

JOURNAL

Spring 2023 | Working in support of modern, sustainable, commercial agriculture



Further energy bills support secured for agri-supply businesses

Robust response to proposed AHDB levy collection fee changes

Concerns over Government's treated seed ruling



An update from Robert Sheasby

It is no exaggeration to say that endeavours to communicate effectively with government have been more challenging than usual recently, given last year's ministerial merry-go-round.

Now we have the Prime Minister's major rejig of Whitehall, merging the Departments of Business and International Trade, plus the creation of new Departments for Energy Security and Net Zero, and Science, Innovation, and Technology.

We hope that the new-look Department for Business and Trade will enable government to have a clearer, more joined up approach to supporting businesses at this turbulent time.

The creation of the Department for Science, Innovation and Technology is particularly welcome – for too long we've seen responsibility for this brief fall victim to political pass the parcel. Having a single department focussed on this work could help drive UK agricultural productivity forwards.

Sticking with the theme of logical approaches to big issues, cross-industry work to achieve greater clarity on the Digital Grain Passport project progresses in earnest. AIC is listening to Member views and engaging with stakeholders regularly to ensure the agri-supply industry's voice is heard. Go to agindustries.org.uk/digital-grain-passport for the latest.

Elsewhere, news of the Windsor Framework came as this issue went to press. AIC has been urging Government to resolve the Northern Ireland Protocol issues ever since it was introduced.

Any deal which seeks to improve the flow of trade from Great Britain to Northern Ireland by minimising customs check and administrative processes is encouraging. Though we wait to see how the detail of the agreement will apply in practice, it appears concerns over seed and animal feed trade have been addressed.

We will have more on this in the Summer issue - visit agindustries.org.uk/trade for the latest.

Robert Sheasby,
Chief Executive, AIC

Further energy bills support secured for agri-supply businesses

In January, the Government announced a new Energy Bills Discount Scheme to provide eligible UK businesses with a discount on high energy bills until 31 March 2024.

The announcement comes after AIC gave evidence to the Environment, Food and Rural Affairs (EFRA) Select Committee, telling MPs that support was needed beyond March 2023. AIC also made energy support to agri-supply businesses a key part of its lobbying in the latter part of 2022.

A higher level of support will be provided to businesses in sectors identified as being the most energy and trade intensive, including the manufacture of fertilisers, pesticides and agrochemical products, animal feed, and grainmill products. It was therefore welcomed that eligible businesses will receive a discount on gas and electricity bills based on a supported price which will be capped.

As with the previous scheme, businesses will not need to apply for the discount. Energy suppliers will automatically apply reductions to the bills of all eligible customers.



Ed Barker,
Head of Policy and External Affairs

New SFI standards pay farmers to take BASIS and FACTS advice

Farmers will be offered significant payments for taking qualified advice on Integrated Pest Management (IPM) and nutrient management from this year, the Department for Environment, Food, and Rural Affairs (Defra) has revealed under its revised Sustainable Farming Incentive (SFI) scheme.

AIC has been working with Defra on the plans for several years as part of an industry stakeholder working group, and the long-awaited update to SFI is welcome.

Farming Minister Rt Hon Mark Spencer MP announced a new set of standards for SFI 2023, alongside a prospectus detailing how the scheme will be run, including the interaction between SFI and Countryside Stewardship.

The new standards will see farmers paid £989/year to take BASIS-qualified advice on IPM, which is the top payment of the newly-released standards available under the 2023 scheme.

Getting a nutrient management assessment and report from a FACTS-qualified advisor will qualify farmers for £589/year under the agreement. Visit the [AIC website](#) for further details.

The work to ensure recognition of the importance of professional advice to deliver SFI is therefore very welcome. With payments on offer to farmers directly, this reflects the work of AIC and Members over the past years to include these provisions.



