains an active member of Euroseeds and regular dialogue will ensure both EU and UK versions of gene editing is as aligned as possible.



AIC chaired a panel event in the British Embassy in Brussels explaining the UK legislation to EU Commission officials, with further events planned with US and Canadian Government officials on international alignment. AIC is now advocating the UK legislation to the EU, having also met with the Romanian industry and their Secretary of State for Agriculture to discuss the UK’s approach to gene editing.

The aim in 2024 will be to have the final legislation signed off before a General Election, and to lobby Welsh and Scottish Governments to align with these proposals.

Key achievement 2

Raising AIC’s profile throughout Government and up to Downing Street

AIC has continued to raise its political profile, culminating in an invitation to join a Farm to Fork Summit hosted by Prime Minister Rishi Sunak at 10 Downing Street in May 2023. The event brought together major food and farming industry representatives to discuss the importance of food production and its role in feeding the nation and international trade.



At the session AIC’s Chief Executive, Robert Sheasby, emphasised the need to raise productivity across the agri-food supply chain. He was part of a working group led by Farming Minister Mark Spencer MP which focused on “strengthening sustainability and productivity”.

Weeks later Head of Policy and External Affairs, Ed Barker, was at Number 10 to represent Members at a meeting on private sector finance for nature recovery. The roundtable session heard from the then Department for Environment, Food and Rural Affairs (Defra) Secretary of State Thérèse Coffey MP, with productive discussions on agri-finance and profitability in an evolving landscape.

September saw AIC host a packed reception at the Houses of Parliament to celebrate its 20th anniversary with MPs and Peers from across the political spectrum, Members, and the agri-food industry attending. The evening was opened by Julian Study MP, Chair of the All-Parliamentary Party Group for Science and Technology in Agriculture, with the Farming Minister addressing guests.

In November, Member views on trade were put forward by AIC as Robert Sheasby gave oral evidence to the Environment, Food and Rural Affairs (Efra) Select Committee as it scrutinised the UK’s agri-food trade strategy and sought to make recommendations to the Government on how this could be improved.

Policy

Key achievement 3 Powering Productivity report sets the agenda

Forming the centrepiece of its 20th anniversary celebrations, AIC commissioned Anglia Ruskin University to research and produce the report “Powering Productivity for Sustainable UK Food Security” to offer strategic leadership for the industry.

Written by Dr Marcus Bellet-Travers, it assesses the UK’s agri-food productivity and makes recommendations on how this could be sustainably increased to support our national food security, with some AIC Members interviewed as part of the research.

The report’s core recommendation that an independent UK Food Security Committee be established has gained

widespread support since launching at AIC’s Conference in November. The Farming Minister commended the report’s thoroughness, while Liberal Democrat Environment spokesperson Tim Farron wrote to the Minister to ask if the Government would adopt this core recommendation. Meanwhile the Scottish Cabinet Secretary for Rural Affairs, Mairi Gougeon MSP, has publicly backed the key findings.

Agri-food stakeholders and academics have also voiced their support, including the Tenant Farmers Association, Scottish Land and Estates, and Professor Tom MacMillan of the Royal Agricultural University. Work on this will continue as we head for the next general election.



Priorities for 2024

- 1 To establish AIC priorities for a likely General Election in 2024.
- 2 To create an AIC manifesto, building on the “Powering Productivity” report to drive AIC lobbying efforts.
- 3 To work with EU counterparts to monitor and understand divergent UK and EU policies, such as Carbon Border Adjustment Mechanism (CBAM), deforestation, and gene editing.



Further information:
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Policy - Environment

Key achievement 1

Launching Sustainability Self-Assessment Framework and Training

In July 2023, AIC launched its Sustainability Self-Assessment Framework and associated training and has seen early interest from Member businesses.

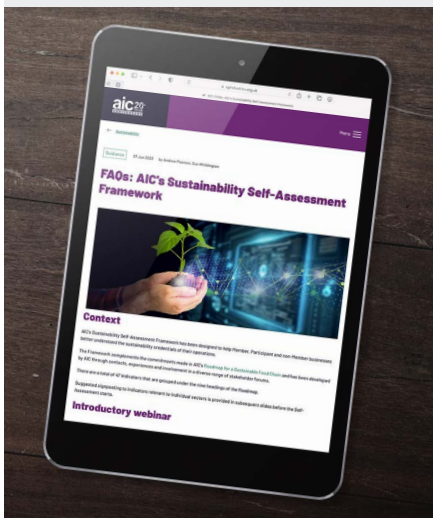
The Framework has been designed to assist agri-supply businesses in their sustainability journey, helping them to assess where they are and monitor progress as they develop actions to improve their sustainability credentials.

