Beef Taskforce
Minutes
Tuesday 9th March 2021
Virtual
9.00am – 4.30pm

Attendees:

Name	Representing	Name	Representing
Michael Dowling	Chair	Aidan Murray	Teagasc
Sinead McPhillips	DAFM	Tim Cullinan	IFA
Maria Dunne	DAFM	Tomas Bourke	IFA
Pat McCormack	ICMSA	Eddie Punch	ICSA
Des Morrison	ICMSA	Edmund Graham	ICSA
Thomas Duffy	MACRA	Colm O'Donnell	INHFA
Derrie Dillon	MACRA	Joe Condon	INHFA
Philip Carroll	MII	Dermot O'Brien	BPM
Cormac Healy	MII	Enda Fingleton	BPM
Joe Ryan	MII	Sean Coughlan	ICBF
Padraig Brennan	Bord Bia	Ray Doyle	ICOS

Valerie Woods	DAFM Secretariat
Greg Murray	DAFM Secretariat

Attendance for specific items:
Padraig Ryan, Brendan Foster – Grant Thornton
Mark Zieg - Bord Bia
Paul Crosson - Teagasc

Opening remarks

The Chairman welcomed participants and introduced the Minister who made a short address to the Taskforce.

In his opening address the Minister:

- Acknowledged the work that has been done to date in progressing the implementation of the actions under the Beef sector agreement. He also expressed a wish that the remaining actions under the agreement be concluded as soon as possible given their importance to the sector. The Minister hoped that the reports, commissioned by the Department and being conducted by Grant Thornton, on market transparency were reaching a conclusion and would be completed soon.
- Outlined that the intention is that the work underway on market transparency will be continued in the work programme for the new National Food Ombudsman's office which will be established before the end of the year.
- Requested that the meat industry communicate more effectively with their farmer suppliers in relation to their criteria and especially when any changes are introduced.
- Cited the PGI application and suckler brand proposition as two key pieces of work by the Taskforce which will help build on the existing good reputation of Irish beef globally.
- He reiterated the importance of continued strong and constructive engagement in the Taskforce.

There was a request to bring the discussion on the market situation forward on the agenda, which the chair facilitated.

Grant Thornton - Market Transparency Studies

Report 2

Grant Thornton updated Taskforce members on the finalising of Report 2 looking at *the market requirements for the in-spec bonuses paid by processors to farmers for cattle meeting certain criteria.*

Grant Thornton reported that observations from Taskforce members on the draft report 2 were considered and detailed correspondence was sent to each member that submitted observations, explaining how their individual points were dealt with in the final report.

At the meeting, it was noted that the birthing season for calves means it is very difficult for them to qualify for the under 30-month criteria and the associated in-spec bonus. Consequently, farmers can miss out on the in-spec bonus.

There was a request to broaden scope of report to include out of spec beef and the preferences of the end consumer. The Chair noted that GT were asked about customers of Irish beef processors, retailers and food service operators. End customer preferences were not included in the terms of reference for this study.

Report 3

Grant Thornton presented preliminary findings from report 3 on *price composition along the supply chain*. It was explained that while data was provided by several key trade customers, it did not constitute a representative sample which could be applied to the entire sector. Data on farm sales and processor sales was presented but the issue was with being able to gather and compile enough data relating to end customer/consumer level.

The Taskforce were reminded that neither Grant Thornton nor the Taskforce had the authority to subpoena commercial information.

The Taskforce were reminded that the price paid by the end consumer was not within the scope of the report.

The lack of detail on bull beef in the report was raised – GT clarified that the information they received in response to their data requests was for all beef but when specific information on bull beef was received it was cited.

It was suggested that processor to processor sales were something that should have been considered. This was not in scope.

Following a request, DAFM undertook to analyse the proportion of animals aged between 18 and 30 months slaughtered throughout the year.

A draft of report 3 will be issued to Taskforce members for comment in the coming weeks.