Andrew Pearson,
Policy Manager

Shake up of Business, Energy and Trade departments

Major changes to government departments announced as part of a cabinet reshuffle by the Prime Minister Rishi Sunak on 7 February are seen as a logical approach by AIC.

A Whitehall shake up means the Department of Business, Energy, and Industrial Strategy (BEIS) will be split up to create a new Department for Energy Security and Net Zero. The Department for International Trade is set to be merged with the Business Department. AIC views this as a sensible step in ensuring that the voice of business is central to trade policy on imports and exports.

AIC welcomes the creation of the Department for Science, Innovation and Technology as responsibility for this brief has long been passed between BEIS and Defra. It is hoped that having a single department focussed on this work will help drive UK agriculture productivity forward.



Ed Barker,
Head of Policy and External Affairs

Robust response to proposed AHDB levy collection fee changes

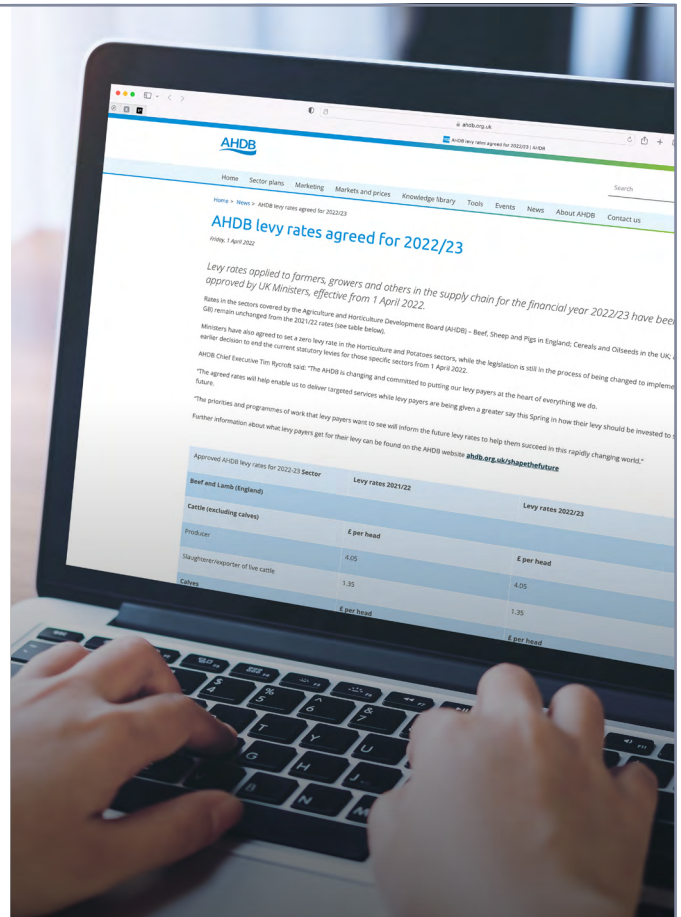
AIC has given a robust response to a Defra consultation on a series of reforms to the Agriculture and Horticulture Development Board (AHDB) Order (2008), which includes a review of the rates paid to businesses which collect the levy fee.

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.

Cereal merchants and processors collectively stand to lose up to £500,000 under proposals to scrap or reduce the amount they can claim for collecting levy funds.

Elsewhere, anyone collecting a levy will be mandated to provide the details of producers to AHDB.

Member feedback received on this issue has helped AIC to collate a clear and strong response on behalf of the agri-supply industry. Members were also encouraged to feedback directly.



Concerns over Government's treated seed ruling

Following a government ruling on the sale and use of seed treated with European Union-approved Plant Protection Products (PPPs) in Great Britain from 31 December, AIC has established a working group to assess the impact of this decision.

From 31 December it will not be legal to trade or drill seed treated with a PPP authorised in the EU, unless that seed treatment has also been authorised for the same purpose in Great Britain after this date.

The working group will establish which crops will be impacted and whether alternative seed treatments are available, as well as considering the likely yield and cost penalties of the ruling.

