

JOURNAL

Autumn 2021 | Working in support of modern, sustainable, commercial agriculture



Delivering on AIC Roadmap ambitions

A progress update for Members

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Outlining a position on PAP for the UK

aic
agricultural
industries
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Agribusiness
The AIC Conference

17th November 2021

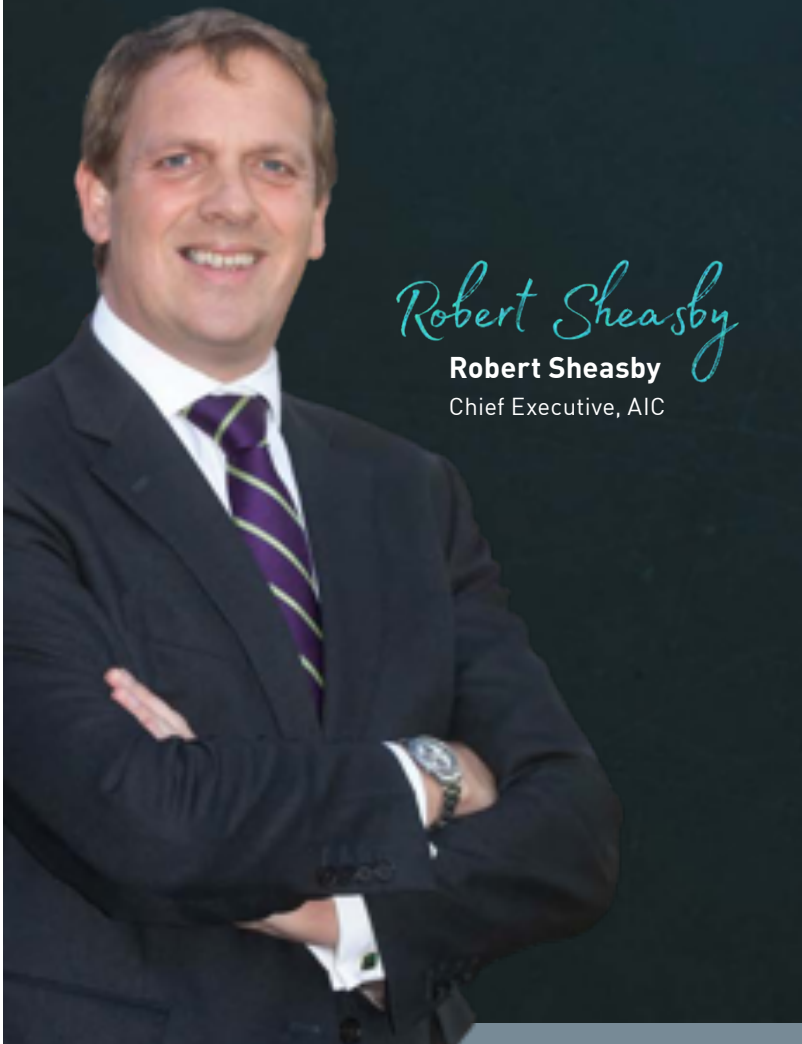
An update from AIC Chief Executive Robert Sheasby

The next quarter will put sustainability firmly in the spotlight. The Environment Bill is likely to be passed in September and the COP26 conference takes place in November, just before the AIC's Agribusiness Conference. We will be watching developments closely as we continue to expand our work around sustainability of the agri-supply chain, and represent Members.

Naturally, we are focused on making progress in our aims to achieve a sustainable food chain by 2050, but we want to ensure that regulation does not get ahead of practical implementation – this is no easy task. Our role in the Countryside COP in October, an opportunity for the UK's rural community to engage and showcase its contribution and commitment to achieving net zero, will help highlight this.

There are other concerns too, particularly around the impact of labour availability, which is expected to tighten before it eases. On these issues and many more, AIC is ensuring your voice is heard at the heart of Government, wherever you are.

Finally, we welcome Michael Muncey to AIC, who takes on our new Welsh Policy Manager role, and say goodbye to Catherine Barrett, Sector Head for Arable and Seeds, who leaves AIC after five years. We wish Catherine all the best on her new journey.



