

WELSH LAMB & BEEF PRODUCERS LTD

Chairman's Report to Annual General Meeting of Members

13 December 2013

Dear Member

It is with great pleasure that I present my annual Chairman's Report to you for our year ended 31 March 2013. Overall, it was a reasonable year for the Welsh livestock industry, although the totally unexpected and extremely bad weather in March 2013 caused some serious grief to many of our members, particularly those in North East Wales. The effect of this totally unforeseen position will be felt by many for some years to come.

In the main during the year, the price of our outputs both lamb and beef managed to hold on to their previous year's gains, even though our prices still show large seasonal adjustments.

During the year, we all received detailed proposals from the EU regarding the CAP reform process and despite some progress, being made it is still very concerning that at the time of writing this report (Autumn 2013) we as an industry are still not aware of the outcomes to our Single Farm Payments.

I am aware that there will be winners and losers under the transformation of our SFP to an area-based payment, what we are however unaware of is what arrangements will be applied to a transitional phase and how the area-based payment will be calculated (particularly relevant to moorland and upland payments). The sooner we will know this detail the sooner we can all start the important planning process to help us manage this significant change to our funding mechanism. What is clear however is that in the future reliance on the SFP cannot be assured and as an industry, we must start looking to receiving a larger percentage of our income from the market place. We will need as much support as possible to assist with this transition and I hope that the Rural Development money supplemented with funds transferred to our SFP will be wisely invested to ensure that we have this vital support from the Welsh Government.

As an industry, we must also play our part and continue to invest in our futures and continue to improve the marketability of our output. The Farm Assured Welsh Livestock Scheme is still a powerful tool to assist us achieving that goal as it gives consumers and retailers important assurances regarding our products.

Our investment in live “web-based tools” continues and we were pleased to launch our new tools at this year’s Winter Fair. These tools are designed to make the assurance process much more efficient, whilst giving you a valuable farm management resource. These tools are available to you as members at no additional cost and will provide you with such facilities to record animal movements, maintain your medicine records, prepare your animal health plan whilst maintaining your management records.

During the year, WLBP has continued to support the various Task & Finish Groups set up under Gareth Williams Working Smarter initiatives. It was encouraging to hear very recently that the Minister for Natural Resources & Food, Alun Davies has in principle agreed to change the 6-Day Standstill’s role as recommended by the Task & Finish Group. WLBP played an important role on that group and I would like to thank our officers for their efforts on that and on all the other matters during the year.

I am convinced that our farm assurance scheme provides a sound endorsement to the food industry of our member’s high standards, traceability and full compliance to best practice. This endorsement is becoming more important and we saw the huge problem that the lack of independent certified assurance caused with the horsemeat scandal, and the reputational problems faced by many large multiple organisations. General Dwight Eisenhower (who himself was the son of a small Texan farmer) said, “The uninspected inevitably deteriorates”. It is encouraging to note that farming is leading the way on this issue and the rest of the supply chain is now forced to catch-up.

I can confirm that standards of production on our member’s farms has continually improved which contributed enormously to the high reputation of the Welsh Livestock Industry. As a valued member of our scheme I would urge you all to communicate these benefits to any neighbour you may have who is not, as yet, a member of Welsh Lamb & Beef Producers”.

May I finally, take this opportunity of thanking my fellow board members, our staff and you as members for your continued contribution to our organisation over the past year.

Richard Howells
Chairman