Once the working group has reported on its findings, AIC will detail these in a letter to government and stress the seriousness of the anticipated issues that this ruling will cause for Member businesses and the wider agricultural industry.

AIC will share its draft response with Members in due course.



Rose Riby,
Head of Arable Marketing and Seed

Revised BASIS Store Inspection Scheme Standard welcomed

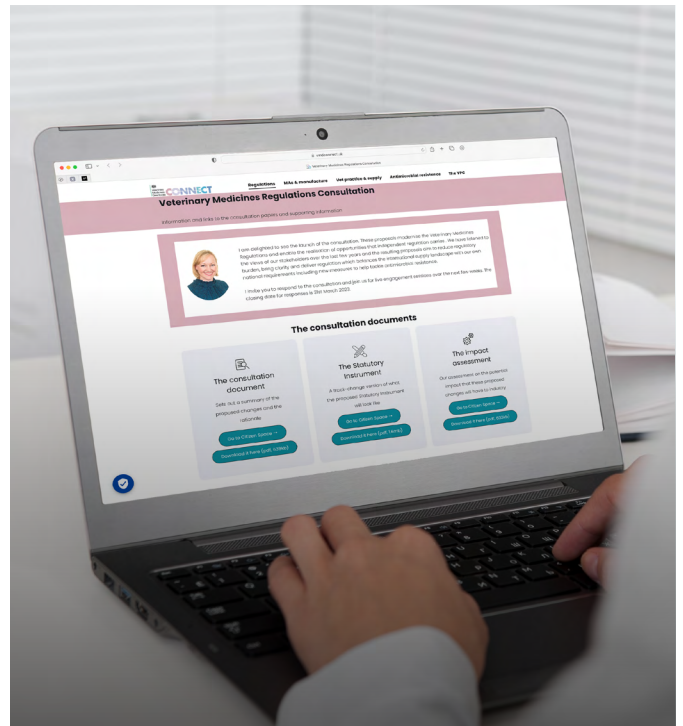
AIC welcomes the revised BASIS Store Inspection Scheme Standard, which launched on 1 February.

The revision follows meetings between AIC Storage and Logistics Group Members and BASIS staff throughout 2022 to discuss how a standard could provide clarity, rigour, and consistency to the checklist and audits.

The Group asked AIC to approach BASIS regarding the development of a written protocol against which stores in the Store Inspection Scheme could be audited.

The revised standard is based on legislation, Codes of Practice, and industry best practice guidance, as well as the current audit questions and checklists.

AIC and BASIS have agreed to work together to ensure that the standard is revised to reflect new regulation and best practice as required.



Representing Member views on consultation on VMR proposed changes

AIC is responding to the Veterinary Medicines Directorate’s (VMD) proposed changes to the Veterinary Medicines Regulations 2013 (VMR), as they apply in Great Britain.

The Regulations set out the controls on the marketing, manufacture, distribution, possession, and administration of veterinary medicines and medicated feed.

VMD says the proposed changes will “modernise the VMR, make them more effective and maintain the UK as an attractive place to develop and market veterinary medicines”.

It will also introduce further measures to help tackle antimicrobial resistance and build on the success government and industry have already achieved.

Key parts of the consultation for the feed sector to note include changes to the definitions of veterinary medicines intended for use in medicated feeds and for premixtures containing veterinary medicines, new proposals on storage and disposal of medicated feed, and new proposals on cross-contamination and carry-over.

AIC will share a draft response with Members for feedback.

Horticulture Crop Protection formed

AIC has been exploring how the new organisation Horticulture Crop Protection (HCP Ltd) can help horticulture sector Members with the cessation of AHDB Horticulture work from March 2023.

Crop protection in the horticulture sector is a major challenge. HCP aims to provide a process and resource to make EAMU and emergency authorisation applications and carry out wider support work.

