

JOURNAL

Summer 2020 | Working in support of modern, sustainable, commercial agriculture

The uncertain landscape

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PROTECT THE NHS
SAVE LIVES

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Auditing goes remote

Developing a remote auditing system that could enable standards to be maintained.

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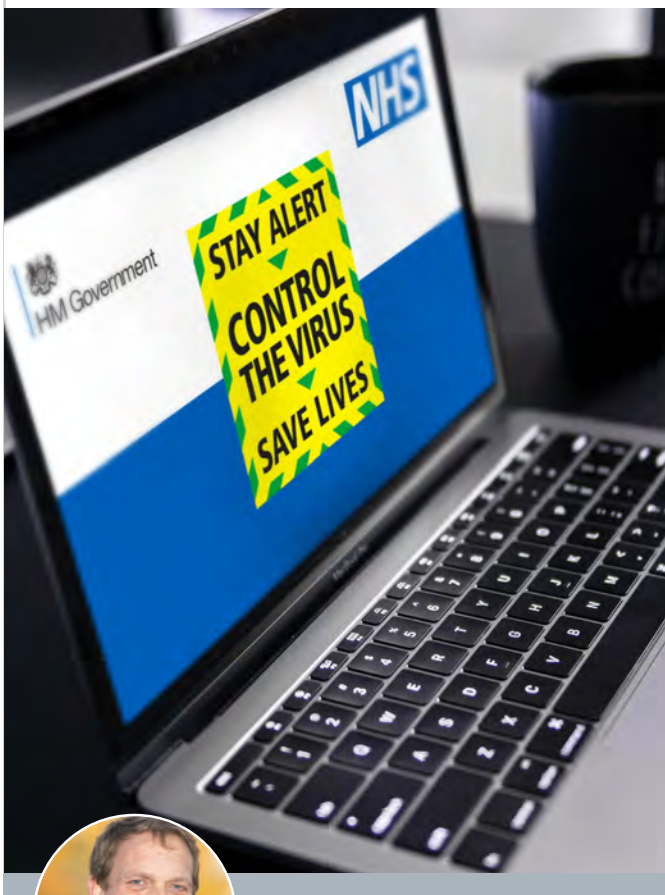
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The uncertain landscape

This has been possibly our busiest quarter ever at AIC. Like every Member business, we have had to quickly adapt in a short space of time against the backdrop of a global pandemic, one that has seen supply chain interruptions and substantial changes to working practices – in addition to the difficult weather conditions that had already caused disruption.

The last quarter has seen AIC engage much more closely across Government. We are closely following the Agriculture Bill, the Environment Bill and, of course, the Trade Bill. The AIC election manifesto seems a long time ago, but the key messages are as important now as they were approaching the election.

Our sustainability road maps will set the tone for the next two decades. Sustainability is front of mind both politically and commercially. We will continue to ensure that we bring Member input from the supply industry to Government and stakeholders, delivering a clear outline of how we will meet the target of net carbon zero by 2050.



Robert Sheasby,
Chief Executive, AIC

Coronavirus – the effects and measures taken

COVID-19 has dominated this spring, eclipsing the paused work on EU trade negotiations amongst others. AIC quickly pulled together sector working groups from which we could take soundings on key issues. In any fast-paced situation, exchange of information is critical. AIC consulted Members – both through committee structures and more widely via email – to quickly feedback practical examples to Government.

Internally, the AIC sector heads and technical managers met daily (via Zoom) to touch base on issues reported by Members. In turn, these were fed daily into Defra through a number of established and newly formed channels. We also expanded into other government departments.

It was extremely important to secure a commitment from Defra that agri-supply trade Members are seen as “key workers”. This made sure that Government understood the importance of the animal feed supply, as well as the seasonal impact of not enabling seed, or crop protection and fertiliser to be moved when needed. When Government was worried about empty supermarket shelves, they did not realise that it takes four days from wheat being delivered to the mill until bread is on the shelf. At the time of writing, there are still reports of shortages from retailers of flour.

All relevant and up-to-date information can be found on the AIC website: www.agindustries.org.uk/coronavirus



Andrew McShane,
Chairman, AIC

Coronavirus update – Scotland

AIC Scotland continues to work hard on behalf of members to ensure that the concerns of the Agri-supply industry are heard at the heart of devolved government in Scotland. We continue to work in a fast-paced environment where the facts and issues we are dealing with continually change. It is clear to see that the hard work of building good working relationships with Scottish officials, government ministers and stakeholders has borne fruit in recent weeks. We have been successful in ensuring that agri-supply is an integral part of the wider agri-food supply chain and thus ensured that disruption to member companies has been minimised.

