

JOURNAL

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

Politics and policies

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An update from AIC Chief Executive Robert Sheasby

The Trade and Co-operation Agreement with the EU was welcomed in January, but challenges in implementation remain. This continues to be a focus for AIC. In particular, the difficulties for trade with the EU and between GB and Northern Ireland.

We are also continuing to monitor and engage with policymakers to shape the development of national policies across the UK, as we look to emerge from what we all hope is the final lockdown of the pandemic.

The AIC Board and Sector Heads met with Henry Dimbleby and his team in February to discuss the Government’s National Food Strategy. This provided a platform for scrutiny of the strategy, and an opportunity to provide clarity on practical issues from the agri-supply sector that need attention. Board Members were clear that the role of the agri-supply sector in supporting UK

agriculture must not be overlooked. AIC’s ongoing engagement and discussion will help to inform part two of the strategy, due for release in the spring.

After many requests, the Government is now starting to engage with industry in co-design of policy. As an industry, we need to stand together to influence Government and NGOs, and find collaborative and innovative approaches to problem-solving which will drive the industry forward.

May elections in Scotland and Wales means we are continuing our engagement with prospective candidates in their support for agribusinesses. For more information – and to raise these points with candidates yourself – have a look at the AIC Scotland Manifesto on the AIC website.

Policy update

AIC was front and centre at the Fertilisers and Ammonium Nitrate Material Regulations debate on 11th February in the House of Commons. After briefing the Shadow Minister, Daniel Zeichner MP, on the importance of the regulations in advance of the debate, it was encouraging to hear both Daniel Zeichner MP and the Parliamentary Under-Secretary, Victoria Prentis MP, recognising the role of AIC in providing advice and the position we play on fertiliser policy. Our lobbying efforts continue to support Member businesses and the entire agri-supply chain during this period of policy change.

“We consulted the Agricultural Industries Confederation, and I am grateful for its advice and reassurance. The AIC also asks the Government to look at the entire regulatory strategy for fertilisers now that we are outside the EU... I am interested in the Minister’s views on that.”



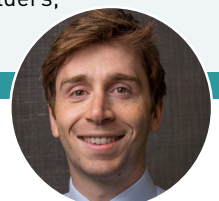
Daniel Zeichner MP,
Shadow
Environment
Minister

“I am pleased that the hon. Gentleman has been in touch with the Agricultural Industries Confederation, which is of course the body that is most involved in this area. We work with it very closely as a department...What is important is that we work with the Agricultural Industries Confederation, farmers and growers, and that we make the best regime for us in the future.”



Victoria Prentis MP,
Parliamentary
Under-Secretary
for Farming, and Food

We cannot ignore that AIC Members are facing difficulties from EU Exit, particularly around technical solutions for trade of feed and seed. AIC wrote to Cabinet Minister Michael Gove MP to outline the seriousness of the situation for the agri-supply sector, and ensured that this message also reached other MPs, Peers, devolved stakeholders, and the media. We continue to lobby on Members’ behalf to resolve these continuing challenges.



Edward Barker,
Head of Policy and External Affairs

Action on AIC's Sustainability Roadmap

With the overall approach to Roadmap delivery 2020/21 scoped out by the AIC Policy Forum - each sector/ individual company has a part to play. Not everyone is doing everything; everyone is doing something. The important thing being that the Roadmap goals are not just delivered by one part but by the whole of AIC, by Members and through partnerships – be it with Stakeholders or with Government or through business relations evolving in the food chain. The key message is that we can only deliver our goals by working together.

Since the launch of the Roadmap, many AIC Members have publicised their own plans, with AIC's communications serving as point of reference for others who are backing our ambitions.

The Fertiliser and Feed Sectors have come together to lead an external campaign for improvements to Farm Nutrient Balance, Nitrogen Use Efficiency, and Feed Conversion Ratios by 2030. Our leadership has been welcomed and is gaining recognition.