It has been developed by AIC through its contacts, experiences, and involvement in a diverse range of stakeholder forums.

Initial Member feedback has highlighted the Framework's value to individual businesses and the wider agri-food supply chain.

In time, AIC hopes that uptake of the Framework will be sufficient to allow it to collate and share anonymised data with Member businesses to allow for insightful cross-sector and cross-industry benchmarking.

AIC's new Head of Sustainability, Vicky Robinson, who was appointed in August 2023, will help to progress this and other sustainability offerings.



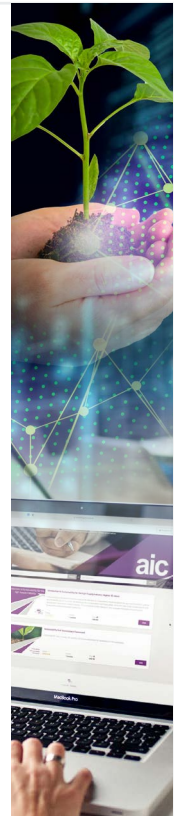
Key achievement 2

Influencing Sustainable Farming Incentive scheme development

The Sustainable Farming Incentive (SFI) 2023 was launched back in the summer with 32 new actions that farmers could be paid for undertaking, including soils, IPM, nutrient management, improved and low input grassland, and hedgerows.

AIC's work to ensure recognition of the importance of professional advice to deliver SFI bore fruition through some of the 2023 actions that offer farmers payments of £989/year to take BASIS-qualified advice on IPM - the top payment available under the scheme. In addition, getting a nutrient management review from a FACTS-qualified advisor qualifies farmers for a £589/year payment.

Throughout 2023, AIC has continued to engage with Defra working groups focusing on the development of actions to be included in future iterations of the SFI and the evolution of Countryside Stewardship under the Environmental Land Management Schemes, where we expect to see future actions on grasslands, no-till, and precision farming.



Key achievement 3

Guiding Members through EPR for packing

Throughout 2023, AIC worked to assist Member understanding on Extended Producer Responsibility (EPR) for Packaging Waste scheme requirements.

The scheme aims to make producers responsible for the full cost of disposal for the packaging they place on the market.

Following reports of conflicting information about the requirements of, and timeframes for the introduction of the EPR scheme, AIC worked to clarify what Members needed to know to help them prepare for and comply with the new requirements.

Priorities for 2024

- 1 To work with Defra's Farming and Countryside Programme and the Rural Payments Agency on the content and infrastructure of SFI and updated Countryside Stewardship.
- 2 To pursue the opportunity of undertaking a second Test and Trial project for Defra, assisting with answering key policy questions on farm advice provision.

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Sustainability

Key achievement 1

Success on Climate Change Agreements

AIC successfully negotiated with the Department of Energy Security and Net Zero (DESNZ) for Target Period 6 of AICs Climate Change Agreement (CCA) scheme.

AIC worked closely with Members of the Feed Manufacturing Committee and sustainability consultants SLR Consultancy to submit a counter proposal with a more appropriate figure to DESNZ. This was informed by data submitted by AIC Feed Manufacturing Members on what was realistic for the target period.

With more than 70% of those involved in the feed manufacturing industry engaging with AIC, a robust set of quantitative and qualitative evidence was submitted to support the counter proposal.

As a result, the CCA team recommended to the DESNZ Secretary of State that the counter proposal be accepted. The Secretary of State duly approved the proposal enabling those involved to move ahead with certainty in advance of the 1 January 2024 effective date.

Department for Business, Energy and Industrial Strategy, London.



Further information:
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Key achievement 2

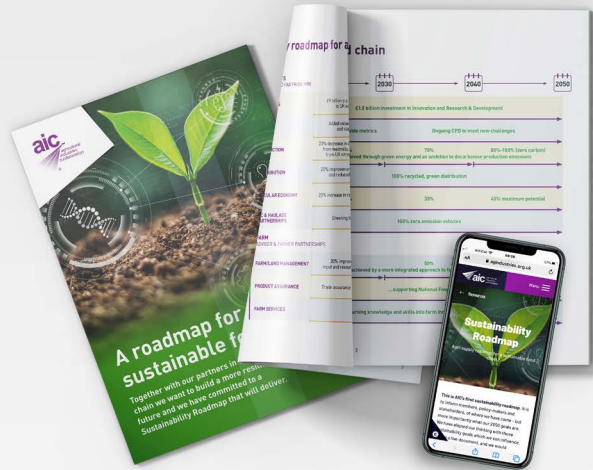
Further energy bill support for industry secured

The Energy Bills Discount Scheme was announced by the Government in January 2023 to support businesses with the high cost of energy until the end of March 2024.

