

**PRESIDENT'S REPORT
UFU EXECUTIVE COMMITTEE
TUESDAY 23 JUNE 2015**



It has been just under four weeks since our last Executive meeting but the Union has been busy during that period on many issues.

BANKS

- In recognition of financial difficulties across the farming community generally at present, the Union has held further discussions with the banks who have assured us of their commitment to continue to work with farmers.
- We have reminded farmers that if they are experiencing financial difficulties they need to speak with their bank and see what products are available to help ease cash flow problems in particular.

ANIMAL HEALTH

- **RoI BSE Suspect Case**
 - Just over a week ago we were informed of a suspected case of 'classical' BSE on a dairy farm in County Louth.
 - The RoI Government acted swiftly to both deal with the actual case itself and also to minimise any potential trade or media concern. The Union has remained in regular contact with DARD and the IFA throughout this time.
- **Livestock Associated MRSA**
 - At the end of last week news emerged that the superbug MRSA had been found in some pork products from Denmark, Ireland and GB from two separate studies in retail outlets in the UK.
 - The Union has been working closely with the Ulster Pork and Back Forum and relevant GB organisations to ensure that consumers understand the facts and that adverse publicity was minimised.
- **Brucellosis**
 - Today our Minister announced a further reduction to the present Br controls following an earlier consultation undertaken by DARD and the recent submission of NI's application to the EU Commission for OBF status.
 - From next Monday (29 June), biennial testing, which is already operative for dairy herds along with monthly bulk milk testing, will be introduced for beef herds.
 - This is yet another positive step for the industry with further phased changes also possible if we obtain OBF status.
- **BVD**
 - We were pleased that the Minister also announced today her clear commitment to introduce the compulsory phase of our BVD programme later this year.
 - The significant delays experienced had begun to create uncertainty within the farming community on the delivery of this programme and it was important that this clarity has now been given.

SECTORAL ISSUES

- **Beef**
 - The recent increase in producer prices over the past few weeks reflect the stabilisation of the market and the tightening of supplier in particular.
 - While this has been long overdue for producers, lessons need to be learned from the unpredictable nature of the market and the collapse in prices that has hurt farmers and undermined their confidence in the future of the industry.
 - Despite this increase, the Union is still encouraging producers to bargain hard and we continue to monitor quotas versus official prices paid.

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- The industry still faces a major threat from the weakness of the Euro and we have addressed this over the past few weeks in meetings with both the LMC and individual meat processors to look at both price guarantees and supply commitments for beef and lamb.
 - The Union have also underlined the need to speed up the progress with redmeat exports outside the EU and the need to consider the introduction of DNA forward trace technology to protect our industry from unscrupulous import substitution.
 - We are also centrally involved with the initiative to introduce a Livestock genomics programme for Northern Ireland and recently contributed £20,000 to help fund a business case for DARD, along with four other industry partners, to support the introduction of this scheme.
 - The Agriculture Committee of the NI Assembly is also currently seeking views on the support required for the Northern Ireland beef sector and the Union provided a response yesterday which outlined our support for the introduction of a genomics scheme to improve production efficiency by utilizing better genetics and improving animal health. We also emphasised the importance of new market development.
- **Pigs**
 - The UFU participated in EU discussions last week on growing concerns that European pig prices had fallen by 20% since last June.
 - While there are many factors causing this, the continued Russian import embargo almost one year on is the main cause of the considerable supply/demand imbalance and it is disappointing to now learn that the Russian's are considering extending this ban for a further six months and places even more onus on EU Governments to ensure that agriculture does not lose out because of this.
 - While the EU's private storage scheme became operative in March and helped stabilise prices since then, there are now real concerns that the first of this product will be released from storage next month and could undermine the traditional summer price rises.
 - Given this situation, the Union has joined with the other EU farm organisations in highlighting the importance of EU Commission activity to regain existing and open new markets and also deliver wider pigmeat product promotions to help improve demand.
 - The Union is also continuing it's involvement in both trying to secure the introduction of an NI Pig Health Strategy however funding remains the major stumbling block and also to implement a pigmeat DNA testing programme to verify the authenticity of NI product which, while progressing, is developing more slowly than intended.
- **Dairy**
 - Following UFU involvement in both a COPA meeting in Latvia and a meeting with dairy representatives from the IFA, it is very clear that the crisis in the dairy industry is Europe-wide and not just a local problem.
 - Despite widespread industry calls and recent support from the EU Parliament's Agriculture Committee for the implementation of more responsive and realistic 'safety-net' provisions, the EU Commission continues to stick to its stance that there is no need for a fresh look at its support measures.
 - Instead, the EU Commission considers that new market development and new investment through its recently launched initiative along with the European Investment Bank (on which there is a major EU Conference in which the UFU will be participating in Dublin next week) as its major supporting mechanisms to assist the EU dairy industry through this present price crisis.
- **Vegetables**
 - Some vegetable growers have very recently approached the Union to highlight the worsening prices that they are receiving and this is an issue which our committee will be addressing when they meet next week.
- **Poultry**
 - The announcement yesterday that Moy Park has been sold to another Brazilian company – JBS – hopefully is an indication of the continued growth and bright future for our agrifood industry generally.
 - We will however monitor this acquisition closely to ensure that existing growers are not adversely affected.