Robert Sheasby

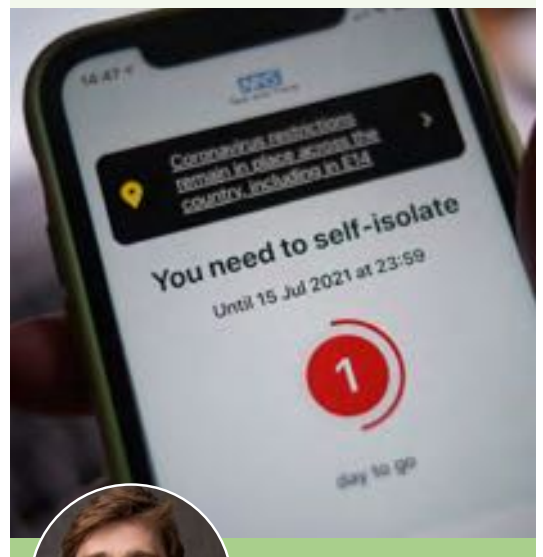
Robert Sheasby
Chief Executive, AIC

Policy update

The last quarter has seen significant impact on Member businesses arising from self-isolation due to Covid-19, reducing the available workforce. AIC was disappointed by the Government's communications over possible exemptions to self-isolation for double-vaccinated workers who returned negative tests in critical sectors. After a number of meetings with different departments, AIC secured exemptions for Members' staff by way of 'reasonable excuse letters,' allowing critical workers to continue to work. There remains a number of challenges in the labour market, notably haulage, and AIC is working with a coalition of groups across the supply chain to look at practical measures to address this.

In June, the Prime Minister's Task Force on Innovation, Growth and Regulatory Reform (TIGRR) report was released, which AIC fed into. Successfully, all four of our recommendations on animal feed were supported and endorsed by the report. It will now be reviewed by Government and the Task Force's MPs, and AIC will continue to lobby on it.

A new Policy Report is being released by AIC every quarter. This concise summary allows Members to understand key policy issues across the AIC membership and the work we are doing on your behalf. Feedback is welcome.



Edward Barker,
Head of Policy and External Affairs

Delivering on AIC Roadmap ambitions

The AIC Sustainability Roadmap was designed with a clear purpose in guiding AIC’s collective work, its direction of travel and to help member companies align their activities and planning. A year after its publication, it is time for an update on progress against the various parts of the Roadmap:

Investing in Business and Social development

- Member companies are publishing their own targets, initiatives, and innovations.
- Proposals are underway for discussions on how best to facilitate liaison between Sectors, AIC Policy and AIC Services in delivering sector and overall AIC Roadmap ambitions.
- The AIC Board has sampled sustainability training for management teams – feedback will help tailor training to individual company needs.
- Employees of AIC feed company Members are completing bespoke training in the Foundation Certificate in Environmental Management for feed mill operations.
- FAR Sustainability training for Animal Feed Advisers and BASIS Advanced course in Crop Nutrient Management for FACTS Qualified Advisers will be rolled out this autumn.

Farm and land management

- AIC promoted a collective campaign setting out ambitions for improving Farm Nutrient Balance, Feed Conversion Ratios, soil health, nutrient balance, and Nitrogen Use Efficiency – momentum is now resulting in action.
- AIC joined the work of AHDB, farming bodies, retailers, and processors forum – coordinated by WRAP – and also that of the Sustainable Food Trust, to draft a common set of metrics for measuring change and targeting improvements in sustainable food production. Work is ongoing.
- Industry Greenhouse gas Action Plan partners reformed as the Farm and Land Use Alliance to plan a Countryside COP event on the week of October 11th – ahead of the COP26 global summit. The objective is to show case activity, success and inspire stakeholders.
- We continue to help shape government policy for farming and land use and the advisory landscape.

Farm input assurance

- Work on reviewing and updating the responsible sourcing module, reflecting the recent changes made to the FEFAC soy sourcing guidelines, is well underway and the new text should be agreed by late Autumn 2021.
- Member companies are increasingly able to show relative differences between fertilisers and feed carbon footprints supplied to farmers and growers.