Under the Scheme, a higher level of support is provided to those in sectors identified as being the most energy and trade intensive.

In November 2022, AIC gave evidence to the Environment, Food and Rural Affairs (EFRA) Select Committee, telling MPs that support was desperately needed beyond the original cut off of March 2023.

The enhanced financial support benefits many AIC Member businesses, including those in the manufacture of fertilisers, pesticides and agrochemical products, animal feed, and grain mill products. All eligible businesses saw their energy suppliers automatically apply reductions to their bills.



Priorities for 2024

- 1 To review and develop AIC's Roadmap for a Sustainable Food Chain.
- 2 To maintain input into the Food Data Transparency Partnership.
- 3 To prepare for the next Climate Change Agreement scheme and requirements.

Scotland



Key achievement 1

Emphasising Scottish agri-supply industry's importance

AIC Scotland has continued to raise the profile of the Scottish agri-supply industry. This culminated in a 20th anniversary reception held at the Royal Highland Show, at which the Deputy First Minister of Scotland spoke on the importance of the sector and the key role Members play in improving farm productivity and supporting emissions reduction.

This strengthened engagement comes at a crucial time as the Agriculture and Rural Communities (Scotland) Bill passes through Parliament, ensuring the key concerns of Members are taken into account as new support schemes are developed.

Key achievement 2

Emergency authorisation for cobalt salts in livestock feed in Scotland

Legislation for the emergency authorisation for use of four cobalt salts in livestock feed was passed by the Scottish parliament following AIC intervention. Working with industry stakeholders, AIC provided key animal welfare and economic impact data to help Food Standards Scotland make an informed decision. Without this authorisation, there would have been serious animal welfare issues particularly for livestock farmers in Scotland where cobalt deficient soils are widespread. The authorisation came into force on 30 June and expires in July 2026.

Priorities for 2024

- 1 Positively influence the development of the Agriculture and Rural Communities (Scotland) Bill.
- 2 Work with key stakeholders to support the development of equivalent Precision Breeding legislation for Scotland.
- 3 Continue to engage with key MSPs and MPs across the political spectrum to increase understanding of key Member concerns.



Further information:
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Cymru



Key achievement 1

Bolstering AIC Cymru's position

The 2023 achievements of AIC Cymru revolve around enhanced visibility and engagement with Welsh Government and stakeholders.

AIC has built a strong and credible working relationship with key Welsh Government Land Management Reform unit members, helping to shape and provide an industry perspective on the Sustainable Farming Scheme (SFS) and other key rural affairs policy issues.

There was a strong turn out to AIC Cymru's drinks reception at the Welsh Royal Show, offering a valuable opportunity to interact with senior Welsh Government officials and stakeholders in an informal relaxed manner.

Key achievement 2

Making Member voices heard

AIC Cymru has been active in submitting responses to a number of key consultations, most notably coordinating with farming unions on the Welsh Government scheme exemption consultation for the 170kg/year organic manure limit. This ultimately resulted in the Welsh administration not implementing an arduous exemption permitting scheme.

In addition, AIC Cymru has consistently called for the need for financial transparency of the SFS and a transition payment scheme as Welsh farming transitions to the scheme from 2025-2029.

Priorities for 2024

- 1 Continue to develop the voice of Members as clear, pragmatic, and approachable.
- 2 Maintain AIC Cymru's momentum by holding four Committee meetings in 2024.
- 3 Renew and evolve the AIC Cymru Committee with the proposal to add two additional Members.



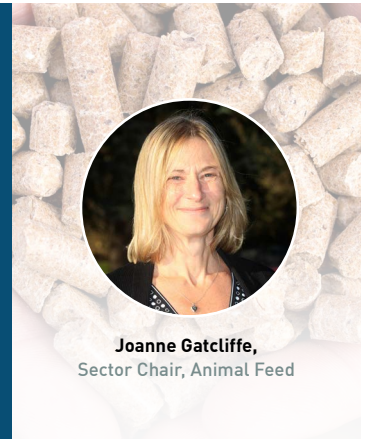
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Animal Feed

2024 Outlook

AIC will continue to focus on influencing the policy environment for the benefit of feed businesses. The year will bring new regulations on forest risk commodities, on methane mitigating technologies, on processed animal proteins, and on the use of environmental footprint methodologies to generate life cycle assessment data. All of these will require close attention from AIC feed Committees to ensure they are appropriate for the needs of the industry.

AIC will work closely with Food Standards Agency (FSA) and Food Standards Scotland (FSS) regulatory reforms to ensure that businesses can benefit from more timely regulated product approvals, so that innovative products can reach the market and help maintain the competitiveness of the UK feed industry.