Key to this campaign will be fertilisers and feeds with lower carbon footprints, and we will need industry to deliver training in how to measure, benchmark and target change on farms over the coming years. To support this ambition, companies are beginning to produce information on a product's carbon footprint. In this respect, more

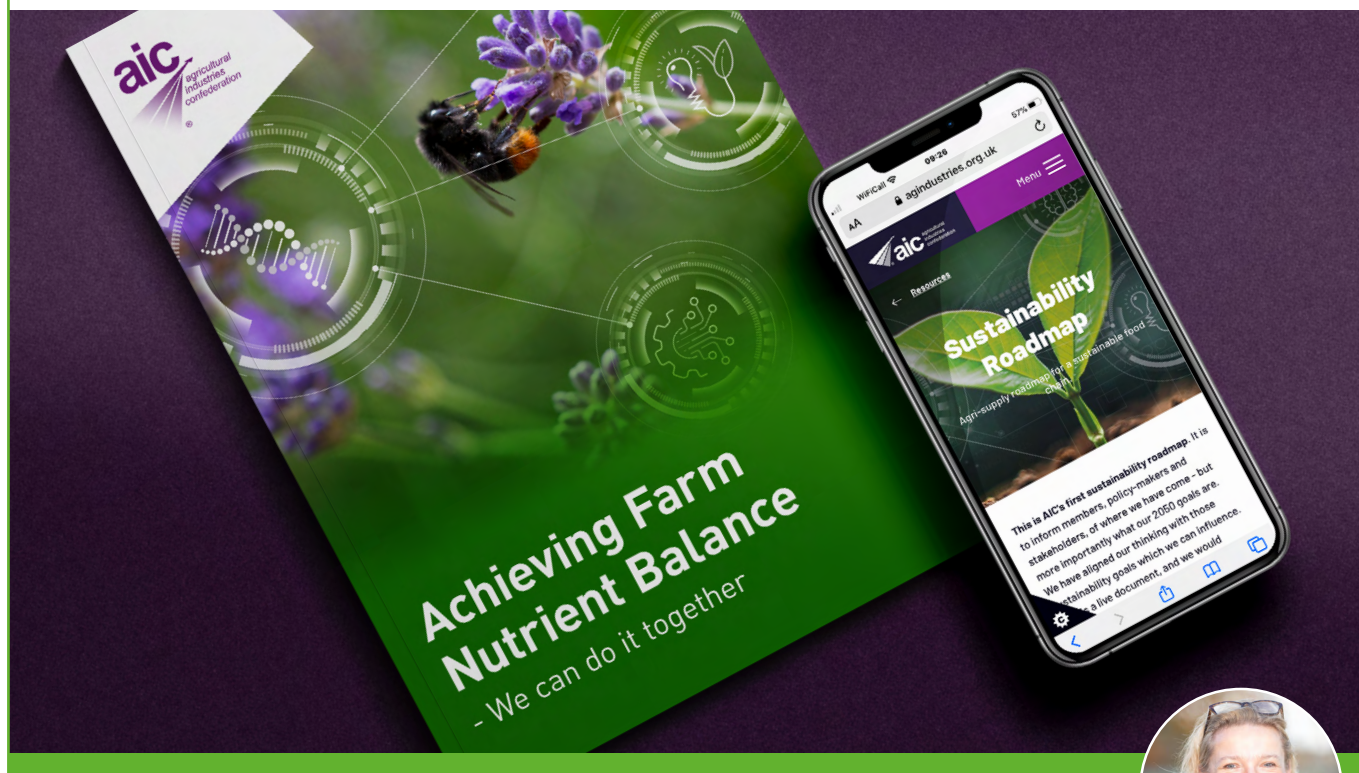
companies are geared up or are gearing up to provide product footprint data.

A small working group in AIC is helping to create a UK subset of data from the global database for animal feed materials (GFLI) which will be helpful in assessing the footprint that is created from farm to the retail end of the food chain, and for crop marketing.