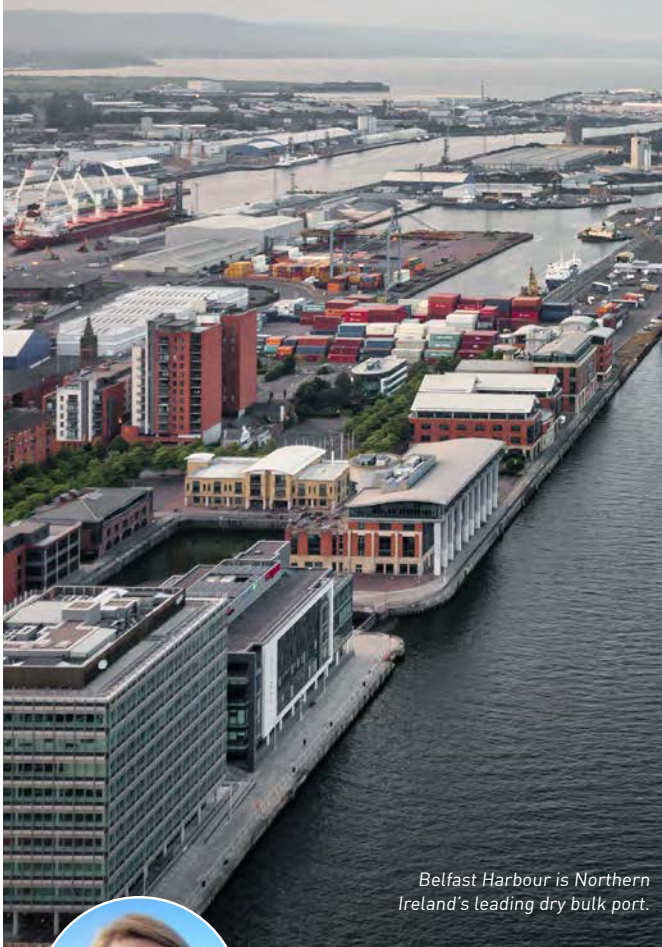


Jane Salter,
Head of Environmental Policy

Extension of coverage on costs for GB seed to NI

Defra has announced an extension to the coverage of the Movement Assistance Scheme (MAS) from August 2021 to December 2023. Under the MAS there was already no charge for phytosanitary certificates for seed moving from GB to NI, but AIC has continued to work with Defra and officials to press for other costs around moving seed to NI to be covered. For all individual seed lots traded GB to NI only, NIAB and SASA now cover the costs of OECD certification, ISTA sampling, and testing, and will instead invoice Defra for these costs.

Members can ease this administrative process by ensuring the CERT9 states when the Country of Destination is Northern Ireland. Inspectors will carry out audits to confirm the seed was moved to Northern Ireland, and will require the production of copies of customs and phytosanitary certificates.



Belfast Harbour is Northern Ireland's leading dry bulk port.



Catherine Barrett,
Sector Head Arable Marketing and Seeds

Renewable Energy Directive II

AIC has worked hard to ensure Members faced no change when the Renewable Energy Directive ceased on the 30th June and was replaced by RED II on 1st July.

Until the terms for agricultural production requirements for RED II were confirmed, there had been the potential for legal doubt around the RED II compliant status of feedstocks going into biofuel.

The TASCC, UFAS, Red Tractor and SQC voluntary schemes had all received provisional approval from the European Commission of the changes they had made in order to be recognised under RED II, but Defra and Natural England had not clarified the definition of highly biodiverse grassland, which was needed to be sure land use was compliant.

AIC worked with officials and stakeholders over several months to establish clarity that previous practice is adequate, in order to avoid potential shutdown of production and export. With the conclusion finally reached, compliance of the supply from farm has been ensured.

The UK Renewable Transport Fuel Obligation intends to mirror RED II requirements in 2022 and UK biofuel production will increase with the arrival of the new E10 (10% bioethanol) petrol standard in September. Requirements for a new database regarding biofuel production are underway and AIC welcomes engagement from Members on this.



Official controls for plant protection products

The Official Controls Regulation requires operators along the professional plant protection products (PPP) supply chain, including internet sellers, to register with Defra by 22 September 2021. Many crop protection sector Members have already done so. The aim is to allow GB regulatory authorities to proactively enforce current pesticide regulations.

AIC is supportive of the risk-based approach proposed by the regulator and has highlighted to Defra and CRD that PPP stores which pass annual audits by independent assessors under the BASIS Store Inspection Scheme, and COMAH registered stores should be considered low risk.

The Environment Bill and plant protection products

Peers in the House of Lords are working their way through over 300 amendments to the Environment Bill, including two related to the use of PPPs. One amendment aims to prevent the use of PPPs near buildings or open spaces used by residents and the public, and the other aims to ensure that only PPPs that have no negative effect on pollinators are approved. AIC briefed MPs to highlight the controls already in place around the authorisation and use of PPPs. These ensure that PPPs are not approved if they have unacceptable risks to human health and the environment.