Joanne Gatcliffe,
Sector Chair, Animal Feed

Key achievement 1

Pragmatic proposal for UK Forest Risk Commodity Regulations

October 2023 saw the long-awaited announcement on due diligence requirements for UK businesses using forest risk commodities. The proposals are pragmatic, including fewer commodities than initially considered.

AIC highlighted to Defra the complications of providing evidence for maize and its many derivatives. The subsequent decision to remove maize from the list of commodities within scope is of significant benefit to feed businesses.

Businesses in scope will be asked to provide evidence that commodities are legally grown. This is a lower and less costly bar than that set in the EU.

UK proposals should allow industry to continue to source commodities under a mass balance chain of custody model.

Key achievement 2

Securing exemptions for animal feed businesses under the Energy Bills Discount Scheme

Following extensive lobbying by AIC, which was bolstered by Member feedback, the Government announced in January 2023 that businesses will get Government support with the high cost of gas and electricity beyond March under a new scheme, providing certainty for the agri-supply industry.

The new Energy Bills Discount Scheme provides eligible UK businesses and other non-domestic energy users with a discount on high energy bills until 31 March 2024.

Under the scheme, a substantially higher level of support will be provided to businesses in sectors identified as being the most energy and trade intensive, including the manufacture of animal feed and fertilisers.

Key achievement 3

Achieving emergency authorisations for cobalt salts

Summer saw Statutory Instruments for the urgent authorisation for four cobalt additives laid before Parliament, with reciprocal arrangements made in Wales and Scotland.

This followed collaborative efforts from AIC and the British Association of Feed Supplement and Additive Manufacturers (BAFSAM) to submit evidence and data to the FSA and FSS on the animal welfare and economic implications of losing approval for four cobalt feed additives.

This result is an example of the industry and regulators working together to secure the right outcome for livestock farmers.

Priorities for 2024

- 1 Engage with UK Government on implementation of the Forest Risk Commodities Regulation to ensure evidence to demonstrate compliance is pragmatic for industry.
- 2 Continue to pressure FSA and Ministers to deliver timelier Regulated Product approvals, specifically for feed additives and GMOs.
- 3 Join GFLI and update UK subset to continue to provide LCA data to Members. Proceed with green feed labelling proposal and Food Data Transparency Partnership work.



Further information:
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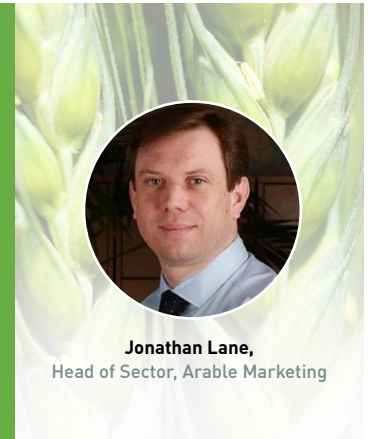
Arable Marketing

2024 Outlook

AIC will continue to develop relationships as it seeks to progress valuable communication within the agri-supply chain. AIC's involvement in cross-industry efforts to develop a business case for a Digital Passport (Combinable Crops) is a strong example of how the supply chain can work constructively together.

It will be crucial to gather Member feedback on key matters including phytosanitary issues and the resulting impacts on trade, as well as divergence and non-tariff barriers on exports to non-EU and EU markets.

This will allow AIC to effectively deliver industry messages to government, stakeholders, and industry NGOs as we strive to achieve positive outcomes for Members.



Jonathan Lane,
Head of Sector, Arable Marketing

Key achievement 1

Representing Members on a Digital Passport for Combinable Crops

The Business Case for a Digital Passport (Combinable Crops), previously referred to as a Digital Grain Passport, was published in November 2023.

The Business Case sets out how the Digital Passport (Combinable Crops) system would operate as an upgrade of the existing paper system, ensuring the continuation of feed and food safety.

Throughout 2023, AIC worked with industry to clarify proposals through representation on the Leadership, Development and Data Groups charged with developing a robust Business Case.

AIC collated and relayed a large number of questions from Members to AHDB, getting answers to each as part of the Business Case consultation phase (20 November 2023 – 2 February 2024).

Members have been encouraged to review the Business Case and supporting resources on AIC's website, before providing feedback to AIC.

Key achievement 2

Challenging AHDB reform proposals

During a consultation on reforms to the AHDB Order, AIC successfully pushed back on proposals to remove an agreed payment that cereal merchants and processors receive for collecting levy funds. This move would have seen the industry collectively lose up to £500,000.