AIC is active in the ongoing discussions around a sustainable supply chain. In respect to soya, we prepared and presented two reports to the UK Roundtable on Sustainable Soya (UK RT): one on the soya inclusion levels in animal diet's, and the other on soya import data responding to the call for greater transparency. AIC continues to monitor and respond to concerns in the media surrounding this important supply chain issue.

In the Crop Protection Sector, the Storage and Logistics Committee is looking at future advances in distribution. AIC is publicly highlighting the role of seeds in securing crop diversity and resilience, in the context of future farming activities and land use.

Back at the home office in Peterborough, AIC Services is making its own assessments of risks and opportunities for sustainable business practice, and the AIC Board will be testing out future training needs.



Jane Salter,
Head of Environmental Policy



Certified seed granted EU equivalence

At the end of March the EU granted equivalence for UK certified seed of cereal, fodder, beet, vegetable, oil and fibre plants. This was very late in the season but is welcome as it allows seed certified in the UK to be exported.

The seed industry welcomed the new Temporary Experiment announcement at the end of 2020, which has subsequently become UK law, and which allows the use of licensed crop inspectors rather than requiring officials. We were pleased that following engagement from the AIC, Defra has recognised the importance of this move.

This is a very positive result for UK seed producers, which will result in significant cost and efficiency savings. However although the OECD say licensed inspections can cover exports of Pre-Basic and Basic seed, at the time of writing, this is not recognised by the EU. Therefore those involved in Pre-Basic and Basic seed production in 2021 and beyond still need to ensure the seed has official inspections carried out on seed produced that is intended for export to the EU.



Catherine Barrett,
Sector Head Arable Marketing and Seeds

No tariffs but different administration

The immediate concerns of the Arable Marketing Sector around EU Exit were resolved when the threat of tariffs was lifted on 24th December. However, it has not been entirely plain sailing since.

After some early IT issues, processes to ship grain into and from the EU have now been broadly ironed out, but transport of grains and oilseeds to the EU by road continues to cause some issues while all parties gain familiarity with new processes. The necessity of some of those processes is questionable, and AIC continues to communicate with Defra officials, with the aim of avoiding any barriers to trade that unnecessary administration could create.

The need to declare origin of crop on commercial documents is not a substantial issue for grains and oilseeds going into the EU. However, rules of origin can be of great relevance to customers in the EU if materials will then be traded to third countries without significant processing. Where concerns arise, refer EU customers to the Free Trade Agreements that those countries have with the EU. This can help to provide clarity on the inclusion of UK-origin grains and oilseeds.





National Action Plan consultation response

AIC put forward several proposals in the recent consultation on the revised National Action Plan for the Sustainable Use of Plant Protection Products (PPPs). We stressed that decisions on PPPs must be based on sound science and evidence. This includes a consideration of the UK's ability to produce food to contract requirements and consumer preferences for pest and disease-free produce. We also highlighted the need for timely publication of decisions on PPP withdrawals and grace periods to allow orderly destocking of the supply chain, and time for alternative weed, pest and disease solutions to be developed.

AIC proposed that a PPP regime which follows the approach outlined above would give businesses more predictability, and allow for better planning whilst minimising PPP disposal for all along the supply chain.



Hazel Doonan,
Head of Sector Crop Protection

PPP divergence following EU Exit

Divergence between PPP maximum residue levels (MRLs) in the EU and GB started in the first week of January. The GB moratorium on MRL decisions for three years means that as EU MRL changes come into force, divergence will increase.

AIC continues to liaise with industry stakeholders and CRD to find a route for farmers, growers, agronomists and traders to easily check the MRL requirements of the market they are growing for.



UK fertiliser regulations are 'near end of life'

The schedule-based approach to mineral fertilisers has served the UK well. The GB 1991 and EC 2003 Regulations are near identical, however the EC version does require legislative amendment for any new products to be added to the schedule. Additionally, it fails to make provision for additives and other non-mineral forms of fertiliser (biostimulants, inhibitors etc) and composts and digestates, that regularly come to market, and which now urgently need regulation.

