

29th Meeting of Food Wise 2025 High Level Implementation Committee

Thursday 10 December 2020 @11.00

Attendance:

DAFM: Brendan Gleeson, Secretary General, Bill Callanan, Sinead McPhillips, Paul Savage

State Agencies by Webex: Micheál Lehane (EPA), Jim O'Toole(BIM), Orla Battersby (EI), Gerry Boyle(Teagasc), Tara McCarthy (BB),

Other Departments by webex: Declan Hughes (DETE), Georgina Hughes- Elders (DPER)

Secretariat: Seán Bell, Wila Bruce

Apologies: Cecil Beamish, DAFM, Julie Sinnamon EI, Ken Spratt

Item 1: Introduction

Minister McConalogue began by saying that Ag-Climatise the National 'Climate & Air Roadmap' for the Agriculture Sector was launched on 9 December. This roadmap sets an ambitious vision for a 'climate neutral agriculture sector by 2050' and includes 29 actions with specific and challenging targets aimed at reducing the environmental footprint and further building on the strong credentials of Irish Agriculture. Ag-Climatise and the Agri-Food Strategy to 2030 will play an important role in ensuring the environmental sustainability of the agri-food sector in the coming decades.

Bill Callanan said that Ag-Climatise is a major statement of direction to achieving climate and ammonia ambitions, it outlines what needs to be achieved and how it can be achieved but this is subject to all parties working together. There are significant challenges which shouldn't be underestimated but it provides clear direction for the sector. This is a living document, articulated in a clear and understandable way. There has been broad acceptance in the response from farm bodies and industry.

Minister McConalogue said it is a very proud day for the Department as the World Food Programme will be awarded the Nobel Prize for its work to end hunger. DAFM has been a strategic funding partner for WFP for many years.

Item 2: Report of 17th September Meeting

Minutes agreed.

Item 3: Brexit Response

Minister McConalogue said that President von der Leyen and Prime Minister Johnson met in person in Brussels yesterday. This was to continue discussions on the Future Relationship, to see if it is possible to unblock the three key outstanding issues of Level Playing Field, Fisheries and Governance. Minister McConalogue said that while the two sides remain far apart on these key issues, President von der Leyen and PM Johnson have agreed that the Chief Negotiators should continue discussions over the coming days, with a view to reaching a decision by the end of the weekend. President von der Leyen will debrief leaders on the current state of play during the European Council meeting. Minister McConalogue said an agreement is in everyone's best interests and every effort should be made to reach a deal. Any deal must involve compromises by both sides. However, a deal cannot come at any price. The EU cannot accept proposals which impact on the integrity of the Single Market or damage the long term political and economic interests of the European Union. Regardless of the outcome of the talks, implementation of the Withdrawal Agreement, including the Protocol, remains vital. The Protocol on Ireland and Northern Ireland is designed to operate regardless of whether an EU-UK Future Relationship Agreement is in place. In that context, he welcomed the outcome of Monday's meeting between Commission Vice President Šefčovič and CDL Gove on implementation of the Withdrawal Agreement, including the Protocol on Ireland and Northern Ireland. Minister McConalogue also welcomed the commitment by the UK to withdraw clauses 44, 45 and 47 of the Internal Market Bill, ensuring the Bill is in line with the UK's obligations under the Withdrawal Agreement. The British Government has also confirmed that there will be no similar provisions in the Taxation Bill expected later this week. Minister McConalogue said he hoped this may provide some of the positive momentum necessary to instil confidence and trust and allow progress in the wider context of the future relationship negotiations. The Department remains in close contact with EU colleagues on all developments in relation to the future relationship negotiations. Minister McConalogue concluded by saying that with political will,

a deal can be done. However, it is vital that business and citizens continue to prepare for the substantial and permanent changes that are coming.

Paul Savage updated the Committee on developments between the EU President and the British PM with expectations that talks will run on until the weekend before a decision is agreed. The Commission is expected to publish contingency issues mainly around aviation and transport. The feeling now is that protocol issues are fundamentally settled with details to be finalised shortly. Paul advised that DAFM still need to continue with preparations to ensure the agri food sector continues, with work on import controls now largely completed. The focus now is on testing Dublin port and other locations. This is part of a wider whole of government testing plan which is being rolled out at the moment and is going reasonably well. Staffing and IT systems are largely in place and are currently being finalised with staff and IT system being incorporated into testing system at the moment. There is a big shift in communications with paid radio campaigns, in print and across social media now in place to raise awareness of preparations needed for the agrifood sector. Brexit information is also available through the DAFM and the gov.ie websites. Importers and exporters are being reminded to register with DAFM. DAFM have also been running a series of webinars over the last 8 weeks. A “Moving goods through Dublin port webinar” takes place today and a “Landbridge” webinar will take place next week with UK and French counterparts. Other webinars are planned around the movement of horses and other topics. There has been a good level of participation and all webinars are recorded and available on DAFM website. A meeting is planned with all stakeholders to discuss the aftermath of next few days. DAFM are in contact with DEFRA colleagues on export certification and UK import requirements.