As I write this the Scottish Government have announced that they intend to keep lockdown measures in place for the next three week period until the 28th of May. Importantly they have highlighted that there will be room for manoeuvre within the next few weeks to consider loosening lockdown restrictions if the scientific advice suggests it is safe to do so. Clearly there is a risk at this juncture that there is divergence in lockdown policy between the UK government and the Scottish government. We continue to argue, along with fellow rural stakeholders that there should be, as far as possible a four UK nation approach to exiting lockdown.



 Scottish Government
Riaghaltas na h-Alba
gov.scot



Ian Muirhead,
Policy Manager AIC Scotland

Getting back on track after lockdown

AIC's focus now turns to life after lockdown. We see the wider economy coming back onstream in four stages:

- 01 Current **LOCKDOWN**
- 02 The **RESET**
- 03 The **RESTART** and
- 04 The **RECOVERY**

Unlike sectors like hospitality and retail, the agri-supply chain has not experienced wholesale shut down. Most Member businesses are working from stage four – the process of recovery.

AIC has raised issues of liquidity in certain aspects of agriculture with Government and how this will impact Members, notably the ornamentals sector of horticulture and dairy farmers supplying the food service sector. We have supported wider calls for Government action but believe there will be impacts across red meat and the arable sector. Any solution needs to be SMART in its approach and look to the longer term for recovery. Recovery is unlikely to be a fast rebound. More likely is a steady return to growth, possibly into new markets with new external influences.

For these reasons, we continue to represent Members on matters we can bring to the attention of Government, in order to secure a solid and stable foundation from which the agri-supply industry can build a great partnership in the supply chains we work in.



Roadmaps – Resource management and value

Everything we use is a resource and has a value.

A few years ago, several Members and I were inspired by a presentation at a Food & Drink Federation Conference. The speaker's company had employed him to eliminate all waste from the business and place a value on everything. In a year, the business was transformed by involving everyone in examining these opportunities, from energy efficiency and raw materials to wasteful processes and lost time.

Our AIC Roadmaps will focus on 'resource management and value', guiding both ourselves and our partners towards increasing the pace of adaptation and building resilience into our businesses and the food chain. The present global situation is an opportunity for reflection.

Regarding our collective 2050 sustainability ambitions, it's time to "**be bold and ambitious**" and "**part of the solution**". These sentiments align with the Government's Waste Strategy announced last year, which will help us eliminate all avoidable waste and become more resourceful.

Many Members now use the ISO 40001 standards, their own management systems or, when necessary, turn to IEMA (Institute of Environmental Management and Assessment) registered trainers. If you are interested in receiving support – with courses for Boards, Managers, operators – please get in touch.



Further information:
Jane Salter,
Head of Environmental Policy

How legislation is progressing



Domestic

Due to COVID-19, the Environment Bill and Agriculture Bill are not expected to progress before autumn. Aspects on price reporting in the Agriculture Bill were drawn into the Coronavirus Act 2020, but this is time-limited and will likely remain in the Agriculture Bill.

Foreign

After a pause in all trade negotiations due to COVID-19, EU negotiations are recommencing, with the UK confident that the deadline can be met. The EU is indicating that the UK is being unrealistic in many areas. AIC continues to represent industry concerns, urging Government to make use of industry expertise before committing to a trade position.

ELMs – The agenda

Following Defra approval of AIC's ELMs project to evaluate the role of professional advice through case studies, COVID-19 has somewhat slowed our progress. We are still committed to delivering the project and are looking at September 2020 as a likely starting date for the case study interviews.

One of only 26 approved projects, this will add to Defra's knowledge around on-farm advice and the role it plays in delivering environmental benefits alongside more productive business. The project will present an opportunity for professional advisers to demonstrate their value in supporting farmers to deliver their farm and land management plans.



Coronavirus - Sector updates



Seed sector

Due to delayed drilling caused by the late spring – and COVID-19 compounding issues of staff availability – AIC requested an extension to the 15th April deadline for spring crop entries. This was granted. NIAB expect all applications and crop inspections to continue as normal, and APHA are considering alternative arrangements for official inspectors to cover regions local to them in order to minimise travel. Training for both licensed and official inspectors is suspended due to risk of infection. Inspectors received letters from APHA in April granting a one-year license extension for crop inspection.