Levy-collecting businesses, which include those buying and processing cereals, are entitled to claim back 5% of the combined grower and buyer levy to cover the administrative costs of recovering the levy on AHDB's behalf.

AIC also challenged proposals to mandate levy-collecting businesses to share farming customer data, relaying the significant concerns of its Members that this would be unworkable as it breached General Data Protection Regulation (GDPR).

AIC continues to work with AHDB as it considers how a suitable levy rate deduction can be set and reviewed in future.

Key achievement 3

New animation explains Arable marketing sector

AIC has produced an animated video to help explain how arable marketing works within the Grain & Oilseed sector of the UK agri-supply industry.

It is the latest in a series of animations designed to increase the understanding of policymakers, agricultural, stakeholders, and the public on the role and significance of the agri-supply industry.

The short video outlines the important work of Grain & Oilseed sector Members. Visit www.agindustries.org.uk/grain-oilseed-animation to watch the video.

Priorities for 2024

- 1 To reach a consensus on a Combinable Crops Passport system which meets future industry needs.
- 2 To maintain government engagement to ensure phytosanitary needs are met.
- 3 To seek a more permanent solution for the industry to maintain access to the EU biofuels market under the Renewable Energy Directive (RED) II.



Further information:
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Crop Protection & Agronomy

2024 Outlook

A key goal in the National Action Plan for the Sustainable Use of Pesticides (NAP) is the development and uptake of Integrated Pest Management (IPM).

BASIS-qualified agronomists are well-placed to deliver advice on IPM. AIC has demonstrated to policymakers and government officials throughout the past year the investment Members make in trials and research to ensure agronomists and their clients have the best technical information to deliver IPM on farm.

It is encouraging that under the Sustainable Farming Incentive in England, farmers and growers will receive payment for IPM planning in conjunction with a BASIS-qualified adviser. Hopefully, the devolved UK administrations will follow this example.

We eagerly await the publication of the NAP in 2024 to allow the development of the GB pesticide regime to move forward.



Richard Hopkins
Sector chair,
Crop Protection & Agronomy

Key achievement 1

Continuation of showcasing AIC Members' work on promoting IPM

Visits with senior Defra and Chemicals Regulation Division (CRD) staff to an Agrovista UK trials site continued into 2023. The series of visits demonstrated the investment AIC Members make in trials to ensure that their BASIS-qualified agronomists are equipped with the best technical information and data to help clients grow crops profitably and meet economic, environmental, and sustainability goals.

Farmer clients can see this IPM in action and subsequent knowledge transfer by agronomists helps encourage IPM uptake on farm. CRD and Defra officials were also able to understand how weather and soil conditions can necessitate planning changes.



Key achievement 2

Adding Value with Distributor Agronomy video series

AIC produced a series of short videos highlighting the value and position of distributor agronomists as sources of expert advice and information on IPM and the environment. The video clips emphasise how distributor agronomists are focused on ensuring their clients farm sustainably and profitably, refuting the notion that they are merely plant protection product salespeople.

The clips feature farmers and agronomists discussing the benefits of distributor agronomy services, and the benefits to agronomists of working for an AIC Member company. The clips are available to view from AIC's website.

Key achievement 3

Trials visits for CRD new intake

CRD has been increasing staff numbers gradually from around 240 FTE in 2020 and aims to employ 550 FTE by March 2024 to deliver the independent GB PPP regime following EU Exit.

To help new staff build a solid understanding of crop production in the UK, Members hosted six events at trials sites across the country in summer 2023. Feedback from attendees was positive, with many commenting that the day would have a positive impact on their work.

Priorities for 2024

- 1 To demonstrate to policy makers and Government, AIC Members role in development and promotion of IPM in UK crop production.
- 2 To ensure that developing GB (NI) legislation on PPPs is more efficient, less bureaucratic, and captures the opportunities presented by EU Exit.
- 3 Promoting the work of AIC's Crop Protection and Agronomy Members in helping growers produce crops sustainably.



Further information:
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Fertiliser

2024 Outlook

The past year has again been a tough trading period caused primarily by the volatility of fertiliser prices on the world market. Declining demand for compound fertilisers has continued.

Our industry remains resilient in the face of such adversity, and has been agile in sourcing new supplies, and when there have been high domestic gas prices, new feedstocks in the form of ammonia.

Considering this backdrop, it is reassuring that AIC has been active on Members' behalf by shielding us from the machinations of government and regulation, mitigating as far as possible any negative consequences. Our priorities for 2024 remain positive and forward facing, working in support of modern, sustainable, commercial agriculture.