Sinead McPhillips said that a no deal will lead to tariffs which will mean additional costs, and these tariffs will have an impact at farm level. However, if there is a deal, there will still be additional overhead costs and delays all along the supply chain. There is a commitment for support at EU level however all details have yet to be worked out.

Tara McCarthy said that Bord Bia are working on four work streams. (1) Insight - 85-90% of UK consumers are still willing to buy Irish which is positive and much higher than our

competitors. Bord Bia are giving this reassurance to their customers. (2) Capability development (Readiness Radar) - only 42% of companies had identified a customs agent by April. BB is focusing on information programmes, one to one support and webinars. (3) Market engagement - 126 UK customer meetings have taken place, currently advertising to customers that Ireland is well prepared so customers feel confident in the Irish food and drink industry. (4) Market diversification - this is a key role and there is a need to ensure that the diversification agenda doesn't get ignored with Covid restrictions. There have been five virtual trade missions to demonstrate that Ireland is open and prepared for business. Tara concluded by saying that client queries are getting more complex and detailed which is welcomed.

Gerry Boyle said that Teagasc were focused on two areas (1) Ongoing analysis of the impact of Brexit which has been provided to DAFM. Non tariff barriers will be more difficult to assess in terms of a no deal and (2) Brexit ready investments – Teagasc appreciates the support from DAFM, there has been about €40 million invested in Teagasc to support market diversification and new product development. The BIA innovator project in Athenry will be completed in Autumn 2021 and the PCF Centre is now up and running and dealing with queries from companies.

Jim O'Toole said that BIM are working with DAFM colleagues on scenario planning and potential supports which have intensified as Brexit negotiations enter the final stages. BIM are also working to intensify readiness by holding a series of webinars. There are additional complexities for the seafood sector for importing, exporting and transporting. BIM have revamped their website and are now attracting 1,000 visitors a week. BIM are also running a regional press campaign and have launched a mentoring advice service to get ready for the UK becoming a 3rd country. Questions and queries from clients are becoming more complex which is a good thing. Up to a few weeks ago some people were making contact for first time but BIM are trying to ensure people have access to the required information and that supports are in place. The BIM website is being updated and targeted to specific queries.

Orla Battersby said that EI are at a targeted message stage at the moment with a 5 step plan for customers which is getting lot of traction. There are a large number of food and

drinks companies applying for supports. EI are running regional webinars each day trying to engage with smaller companies to outline their Brexit requirements. EI will also have one to one with companies on specific queries. EI are also working on what supports may be needed and how to go about this if there is a 'No Deal' scenario.

Sinead McPhillips mentioned the Capital Investment Scheme for primary meat and dairy producers, this received state aid approval earlier in the year and there is a lot of ongoing work at present to get this government approved and ready to implement.

Minister McConalogue thanked everyone for their updates and Brexit work in preparation for all areas in the agri food sector, noting a lot more will be required over the coming weeks and wishes to recognise the intensification of work involved.

Item 4: Covid response

Minister McConalogue said it has been a difficult year where we have all been faced with the unprecedented challenge of COVID-19. Minister McConalogue acknowledged and thanked the Department and the State Agencies, for their continued resilience throughout this time.

Sinéad McPhillips said that the agri food sector was designated as essential and the Department adapted its support to facilitate ongoing trade. The main area of concern remains the meat plants due to the high risk of Covid transmission.

Tara McCarthy said BB are focused on three areas - reassurance, recovery and growth. (1) Reassurance refers to people management and remote working, BB are designing supports that are relevant and targeting efforts into grants for smaller business to ensure future proofing. (2) Recovery is about getting more data, "Feeling the pinch" and the work involved to bring this to life. BB sees the customer trust in Ireland's agri-food systems as the way to compete and by using Covid as a way to reset priorities in relation to sustainability and the environment. BB will focus on going virtual on everything. There is training available on making a virtual pitch as this is the future when physical pitches are not

possible. There is an upcoming promotion on steak in retail on the continent and the launch of grass fed standard for both beef and dairy. From a client perspective, there is concern around economic outlook and cashflow as a result of Covid. Tara also mentioned the gardening and landscaping sector who are facing into a Spring with concerns around route to market.