Arable Marketing sector

Initially, the main objective was to keep grain moving safely. Swift Government recognition of the need to extend drivers' hours has been helpful. AIC worked with an industry working group of trade associations and related parties including AHDB, Gafta, MAGB, NFU, NFUS, Nabim, Red Tractor, Scopa, and SQC to put together "**Coronavirus guidance for combinable crop deliveries and collections**", available on the AHDB website. At this time, haulage availability for our industry is strong. However, Members have expressed concerns over haulier viability due to supply chain disruptions, and this has been raised with Government as attention turns to harvest logistics.



Crop protection sector

The lockdown started just as winter crops which had survived the winter weather started spring growth and as spring crops were being drilled.

Sector Members were concerned that movement restrictions would impact agronomists' ability to continue to inspect crops, both in fields and under cover and offer farmers advice to achieve optimum yield and quality.

AIC drafted a document for policy makers, outlining the vital role of agronomists and why they should continue to inspect crops during the lockdown.

Sector Members highlighted areas for AIC to address, including ensuring that plant protection products could continue to be delivered safely and securely to farmers and growers.



Fertiliser sector

The COVID-19 crisis has emphasised the UK food supply chain's fragility. A recent Policy Exchange report called "*Farming Tomorrow*" noted "*it is hard to think of any realistic scenario in which the UK would be completely cut off from all trading partners*", and suggested we could source food from anywhere in the world. I'm thankful that the crisis hit at our most prepared time of year, and that Government was swift to confirm us as an integral part of the food supply chain. Members appreciate that recognition and we intend to make sure that it remains when this is over.

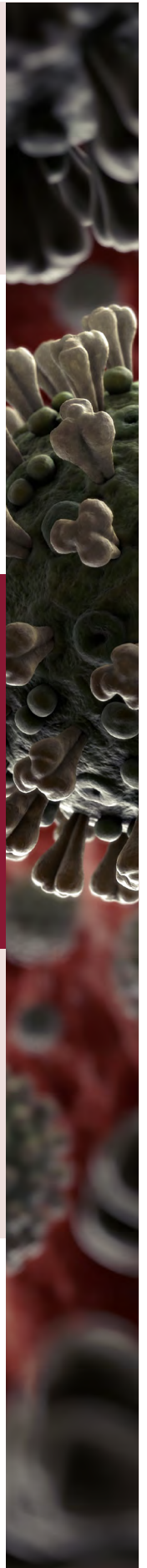


Feed sector

The compound feed sector has coped admirably with the COVID-19 pandemic. AIC was instrumental in achieving official Government recognition that the sector should remain fully operational, with essential employees classified as key workers. At the time of writing, every UK feed mill remains operational.

Other concerns centred around the supply of raw materials. The feed supply chain has proved to be sufficiently robust to ensure continuity of supply, helped by the extension of drivers' hours and other relaxations. The industry is grateful for the regulators' pragmatism.

Challenges remain, but the industry deserves great credit for its handling of the crisis.



Enhanced features for water quality website

AIC is working with water companies to develop enhanced features on the Water Quality area of the AIC website. This will include making it easier for users to see where and when catchment updates have been uploaded by water companies, by highlighting catchments where there is new data.

Water company names will be linked to each catchment, as well as the names of catchment officers funded or employed by the water companies, where available. This will make it easier for users to ask for or share further information should they need to.



Hazel Doonan,
Head of Sector Crop Protection

Feed Executive Committee – the next generation

At the Feed Executive Committee meeting in July 2019, Members on the Committee expressed a desire for younger Members, in their early thirties or younger, to be co-opted onto the Committee for a time to express the younger generation’s views on environmental and sustainability issues. Views were also sought on how to better communicate the industry’s messaging on the positive aspects of the UK livestock sector.

The Executive were delighted to receive eight nominations from a broad range of industry backgrounds. The group met for the first time in January 2020 to agree terms of reference.