Max Winkler,
Sector Chair, Fertiliser

Key achievement 1

Successfully lobbying for further delay in UK REACH implementation

EU REACH registrations are shared between the total market of users for the Product, despite a registration costing hundreds of thousands of pounds.

The number of likely users in that market means the REACH costs are relatively easily amortised between users, making chemical registrations in the EU relatively affordable. The proposed UK system incurs similar costs but are potentially restricted to very few users, becoming unmanageable.

AIC, along with stakeholders, successfully lobbied to further delay the full implementation of UK REACH until 2027-2030. AIC advocates full recognition of existing EU REACH registrations in the UK to avoid additional costs.

Key achievement 2

Supporting the implementation of voluntary Urea abatement policy

600,000 tonnes of solid urea was supplied to the GB market last year, representing well over a quarter of a billion pounds in GB trade.

AIC's solution of a voluntary initiative to add inhibitors to urea provided a pragmatic alternative to a ban advocated by a government concerned by the pressing need to meet a binding international agreement on the control of atmospheric ammonia emissions.

This ensured that the trade in urea could continue and that supplies of fertiliser were maintained during the fertiliser hiatus.

Key achievement 3

Supporting Members with revised Explosives Precursors regulations

Government introduced legal requirements for retailers of fertilisers and other chemicals to ensure that sales of certain products to unknown persons was more closely restricted by checking purchasers' photo ID and keeping this on record.

This was an immense undertaking for many Members on the customer-facing side of the supply chain. AIC facilitated discussions between the Home Office and Members to ensure that the least onerous path was taken in interpreting the revised regulations.

AIC continues to lobby for the removal of the requirement for farmers to provide retailers with photo ID every 18 months.

Priorities for 2024



Further information:
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- 1 **Grassland Focus** - to support better grassland fertiliser practice and management.
- 2 **Water Quality Focus** - engage to steer direction and outcomes with Defra and the water authorities.
- 3 **Soil Health** - engage with Defra and Stakeholder working groups to influence direction and outcomes.
- 4 **New Fertiliser Regulation** - work with Defra to co-design a simpler, better draft Fertilising Products Regulation.

Seed

2024 Outlook

The past year has seen prominent successes for our sector, chiefly securing the supply of treated seed imported from the EU and the Precision Breeding (Genetic Technology) Act becoming law.

We must ensure that the implementation of the Act's secondary legislation is fit for purpose and lives up to its potential. AIC's involvement in the cross-industry working group led by the Food Standards Agency is a positive step in this regard.

AIC will enhance government understanding of the certified seed industry's vital role, helping to ensure that Member interests are protected when it comes to trading relations and practicalities.



Tom Nickerson,
Sector Chair, Seed

Key achievement 1

Securing treated seed supply

In collaboration with industry stakeholders, AIC worked with Defra to find a resolution to seed treatment rule changes ahead of an end-of-year deadline.

Post-EU Exit arrangements meant that after 31 December 2023, PPP-treated seed could only be traded and used in Great Britain if it had been treated with a product authorised for that purpose in Great Britain. This risked significant disruption of treated seed supply from the European Union.

Following months of intense communication with Defra, emergency legislation was passed by Parliament in December 2023 allowing treated seed to be imported, marketed, and used in Great Britain until 1 July 2027, as long as the PPPs remain authorised in at least one EU or EEA Member State.

This gave seed importers and distributors much-needed reassurance.

Key achievement 2

Achieving earlier royalty submission dates

Following a request from AIC working on behalf of its Members, the British Society of Plant Breeders (BSPB) agreed to amend its royalty submission dates.

In spring 2023, AIC wrote to the BSPB to highlight that businesses operating

in the UK certified seed sector were having to make commercial planting and sales decisions without the necessary knowledge of the royalty rate of the variety being planted.

In its response, BSPB recognised the challenges faced by AIC Members and

committed to better supporting the trade by issuing royalty rates earlier.

There was also a commitment to offer further opportunities for Members to feedback on how the earlier dates suited businesses into 2024.

Key achievement 3

Bean seed derogation approval

Working on behalf of Members, AIC led a successful derogation bid to secure the supply of winter bean seed. Germination rates were reduced because of the delayed harvest due to intermittent weather patterns.

AIC liaised with the industry, gathered evidence, and applied

to Defra and devolved partners for a temporary derogation covering England, Scotland, and Wales. The derogation, which was approved in October 2023, allowed for a limited quantity of winter bean seed to be sold with a germination rate of no less than 70%.

Priorities for 2024

- 1 To ensure a pragmatic implementation of the Northern Ireland Protocol.
- 2 To support Members with the transition to the Border Target Operating Model.
- 3 To facilitate robust understanding and harmonisation of seed availability and SFI requirements.