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UK GROCERIES CODE ADJUDICATOR

- The Union were represented yesterday at the annual conference held by the GCA, Christine Tacon.
- Positive progress is being made and we would encourage direct suppliers to the ten major UK retailers to provide information which will allow her to challenge the retailers.
- Unfortunately her scope to extend her remit to cover primary producers/indirect suppliers does not presently exist and would necessitate a review of the original 2008 Office of Fair Trading report from which the current Groceries Code and Adjudicator both resulted.

CAP

- **2015 SFP Payments**

- The Union has held meetings with both the NI Agriculture Minister and DARD senior officials to press for the efficient processing of the SAF applications to ensure payments can be made in December.
- We were reassured that this is a priority for the Minister and is being closely monitored.
- Union representatives also met with DARD to begin a review of this year's application process and to start consideration of the format next years.

- **UK SFP Convergence Funding**

- Scottish MPs have renewed the campaign to secure for Scottish farmers the entire additional £160m made available by the EU to the UK over the 2014-2020 period, which they insist was only forthcoming because the average Single Payment in Scotland brought the UK figure below the EU average.
- The UK Government decided at that time to distribute this additional funding across the whole of the UK from which Scotland received £25m.
- The UFU is concerned that politicians in Scotland will also now revisit the potential to have a single UK-wide regional distribution of the Single Payment from which the NI industry could lose £70 million every year should this happen and is something which the UFU had highlighted as a very real threat during the finalisation of the direct payment model in Northern Ireland.

- **Publication of Individual CAP Payments**

- The Union was also disappointed that individual SFP information for 2013 was recently made available on DEFRA's website following a previous EU agreement for this to happen throughout Europe from this year.
- This information had previously been published which we were opposed to at the time, and we welcomed the decision by the European Court to overturn this in 2010.
- However, in light of this new development we would like to ensure that it is less intrusive by anonymising the payment information but still making it sufficiently transparent for public scrutiny.

- **Possible UFU Judicial Review on 'Intent' interpretation**

- A verbal update will now be given.

DARD BUDGET

- The Union held a further meeting with DARD on the impact of its budget cut this year on 'front-line' services.
- DARD, along with other UK Government Departments, also face the uncertainty of further Treasury austerity cutbacks and has the added challenge of integrating with the Department of Environment locally from next April.
- The Union will continue to monitor developments closely.

OPEN FARM WEEKEND

- The forth year of this event in Northern Ireland continued to improve on the success of previous years.
- Over 21,000 visitors attended 21 farms throughout NI over the weekend of the 13th and 14th of June.
- We thank Bank of Ireland for its continued sponsorship of this event and we are already beginning the planning process for next year.

ENVIRONMENT

• **Farming and Environmental Health Guide**

- The UFU, in conjunction with the Chartered Institute of Environmental Health recently launched a guide that we jointly produced which explains the role of the Environmental Health Service in NI to farmers.
- Hard copies of this guide are available from UFUHQ and Group Offices as well as an online version, and aim to help reduce incidences that may cause tension between farmers and the wider community as well as encouraging a move to more informal resolution of issues when they do occur.

• **NI Water App**

- The UFU would encourage farmers to download the new NI Water App which has been designed to help water users report a leak as soon as possible and allows the exact location of the leak to be pinpointed earlier reducing the likelihood of reduced water pressure or supply interruptions.

RURAL CRIME

- A few weeks ago Union representatives attended an NI Policing Board meeting on the business community's priorities for the 2016-2019 Policing Plan.
- We again stressed the importance of tackling rural crime and of rolling out examples of good practice across NI.
- It is also important that there is a strategic overarching framework for the next policing plan but also that there is flexibility for local initiatives through PCSPs to address local needs.

FARM SAFETY

- The Union were involved recently in a meeting of the Farm Safety Partnership (FSP) to plan ahead for the summer months.
- Two separate events are being held: a Child Safety Week which commenced yesterday; and a further UK and ROI Farm Safety Week commencing on 6 July.
- The Union also met with the GAA at the beginning of last week to discuss their further involvement in supporting farm safety and are hoping to also enlist the support of Ulster rugby and the Irish Football Association.

RENEWABLES

- UFU reps met with senior NIE officials to discuss ongoing grid connection problems being encountered by small scale renewable developers.
- Several problematic case studies were presented and NIE agreed to look into these as well as working on a grid connection policy going forward.

BETTER REGULATION SURVEY

- The Union is encouraging farmers to participate in this NI Assembly Agriculture Committee survey to find out which regulatory areas farmers find most burdensome and how this burden could be reduced.
- We will also be providing a direct input into this enquiry.