James McCulloch,
Head of Sector Animal Feed

A “win-win” fertiliser regulation update

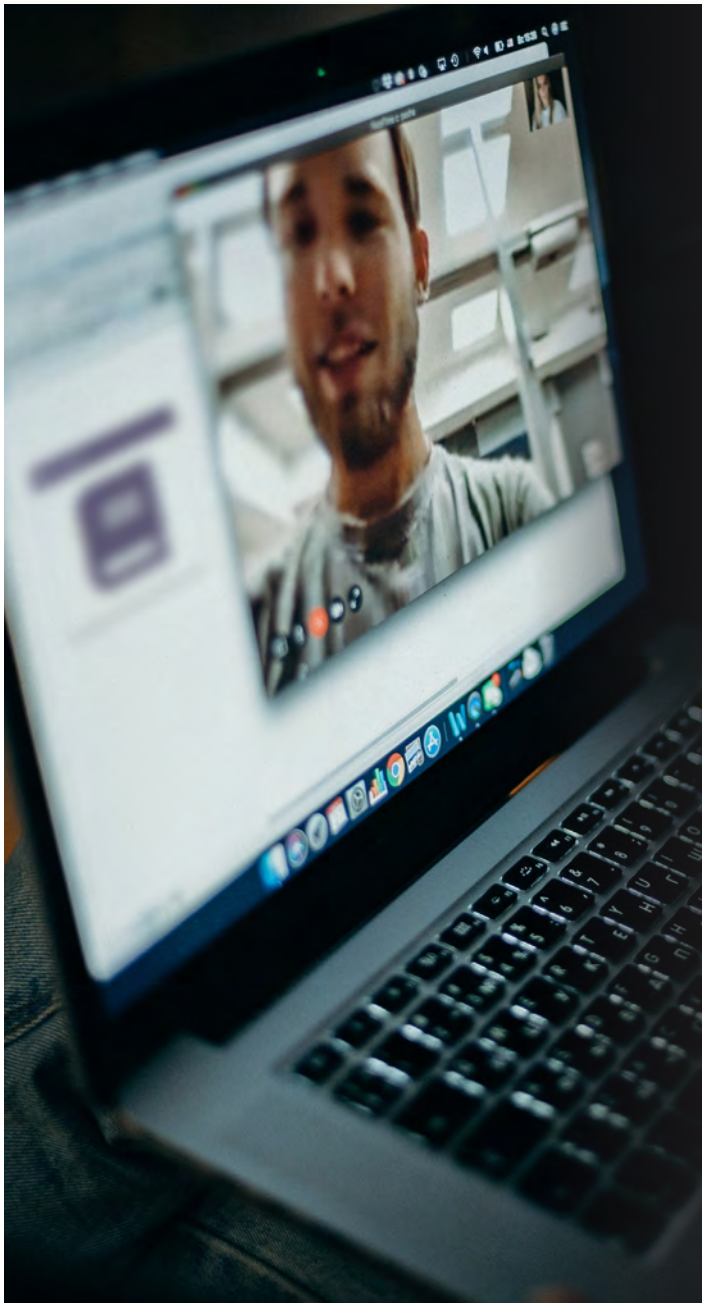
The GB Fertiliser Regulations (1991) need to be updated. Defra are evaluating the new EU Fertiliser Products Regulation (FPR), EC 2019/1009 while consulting with AIC.

The new EU FPR is, in our opinion, fundamentally flawed as a regulation for inorganic fertilisers. AIC will present an alternative option in our Members’ best interests. Key areas of divergence between the FPR and RB209 could impact our ability to deliver balanced soil and crop nutrition and protect the environment.

A “win-win” solution could see the EU FPR adopted to govern non-mineral fertilisers and AIC’s Fertiliser Sector helping Defra shape a new regulation for inorganic fertilisers and lime.



Jo Gilbertson,
Head of Sector Fertilisers



Auditing goes remote!

The full impact of COVID-19 has been felt across the agri-supply industry, including the auditing of AIC trade assurance schemes. In consultation, AIC Services decided to suspend all physical audits from early March to protect auditors and Member company staff due to movement restrictions imposed following the outbreak.

AIC Services engaged the certification and audit bodies KIWA and Lloyds Register to develop a remote auditing system that could enable standards to be maintained without a physical presence at participant sites.

Within weeks both organisations have developed remote systems that can carry out virtual audits. Existing online portals are being used to upload documents for the audit, and live video conference calls are used for communication (usually via Teams or Zoom).

These technological solutions have seen tremendous feedback where used. Some companies cannot accommodate these options or do not have staff available, so each participant is being assessed on a case-by-case basis with the audit adapted accordingly.