Market update

Bord Bia delivered a presentation on the current market situation which is available on the DAFM website: link:

gov.ie - Beef Taskforce (www.gov.ie)

Discussion:

- In answer to a query on imports Bord Bia gave figures of just under 28,000 tonnes in beef imports into Irish Market last year (down on the previous year). Most (22,000) came from NI and GB and was generally for processing and re-exporting, with a full breakdown to be provided.
- It was noted by DAFM that the 28,000 tonnes we import is just 6% of amount we export.
- It was strongly argued by farmer representative organisations that there was zero justification for the price cut at start of February with beef (volume) coming into the EU down 10% in 2020 and supply contracting early this year.
- The meat industry representatives contended that at the end of Jan/start of Feb the system was heavily supplied due to BREXIT stockpiling and the food service closures. This had an adverse effect on prices.

- They also explained that a lower proportion of Irish beef ends up in retail compared to domestic production than in other EU countries. The movement towards the resumption of the food service market would be expected to have a positive effect on prices.
- It was also noted that the Chinese market being closed the last 8 months caused a drag on price.
- The increase in feed price this year was mentioned as an additional difficulty in terms of producer viability.
- DAFM gave some details on the proposed National Food Ombudsman. There will be a 2 step approach:
    - Statutory instrument to transpose the UTP Directive – before 1st May
    - Primary legislation needed to establish the new office and to assign any additional functions - by the end of the year.
- Additional statutory functions to be assigned to NFO office – public consultation will take place to inform this.
- All parties stated their support for the establishment of food ombudsman and that the government legislation on this should be progressed quickly

An update on the **progress report** on actions under the beef sector agreement (as published) was delivered by DAFM.

There was an update on the work of the **suckler brand promotion oversight group**. Bord Bia outlined consultations with members of the group and examination of work in other jurisdictions which will inform the development of a brand based on wholesome natural rearing systems. The Group was due to meet again before the end of March.

QPS Grid review

Teagasc delivered a presentation on the scoping exercise on an in-depth review of the QPS grid based on the development of organoleptic (eating quality) metrics and cut types. Teagasc indicated that they are happy to engage with interested Taskforce members bilaterally on the proposals.

Chair Conclusions:

Re. Beef Prices

Severe disappointment was expressed by farmer representatives in relation to beef price developments over the last month and unhappiness with the explanation provided by Meat Industry representatives at the forum on this issue. The Chair, Mr Michael Dowling, asked Meat Industry Ireland to convey this message clearly to their members. The Chair was clear that any allegations of impropriety regarding pricing are not a matter for the Beef Taskforce or indeed the Department of Agriculture Food and the Marine to adjudicate on. *Rather any such allegation should be referred direct to CCPC.*

Re. Grant Thornton Transparency studies

Report two on market requirements has been finalised and will be published shortly. Grant Thornton gave an outline of the findings of the third report on price composition along the supply chain. A draft of the third report will be circulated to the beef taskforce members for comment in the next month.

Re Teagasc Action

Teagasc has now conducted both a desk-based analysis of the pricing structure of the grid and a further scoping exercise in relation to pricing structure, as per the action assigned in the Beef Sector Agreement. This action is now complete and any parties who wish to follow up further should do so directly with Teagasc.

Attendance of Meat Company representatives at a future Taskforce meeting

The Chair noted the request that this be facilitated

The Chair also agreed to a request for an appraisal of both the action items on the progress report and the overall objectives of the 2019 agreement at future meetings.

Agreed Actions:

Action	Owner
Circulation of draft of GT report 3 on price composition along the supply chain	GT/DAFM
Examination of age profile at slaughter	DAFM/Bord Bia
Full breakdown of Country of origin for beef imports	DAFM/Bord BIa
Further engagement of the BTF on the NFO	All Taskforce
Statement from the chair on the discussion on the current market situation	Chair

Next Meeting: Late April date TBC