Further information:
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Membership & Communications

2024 Outlook

In early 2024 AIC will contact Members with regards to the data it holds, including personnel for each Member business. This will allow AIC to better cater to the needs of individuals within Member companies.



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Key Achievements from 2023

AIC Conference 2023 sees record attendance

This year's AIC Conference saw a record turnout as the industry came together to discuss "Working with Natural Capital within the agri-food supply chain" in Peterborough on 15 November.

Delegates from across the national and international agri-food sector heard a range of thought leaders from politics, business, academia, and trade to consider this year's Conference theme and celebrate 20 years of AIC.

Speakers included NFU President Minette Batters, Professor Sir Charles Godfray of the University of Oxford, and Defra's Deputy Director Tim Mordan on behalf of the Farming Minister Mark Spencer MP.

AIC's commissioned independent report "Powering Productivity for Sustainable UK Food Security" was launched at the Conference, quickly gaining support and interest from politicians, Members, and stakeholders.

Fresh survey figures demonstrate AIC's significance

AIC surveyed its full Members in 2023, helping build a more detailed picture of the businesses it represents ahead of the anticipated General Election in 2024.

Member responses contributed to baseline data on the size and value of the agri-supply industry to the UK economy and ensures that AIC understands policy priorities.

The survey revealed that AIC now represents £17.8 billion turnover at farmgate. Key political priority themes included sustainability, labour, the economy, and food security.

Enhancing AIC's share of voice

2023 saw communications output ramp up, growing AIC's reach and consolidating its position as a voice of authority and expertise within the agri-food industry.

Regular news articles and briefings published on AIC's website have kept Members, stakeholders, policymakers, and the press well informed of the team's work on behalf of the agri-supply industry.

To mark 20 years of AIC, an online series of articles looking back at some of its greatest achievements over the years was published weekly throughout 2023, with a special anniversary booklet also produced.

The regular News Bulletin email, which provides Members who opt-in to receive it with everything they need to know from AIC, helps to ensure Members don't miss important information.

There has also been solid growth in following and post engagement on social media platforms LinkedIn and X (formerly Twitter), increasing the reach of AIC's key messages.



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AIC Services

AIC Services offers a full array of professional services that support the agri-supply industry, which has never been more important in this time of change within UK agriculture.

As with AIC, the organisation celebrated its 20th anniversary, a significant milestone offering an opportunity to take stock of the organisation’s achievements over the past two decades.

Some pivotal changes will continue to impact UK agriculture, including the changes to direct farm payment from the Government, climate change, and global geopolitical issues. Through its team of dedicated Technical Managers, AIC Services has navigated these changes with the support of the industry and will continue to adapt to these changing events.

The joint scheme development programme for aligned standards across core feed and food safety schemes has progressed well – a significant undertaking by the industry and AIC Services. The final Standards for each scheme have now been published and will help future-proof the industry.

Meanwhile, the Feed Adviser Register (FAR) celebrated its 10th anniversary in the past year, allowing a review of the Register’s achievements and outlook for feed advisers in the form of a report. With changes to the delivery of on farm payments for advice, FAR has never been more important to the industry.

FIAS also produced a special anniversary report demonstrating the value of protecting the UK security of the fertiliser sector in these uncertain times.

AIC Services has a full programme going forward, including further work on sustainability and the delivery of industry standards. We will work with the various AIC sectors, the Government, and our customers to ensure a pragmatic approach is taken.



John Kelley,
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Assurance scheme updates

Joint scheme development programme

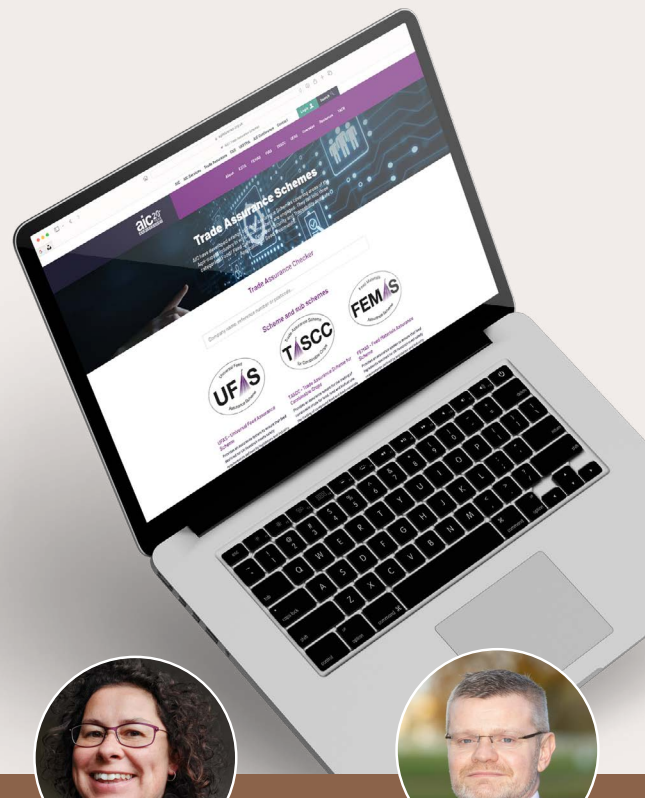
The FEMAS, TASCC, and UFAS Standards have undergone a thorough review and alignment to jointly develop a common set of requirements and wording for these schemes, aiding greater understanding amongst Participants.