While this is not an ideal situation, we may be able to learn and find new ways of using technology to support audits in the future.

For more detailed information, please visit our Coronavirus update webpage: www.agindustries.org.uk/coronavirus/assurance

Further information:
John Kelley, Chief Operating Officer, AIC
 Managing Director, AIC Services
john.kelley@agindustries.org.uk



FAR Core Modules 1 & 2 go live

The FAR ruminant core module 1 – “Fundamentals of Whole Farm Feed Planning for Ruminants” and core module 2 – “The Nutritional Link to Animal Health and Fertility in Ruminants” learning pathways are now live on the FAR Training portal.

The comprehensive training pathway considers ruminant physiology and digestion, health, welfare, fertility and feeding management of dairy cows, beef cattle, ewes and lambs. The composition of feeds, forage,

feed storage and labelling requirements are discussed along with issues concerning the environment and reduction of emissions.

Contact Carolynn Palasiuk at: carolynn.palasiuk@agindustries.org.uk or Sue Whittington at: sue.whittington@agindustries.org.uk for any course queries.

Further details can be found on the FAR website: www.feedadviserregister.org.uk/core-competences-and-training-material



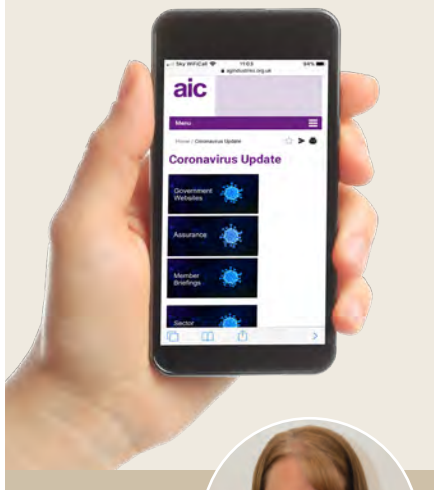
Sue Whittington,
 Technical Manager

Membership announcements

Membership Matters

Member declarations and subscriptions have continued to come in over this difficult period. AIC would like to thank all Members for their continued support. During COVID-19, AIC have sent out numerous Member briefings to help support your business from key worker status, extended driver hours, worker testing etc.

Further information can be found on the Coronavirus Update webpage: www.agindustries.org.uk/coronavirus/assurance



Tracy Smith,
Membership Manager



Staff announcements



Catherine Barrett

Sector Head Arable Marketing and Seeds

We are delighted to announce the promotion of Catherine Barrett to Sector Head Arable Marketing and Seed. Catherine has been a key part of the Seed and Arable sector over the last three years.

In her new role, Catherine will lead her sectors in representing Members' interests with Defra and other government and non-government bodies and organisations. Her responsibilities will involve actively working to improve the competitive position of Members within the agri-supply chain.

"I'm delighted to assume this new position for AIC, an organisation that always strives to represent and promote Member interests. AIC truly is the voice of the UK agri-supply chain," says Catherine. "At a time of huge disruption and uncertainty, AIC's role is more vital than ever. My role will focus on working closely with Members involved with the Arable Marketing and Seed sectors, making sure that Member interests are represented with Government, and that we keep working together towards continued success and new opportunities."



David Moss

Technical Manager

David Moss joined AIC in January 2020 as a replacement Technical Manager and will be working in the area of the Feed Adviser Register and the Feed Sector. David has had a bit of a "baptism of fire" as he has been fully involved in the COVID-19 website development, which has been a very busy area!

David has a wealth of experience of the technical management within the food industry, skills that can usefully be applied to the agri-supply industry.



Paul Rooke

Former Head of Policy, External Relations

Paul Rooke has departed AIC after nearly 30 years of service to take up an appointment with the British Coffee Association. His departure will lead to a successor in due course as Head of Policy and External Affairs.

Date for your diary in 2020



Plans are afoot for Agribusiness 2021 – "Creating resilient and sustainable agri-food supply chains", which takes place on 11 November 2020.

With the current risks and restrictions due to the COVID-19 crisis, AIC have decided that Agribusiness 2021 will be hosted online to ensure delegates and stakeholders are protected from any harm. Further details will be published shortly, but we look forward to an in-depth and innovative virtual conference that will address the most pressing issues in the industry.

Dates are continuously under review as the COVID-19 situation changes. Further updates will be communicated in due course.



For further information on COVID-19 at: www.agindustries.org.uk/coronavirus/

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