Hazel Doonan,
Head of Sector Crop Protection

Regulatory transition for fertilisers

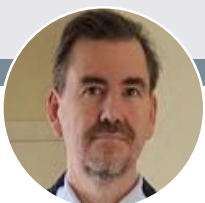
The new EC Fertilising Products Regulation (FPR) will come into force in the EU in July 2022. It will be enacted in full in Northern Ireland, but not on mainland GB.

As of July 2022, the GB 1991 and UK 2003/3003 regulations will still apply, and products imported into the mainland will need to be marketed as such.

In Northern Ireland, products will be able to be marketed under both EC and NI national legislation.

Defra is looking at options around how to deal with the post-EU exit regulatory transition and envisage a new UK-based FPR sometime in 2023. Defra has started a process of engagement, reaching out to both the Civil Service departments and external stakeholders – including AIC – to look at what those organisations and other policy teams felt about the FPR in the UK context, and what they might want to change.

For example, Defra considers it beneficial to support the wider use of biostimulants, including phosphates, as part of the environmental mitigation 'toolkit'. Defra is also aware that labelling requirements in the FPR are unnecessarily detailed. A sensible outcome based on consultation feedback is expected later this year.



Jo Gilbertson,
Head of Sector Fertilisers

Proposed expansion of feed sources

The EU has approved legislation permitting the feeding of pig-processed animal protein to poultry and poultry-processed animal protein to pigs, along with ruminant gelatine, collagen, and protein derived from insects to pigs and poultry.

AIC supports further discussion with UK control authorities around bringing forward a similar legislative proposal to the UK, with all the necessary controls and safety considerations relating to the use of processed animal protein (PAP) in animal feed diets. We have outlined the following position:

1. To support the use of insect protein in pig and poultry feeds. Insect protein has considerable potential for animal feed. To realise this potential, the retained EU legislation needs amending in order to allow insect protein to be fed to pigs and poultry (it is currently only authorised for pets and fish).
2. Support for the use of former food products containing ruminant gelatine in non-ruminant feeds.

3. Any legislative change to the permitted use of pig and poultry PAP only with the following considerations:

- The acceptance of this practice by all food chain partners and stakeholders.
- The willingness of all operators to comply with the legal requirements and to bear the costs.
- The competitiveness of pig and poultry PAPs.
- The fitness of analytical control tools and interpretation of results.



James McCulloch,
Head of Sector Animal Feed

FAR Game Feed Module

The British Game Alliance (BGA) has recently developed initiatives around game farm and shoot assurance and reducing antibiotic use, to encourage best practice and high welfare on farms and shoots across the UK. To support these initiatives, a new AIC Game Feed Committee (GFC) has been formed to represent game feed manufacturers and distributors, together with stakeholders from the BGA and shoot sector. One priority for this new committee is to work with FAR to develop a game feed training module.

The module is due to launch in spring 2022 in time for the rearing season. It will provide a professional qualification for game feed advisers, and an additional specialism for advisers who have built up their knowledge through completing the poultry core modules.

Contents will include game feed planning, the nutritional link to health, welfare and productivity, and industry codes of practice. Advisers will gain understanding of the different rearing systems up to release, released bird management, and the feed requirements for each growth stage to optimise health, welfare, and body condition.

The training will help advisers interpret the nutritional information on a feed label and provide an awareness of sustainable feed and how its use ultimately reduces the carbon footprint of the game produced.



Sue Whittington,
Technical Manager

New Game Feed Committee Chair

Jamie Horner has been announced as Chair of the new Game Feed Committee (GFC). Jamie is the Game Feed Account Manager for Marsdens, a subsidiary of ForFarmers, and brings with him a wealth of experience. One of his first priorities will be to oversee the FAR Game Feed Module project.



David Moss,
Technical Manager

Addressing driver shortages

AIC Scotland and NFUS are encouraging Scottish growers to speak to their grain buyers and discuss any potential concerns over timeliness of grain haulage and uplift, ahead of harvest. There have been reported driver shortages in the wider economy.

Any information on haulage or logistical issues should be sent to AIC to enable an evidence base to be collated, which can be used in developing potential solutions and working with relevant government departments.