The alignment of Standards will also assist Participants who are certified to multiple schemes while maintaining consistency of requirements.

AIC Services held an industry-wide consultation to encourage feedback on the proposed 2024 Standard. The consultation closed in October and the revised schemes will launch in the first half of 2024.

To assist Participants, the new Standards, which are effective from 1 June 2024, will now include additional interpretation to assist the Participant in complying with the clause requirement.

The haulage sector has designed a set of guidelines for the safe cleaning out of trailers after discharge, available digitally or as a hard copy.



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Highlighting the value of FIAS

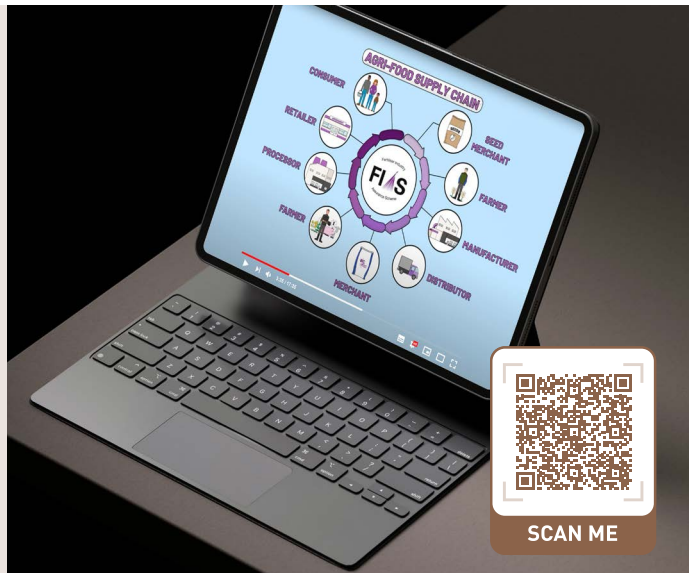
A digital report demonstrating how FIAS secures the UK's fertiliser supply chain was published by AIC Services as part of its 20th anniversary work.

The interactive report offers a comprehensive look at the value and security brought by the pioneering trade assurance scheme since it launched in 2006.

It includes a short, animated video explaining how and why FIAS was first created against a backdrop of incidents involving fertiliser misuse across the globe and considers the future development of the scheme.



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Working to resolve RED II assurance status

AIC has worked with other voluntary schemes, industry, and the Government to resolve the potential loss of the UK's biofuels assurance status with the European Commission, known as the Renewable Energy Directive (RED) II.

Many months of liaison and collaboration with industry, government, other UK and EU voluntary schemes, and stakeholders saw the Commission postpone the implementation of its legislation. This removed the potential for UK voluntary scheme recognition being withdrawn at the end of 2023 and in the near future, maintaining access to the EU market as a valuable outlet for biofuel.



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Launching farm nutrient balance module

In November 2023, the FAR launched training for Advisers which focuses on improving farm nutrient balance.

The training considers the importance of farm nutrient balance with practical examples of calculations on farm for different livestock systems using a nutrient balance worksheet developed by AIC for Advisers to use with their farming customers.

This supports the AIC-led, wider industry campaign for improving farm nutrient balance as part of AIC's Sustainability Roadmap aspiration to improve input and nutrient efficiencies by 30% by 2050.

It facilitates a more integrated approach to whole farm nutrient management training within the Feed and Fertiliser sectors, dovetailing with FACTS CPD on Nitrogen Use Efficiencies in cropping systems and better utilisation of manures and other organic materials.



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How **AIC** adds value



LOBBYING within the UK and Europe on behalf of the supply industry.



TECHNICAL ADVICE FOR MEMBERS on a sector-by-sector basis.



PARTNERSHIP with relevant organisations on common issues.



RAISING professional standards in trade assurance and advice.

*Working in support of modern,
sustainable, commercial agriculture*