AIC will liaise with HCP once it is established and will advise Members of future developments.



Hazel Doonan,
Head of Crop Protection & Agronomy



James McCulloch,
Head of Animal Feed

New fertiliser regulation consultation expected

At the time of writing, AIC is awaiting the long-anticipated Defra consultation on a new fertiliser regulation. It is understood that Defra is now working on the impact assessment stage and, subject to this being successfully completed, the 12-week consultation should be released around April.

AIC has put together a working group to help consider the consultation in detail, made up of technical experts from our Producer Group, Technical and Safety Committee, and Members of our Agronomic and Environment Committee.

Chaired by Peter Scott, the working group will report to the Fertiliser Executive Committee.

The government consultation is expected to consider the strategy, as opposed to the detail, for managing the production safety of fertilisers and associated products, including biostimulants and inhibitors, in a post-EU Exit environment.

Informal discussions with Defra indicate that it does not anticipate the full process of producing a new regulation to be completed before 2024 or 2025 at the earliest.



Jo Gilbertson,
Head of Fertilisers

Government and Scottish MP talks highlight agri-supply's pivotal role



Ilan Muirhead and Dave Doogan MP (SNP)



Ilan Muirhead and John Lamont MP (Conservative)

On 10 January, AIC held valuable meetings with government and a range of Scottish MPs to discuss the vital role that the agri-supply industry plays in sustainable food production.

AIC Scotland's Policy Manager Ian Muirhead and Head of Fertilisers Jo Gilbertson met with John Lamont MP, Under Secretary of State for Scotland in Westminster to make representations on behalf of Scottish Member businesses.



Ilan Muirhead,
AIC Scotland Policy Manager

They discussed the key challenges and opportunities for the industry, including the energy crisis, fertiliser, food security, supply chain disruption, agri-policy, sustainability, advice provision, and genetic editing policy.

Productive talks were also held with the Scottish National Party MPs Richard Thomson, Dave Doogan, and Alyn Smith, as well as the Scottish Conservative MP David Duguid, and Jamie Stone MP, Alistair Carmichael MP, and Wendy Chamberlain MP of the Scottish Liberal Democrats.

Members raise £2,000 for RSABI

AIC Scotland has donated £2,000 to farming charity RSABI, supporting people involved in Scottish agriculture.

The funds were raised in a raffle held by Members at the AIC Scotland annual dinner last November.



AIC Cymru responds to livestock manures licensing scheme consultation

Welsh Government has received a response from AIC Cymru on the proposed Sustainable Management of Organic Manures Exemption Scheme, ahead of the consultation closing on 17 February.

The response made on Members' behalf has been coordinated and closely aligned to that submitted by NFU Cymru and the Farming Union of Wales (FUW).

On 13 February AIC Cymru held its first official Committee Forum meeting in Aberystwyth, chaired by Gareth Davies. The meeting has set the scene for strategic and operational objectives for the year ahead, covering activities to amplify our message within Member organisations, stakeholder engagement, and effective political lobbying.



Michael Muncey,
AIC Cymru Policy Manager

Welsh Government latest on payments and land reform leadership

Welsh Government says it intends to maintain direct area support payments in 2023 and 2024 at £238 million. This mirrors the level of support provided to farmers in Wales over the past three years and has been broadly welcomed by the industry.

Meanwhile, it has announced a successor to James Owen, the civil servant who had been largely responsible for the Sustainable Farming Scheme framework design.

Mark Alexander is the new Deputy Director for Land Reform. His past experience and understanding of the agricultural sector is welcomed by AIC Cymru and other stakeholders.