Defra is considering modernising and streamlining fertiliser regulation by adopting a conformity assessment approach. This will be based on the European Fertilising Products Regulation (FPR) matrix of PFCs and CMCs, but exclusively tailored for UK market needs.

Defra is engaging with AIC to better understand what a UK version of FPR might look like for industry, prior to a wider public consultation in summer 2021. Defra's consultation will seek to resolve problematic aspects raised by the UK during negotiation of the new EU Regulation, whilst retaining consistency with a conformity assessment framework approach.



Jo Gilbertson,
Head of Sector Fertilisers



Feed trade barriers continue

The EU Exit on 1st January 2020 has resulted in a significant number of challenges for Feed Sector Members, and the predicted 'teething problems' for free-flowing trade have still not been resolved.

AIC is working with the UK Government and EU Commission to seek solutions to some of the structural problems faced by feed businesses trading with the EU and supplying feed into Northern Ireland.

The main problems that Member companies are facing include:

- 01 Non-harmonised implementation of EU feed legislation and official controls regulations (sanitary and phytosanitary requirements) at EU entry points, including Border Control Posts, and by national control authorities.
- 02 Implementation of EU sanitary and phytosanitary requirements for feeds that contain no animal products and should therefore not be subject to official controls.
- 03 Concerns that the implementation of equivalent import controls in the UK on 1st April will create similar problems for EU and other third country exporters to the UK and for their UK customers.

Following pressure from AIC, we are aware that behind-the-scenes discussions are now taking place concerning the sanitary and phytosanitary chapter of the Trade and Cooperation Agreement, and we will report on any progress that is made.



James McCulloch,
Head of Sector Animal Feed

Influencing Scottish standards

Food Standards Scotland (FSS) has committed to setting up a formal forum to deal with issues arising from EU Exit and devolved policy areas such as feed regulations. AIC Scotland will continue to work closely with FSS on a number of issues affecting Member businesses, including:

- Feed and Food safety and Hygiene Framework. AIC is working hard to ensure that any divergence is effectively managed and minimised to ensure frictionless trade within the UK internal market.
- Working with FSS on the implementation of the new centralised feed controls delivery model which will come into effect on 1st April.
- Engaging with the Scottish Government on the new Plant Varieties and Seeds Common Framework which will set out how things like derogations for seed germination levels will operate in practice. A stakeholder engagement session is being held to set out the details and seek feedback from the industry.

Finally, we continue to work on a whole host of other issues, including those related to Covid-19, such as access to testing/vaccination, and helping to shape the development of future agricultural policy in Scotland.



Ian Muirhead,
Policy Manager, AIC Scotland

New TASCC Scheme launched

The new TASCC Scheme comes into effect on 1st April 2021 after UK Accreditation Service (UKAS) approval was given in February for its continued eligibility.

Three review groups – made up of industry experts, certification body and AIC representatives – have considered each of the codes of practice and, where necessary, made changes, updates, or introduced new clauses.

As part of the review process, the wording used in other AIC assurance schemes has been reviewed to ensure there is alignment and consistency between the schemes. This approach also applies to the scheme rules.

To make auditing easier, participant compliance requirements have now been split into different clause numbers.

Appendices were also reviewed and updated in line with the new scheme. Several appendices have been deemed not applicable and will no longer be available on the AIC website.

A number of design changes have been made to TASCC templates after assessment by AIC and Kiwa. This will make it easier to complete documentation when using a paper-based system. Referencing to the new scheme clause numbers has also been updated.



Gill Barrow,
Technical Manager

New FIAS standard for 2021

The new FIAS standard, which comes into effect on 1st April 2021 following UKAS approval in February, is the result of a detailed review process by the FIAS Review and Working Group over the past 18 months. Consultation feedback and results of a post-Beirut incident review have also been included.