Gerry Boyle discussed the analysis of potential covid impact on farming incomes, and how it was a reasonably good year for farm incomes. The main impact of Covid has been on the advisory services, education is nearly fully online and is working reasonably well however, farmers are anxious to resume more face to face services. Online communication is working well, supplemented with investment in local radio advertisements which have been effective. Gerry said the challenge on the education side is to get engagement with students, some find the online medium very difficult and this is not easy to address. Gerry also mentioned the importance of the implementation of the laptop scheme and grants for students.

Jim O'Toole said BIM was focussing on three areas (1) Assessing the impact of various restrictions around Europe - Christmas is very important to the seafood market and depending on product, impact has varied. There are some opportunities however where restrictions have eased. (2) Assisting companies to adapt to change. (3) Providing financial support including the launch of the aquaculture scheme at the end of October. There has been a great response to this scheme by the sector. Jim also commented that the colleges are intensifying their blended learning options.

Orla Battersby referred to the Sustaining Enterprise Fund and how food and drinks companies were initially slow to apply. EI went out directly to companies and uptake has increased with over 75 receiving funding. It has been a strong year for the R&D agenda with Companies.

Declan Hughes spoke about liquidity issues and said supports are there for Covid and will continue into the first quarter of next year including the Brexit loan scheme and Credit Guarantee Scheme. There is ongoing engagement with Companies on supply issues and

there may be opportunities around import substitutions. Declan advised there is a good range of support from Departments available for Companies.

Geogina Hughes-Elders said that DPER are working closely with DAFM and EI regarding measures in relation to Brexit. This will continue early next week.

Minister McConalogue thanked the Committee for their contribution and updates, recognising the ongoing work and supports and challenges involved and how this is being met by Department's and state agencies.

Item 5: Trade Missions

Minister McConalogue acknowledged that this has been a different year in relation to trade missions but there has been tremendous innovation around continuing this work with recent virtual trade missions proving very successful.

Sinéad McPhillips advised that the market access agenda is not just trade missions but also technical visits, which have been put on hold. There has been a meeting with BB and EI to agree plans for 2021. All trade missions are dependent on Covid 19 but virtual missions will continue if necessary.

Tara McCarthy said that the Bord Bia market prioritisation designed with DAFM highlights the potential attractiveness of different markets by category. The preference is for physical trade missions or a hybrid, of physical and virtual trade missions. Tara concluded that it is vital that market prioritisation is consistently examined.

Minister McConalogue commended the great work and value to trade engagement which needs to be continued.

The **Secretary General** referred to the new Biden administration in the US and the upcoming St. Patrick's day events and suggested that this is an opportunity to focus on and arrange something for the sector around these events.

Tara McCarthy agreed this could be an opportunity and highlighted the need for key customer focus in the US.

Item 6: Update on Agri-food Strategy to 2030

Minister McConalogue said he had met Tom Arnold the Chair of the Committee recently to discuss progress on the Strategy and was assured that if this Strategy can secure the agreement of all stakeholders, it has the potential to be an important roadmap for the sector. Minister McConalogue hopes that the momentum set by Tom Arnold and by the stakeholder Committee can be maintained and the Strategy will be published in early 2021.

Seán Bell said it was not feasible to finalise the Strategy until the outcome of Brexit is clear. The Secretariat is currently redrafting chapters with a view to reaching a full draft shortly. The Committee will meet again in January with the view to having the draft strategy ready to go along with the SEA for public consultation in February.

Minister McConalogue said that the industry led partnership approach in developing agri-food strategies has been a tremendous success and has ensured continued growth in the agri food sector and the economy. It is important to wait for a decision on Brexit. The Minister said the importance of environmental sustainability while continuing as world class leaders in food production is vital. The Minister concluded by saying that he looks forward to the report being completed in the New Year.

Michéal Lehane said that this strategy is a good step in the right direction for the Sector however a recently published EPA document that highlighted the challenges over the coming years in particular for water, air and climate.

Tara McCarthy said that the agri-food strategy is a valuable document and that BB customers are showing interest in hearing about it.

Georgina Hughes-Elders asked if this will this document will be updated with policy developments following publication.

Sean Bell advised that this is a living document and that the HLIC will adapt to events and developments. The environment side will chart a course for further ambition.

Declan Hughes said that SEA process is very important. There is a significant amount of investment in to the sector that needs to be considered.

Minister McConalogue acknowledged the importance of the strategy to frame agri-food policy for next 10 years through the work of the HLIC.

Item 7: AOB

Tara McCarthy updated the Committee on the ongoing work to formalise cooperation between Bord Bia and Teagasc.

Michéal Lehane said that the agri food sector needs to produce food in an environmentally friendly way with data that can support these environmental credentials.

Tara McCarthy said the sector must embrace change and that this can be done through collaboration.

Minister McConalogue thanked everyone for their work throughout the year and wished everyone well for 2021.

Economics and Planning Division

January 2021