AIC is looking at a range of options including extending drivers' hours, on-farm storage derogations, and encouraging growers to plan for longer storage on farm should the need arise. Long-term solutions will be needed to address the shortage of drivers in the UK.

The importance of accurate grain sampling was also discussed, highlighting the need to ensure both growers and merchants know the accurate status of the grain before movement. AIC will be working to ensure good communication in the grain supply chain, which is critical for finding solutions.

The recently updated [AHDB grain sampling guide](#) provides a useful resource for growers on how to take an accurate grain sample in a safe manner.



Ian Muirhead,
Policy Manager, AIC Scotland

Joint scheme development group

For several years, AIC has been working to achieve a consistent approach and, as far as possible, common wording across the three food and feed assurance schemes: FEMAS, TASC and UFAS. During 2020 it was agreed that to continue the process and further increase commonality, a Joint Scheme Development Group should be set up with representatives from each of the three schemes to draft wording for the next versions of the Standards.

The advantage of this approach for Members and participants in more than one scheme is that they will see identical requirements, avoiding additional burdens and confusion. The joint approach will also help build confidence between links in the supply chain, with all sectors working to the same rules.

To ensure that this new approach does not create confusion for participants, it is planned that all three schemes will retain their current overall structures to best meet the specific industry sectors' needs. It is also envisaged that unlike previous revisions, all three food and feed schemes will be published and implemented at the same time, with the project currently on target to be completed in the first half of 2023.



Simon Williams,
Technical Manager

Agribusiness conference

The AIC's Agribusiness conference will take place online, on 17th November, and focus on the theme of 'Managing the Green Recovery for the UK Agri-food supply chain.'

As the UK economy starts to recover from the Covid-19 pandemic, a new set of challenges are facing the agri-supply industry, including continued EU exit negotiations, changes to UK agricultural support funding, and the race towards net zero agriculture. The opportunities and threats posed by these challenges will be hotly debated by expert speakers from government, business, and academia at this year's virtual event, and will offer insight to your business during these pivotal times.

Early bird tickets are on sale now at a discounted price of £115 for Members. More information can be found at www.agribusiness.org.uk



John Kelley,
Chief Operating Officer, AIC
Managing Director, AIC Services

Improving understanding



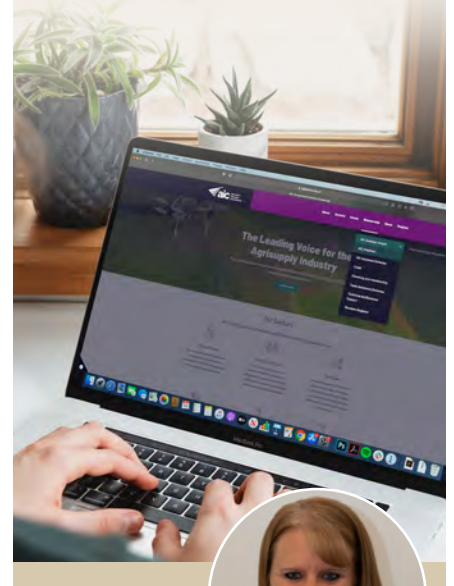
AIC is producing a set of animated videos to help stakeholders and government officials understand the important work of our Members and the different agri-supply sectors. This may seem obvious, but a lack of knowledge can lead to poor decision making.

An overarching animation for AIC, and one that explains the Feed Sector, have been completed and can be found on the AIC website. Other sector animations will be available over the coming months. These videos can be shared on any social media platform, and as a link in emails or on websites, by both Members and stakeholders.

New Member briefings system

Our new-style Member briefings will go live shortly. These briefing emails will now be driven by topics, rather than sectors. You can change and update which briefings you receive by logging into your profile on the AIC website and selecting those topics that are of interest.

Any queries, please contact Tracy Smith, Membership Manager at tracy.smith@agindustries.org.uk.



Tracy Smith,
Membership Manager

Dates for your diary

AIC AGM – 6th October 2021

Members will have received an invitation and a copy of the [AIC annual report](#), which is also available online. Members must **book in advance** to attend the AGM.

Agribusiness, the AIC conference – 17th November 2021

All other dinners have been cancelled until next year in light of safety concerns and the lack of certainty regarding restrictions. Although a difficult decision, we fully anticipate being able to run these dinners in 2022 with your continued support.



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