FIAS 2021 uses a new format, with all of the individual standards and scheme rules contained in one document. A general section applies to all participants, followed by specific sections for business type. Overall, the document emphasises the role of FIAS in supporting a legally compliant, safe, secure, and traceable fertiliser supply chain, operating with good practice. It covers the entire supply chain, from sourcing, to delivery of goods to the final user, and all related activities. The responsibilities of participants at each stage are clarified.



To support participants, key changes and template documents are provided on the AIC website. Top-up modules for FIAS i-learning Driver, Transport Manager, Storage and Merchant have also been created.

AIC has been working closely with the Certification Body, Kiwa Agri Food, to make sure everything is in place for a smooth transition to the new standard, including auditor training in March.

Roberta Reeve,
Technical Manager

Membership and communications

The new AIC website, which was launched in September, offers improved functionality and new content is being added on a near-daily basis. Please contact AIC if you need any assistance with access.

The Covid-19 pandemic continues to affect AIC's ability to visit Members in person. However, we are regularly reviewing Government guidance in order to find a way to make these visits possible in the future. In the meantime, you can arrange a one-to-one by contacting Tracy Smith.



Tracy Smith,
Membership Manager

AIC Meetings and Events

At the time of writing the UK remains under Covid-19 restrictions. However, we are pleased that the pathway to easing restrictions in the coming months is on track. AIC and its committees continue to function well, with discussions and decision making taking place at all levels. We are giving thought to how meetings and events will run later in the year, with the benefit of learning from our experiences over the past year.

The safety of our staff and Members remains paramount, and we will keep you informed of developments.



John Kelley,
Chief Operating Officer

Dates for your diary in 2021

17 November
Agribusiness 2022

2 December
Seed dinner
Principal York Hotel

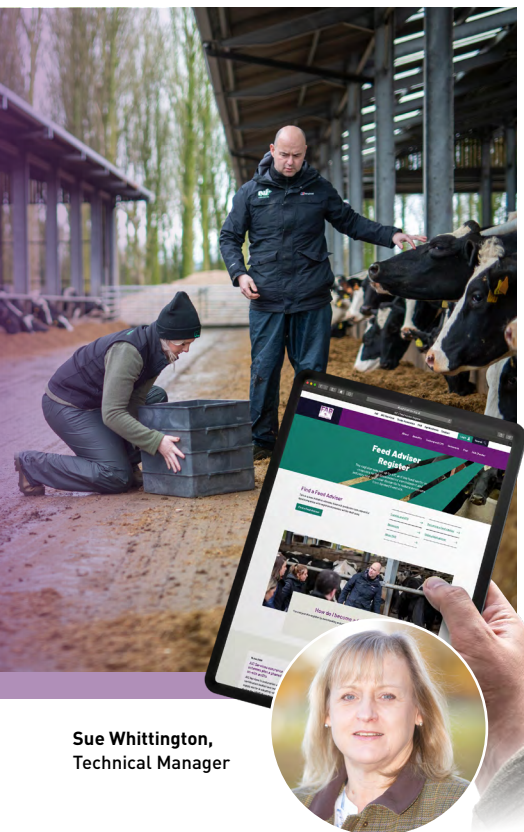
All events are subject to change due to Covid-19



Sustainability training for feed advisers

The Feed Adviser Register CPD training for 2021-22 will study sustainability and the challenges within the livestock sector, in line with the ambitions of the AIC's Roadmap for a Sustainable Food Chain, and Achieving Farm Nutrient Balance. The aim is to equip feed advisers with some of the tools they need to offer the professional advice their customers will be seeking.

The course begins with a background to sustainability, before considering UK policy developments and targets around net zero, feed aspects (such as raw material sourcing, soya, palm, and co-products), sustainable feed manufacturing and Life Cycle Analysis (LCA), before moving on to the sustainability of UK livestock production systems, the metrics used to demonstrate progress, and innovations within feed and nutrition.



Sue Whittington,
Technical Manager



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