New Trade assurance Checker API launched

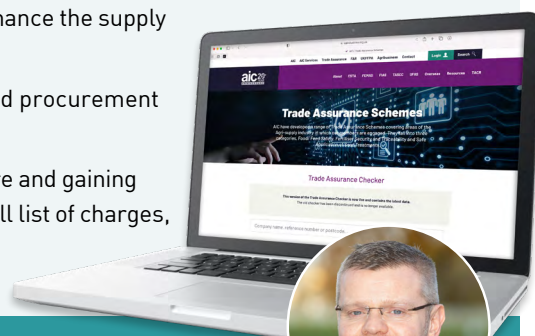
AIC has launched a powerful and cost-effective new digital service to help agri-supply businesses quickly and accurately check the assurance status of their suppliers.

Thanks to a newly developed application programming interface (API) businesses can now integrate the trade association's well-used Trade Assurance Checker search tool into their own systems.

The API allows companies to check the "live" status of their agri-supply chain participants, meaning they can easily find out if a supplier is certified, suspended, or withdrawn, helping to streamline and enhance the supply chain due diligence process.

As the information is constantly updated, businesses can make well-informed procurement decisions on an ongoing basis.

Any businesses, AIC Members and non-Members, interested in finding out more and gaining access to the Trade Assurance Checker API should visit the AIC website for a full list of charges, or contact Simon Williams by emailing simon.williams@agindustries.org.uk.



Simon Williams,
Technical Manager

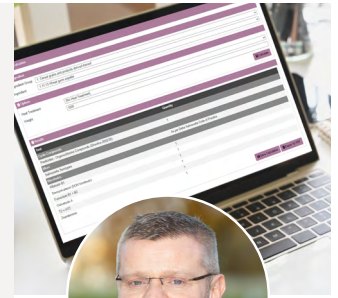
Improved FEMAS Calculator launched

An updated version of AIC Services' Feed Materials Assurance Scheme (FEMAS) Calculator, which helps animal feed manufacturers to mitigate feed safety issues, has been launched.

[The Calculator](#) provides Scheme Participants with a minimum baseline for the monitoring of undesirable substances in feed ingredients and takes into account the categorisation of the feed materials, as well as other parameters.

While the previous version of the [Calculator](#) was restricted to feed materials included in the EU and [GB Catalogues of Feed Materials](#), the updated version covers a greater range of feed ingredients.

Scheme Participants should have revised their schedules to comply by 1 March 2023.



Simon Williams,
Technical Manager

Joint scheme development aims for greater consistency

AIC Services' feed and food safety schemes - TASSC, UFAS, and FEMAS - have areas which apply to all sectors of the supply chain.

A working group of industry representatives has been formed to develop a common set of requirements and universal wording for the three schemes.

While the auditable requirements will be identical, the specific guidance, sector notes, information, and interpretation are being developed for each Standard to achieve greater consistency.

Public consultation is due in summer 2023 and the revised schemes are set to be launched in the first half of 2024.



Gill Barrow,
Technical Manager

Dates for the diary

AIC Scotland Meeting

St Johnstone Football Club, Perth – 26 April

The AIC Conference

Agribusiness 2023 – 15 November

Membership renewals

Members have been returning the key business information that AIC needs to process the 2023 Membership renewals. Our thanks to all the Members who have already submitted their declarations.

AIC is currently testing a new online declaration system which promises to make returning this information easier in future.

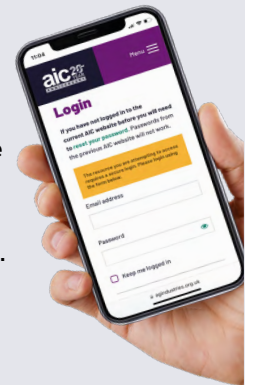
The aim is for this to be ready for the 2024 renewals.

Is your web profile up-to-date?

A reminder to check your AIC website profile to ensure details we hold about you are correct and that you are receiving all of the communications you want from AIC.

Visit [AIC's website](#), login and click "Update details" to amend personal information and email preferences.

Email tracy.smith@agindustries.org.uk for help logging in and to create new accounts for Member company employees who do not already have access to our information and systems.



Tracy Smith,
Membership Manager



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