



An Roinn Talmhaíochta,  
Bia agus Mara  
Department of Agriculture,  
Food and the Marine

## **Report on the work of the Beef Taskforce**

**July 2021**

## **Purpose of the establishment of the Taskforce**

The Beef Taskforce was established by the then Minister for Agriculture, Food and the Marine Michael Creed TD, on foot of the beef sector agreement of 15th September 2019. The full text of the agreement is outlined in Annex I.

## **Remit of the Taskforce**

The Beef Taskforce remit was to monitor the implementation of the actions arising from the agreement reached on 15th September 2019. The Taskforce was intended to provide for a robust implementation structure for commitments entered into this Agreement, with timelines and stakeholder engagement; and to offer a suitable platform for strategic engagement with key stakeholders including retailers, regulatory authorities etc. The full terms of reference are published on the gov.ie website and are available in Annex II.

## **Composition of the Taskforce**

The Taskforce is comprised of an independent Chair, Mr. Michael Dowling, nominated by the Minister and named individuals nominated by each of the parties involved in the 15 September 2019 talks. The current membership list is published on the gov.ie website and is available in Annex III.

## **Timelines**

According to the Terms of Reference, the Taskforce was to meet at least quarterly from October 2019 for a period of one year after which the Taskforce's progress was to be reviewed. Progress was delayed in 2020 due to the impact of the Covid-19 pandemic. The Beef Taskforce had its tenth meeting on the 3rd June 2021, at which the Chair announced that in line with the Terms of Reference he would be providing a report to the Minister on progress to date. This report is in fulfillment of that requirement. A full list of the meetings held to date is attached as Annex IV. In keeping with the theme of transparency in the original Agreement, all documents from the Beef Taskforce meetings, including minutes when agreed, have been published on the Gov.ie website.

## **Progress**

Of the 38 actions in the beef sector agreement, 28 are complete, 2 are in progress, and the remaining 8 are ongoing actions. Ongoing actions are defined as those which by their nature are long term and while updates have been provided to the Beef Taskforce, these will continue outside of the context of the Beef Taskforce. An updated table of actions is provided for each meeting and this is published on the gov.ie website. The most recent update is provided in Annex V.

## **Strand One**

Strand One of the Agreement involved several interventions aimed at providing immediate benefits for beef producers, including changes to the in-spec bonus. These actions were implemented immediately or shortly afterwards. The actions were as follows:

- The immediate introduction of a new bonus of 8c/kg for steers and heifers aged between 30 to 36 months, which meet all non-age related existing in-spec criteria, and which up to now have not received any bonus.
- An immediate increase of two-thirds in the current in-spec bonus for steers and heifers, from 12c/kg to 20c/kg.
- The introduction of a new in-spec bonus of 12c/kg for steers and heifers under 30 months in the categories of grade O- and fat score 4+, which currently do not qualify for any bonus.
- The in-spec 70-day residency requirement will be reduced to 60 days on the last farm.

The immediate introduction of these new bonuses for in-spec animals, the increase in the existing bonus and the change in the residency requirements was confirmed by Meat Industry Ireland (MII) as being implemented from the date of entry into force of the agreement.

The following actions for State Agencies also featured in this Strand:

- Bord Bia will develop a beef market price index model based on 3 components: cattle price index, beef market price index (retail and wholesale) and an offal price indicator, which will be introduced week commencing 16 September.
- An immediate scientific review of the Quality Payment Grid by Teagasc; the first stage of the review, a desktop analysis of the pricing structure of the grid on the basis of meat yield/conformation, to be completed by end October.

The development of a new beef market price index model was delivered by Bord Bia in November 2019 and is currently available on their [website](#). This index shows the relationship between the Irish price and a composite export benchmark price for prime cattle which reflects the relative importance of key markets for Irish beef; an index of wholesale and retail prices; and a by-product market indicator.

The scientific review of the Quality Payment Grid by Teagasc was conducted and presented to the Beef Taskforce in December 2019. This review included updating the prices for primal cuts to the average prices for the 2017 and 2018 calendar year and examining if the price differentials between classes need to be adjusted. The study indicated there was no significant change and thus no justification for changing differentials

It was further agreed at this meeting that a scoping exercise for a deep dive into a review and potential restructuring of the grid would be conducted by Teagasc. The output of this scoping exercise was presented to the Taskforce in March 2021.

The review noted that Ireland has been an innovator in carcass grading systems and the first in the EU to adopt automated grading by VIA (Video Image Analysis) in 2004. The exercise outlined potential options for further development including developing VIA technology to facilitate 'cuts-based' payment or alignment to the beef breeding programme to increase genetic gain.

It was agreed that Teagasc would engage bilaterally with any stakeholders who wished to examine the issue further.

## Strand Two

Strand Two of the Agreement sets out strategic measures which sought to address structural imbalances in the beef sector. Actions were set out under a number of headings:

### Market Scrutiny

The key action was the commissioning by DAFM of a number of reports as follows:

- an independent review of market and customer requirements, specifically in relation to the four in-spec bonus criteria currently in operation in the Irish beef sector.
- an independent examination of the price composition of the total value of the animal, including the fifth quarter, along the supply chain.
- a summary of competition law issues as relevant to the Irish beef sector.

The specification for the three market transparency studies was agreed by the Taskforce and the reports were commissioned by DAFM on behalf of the Taskforce in January 2020. Members of the Taskforce were given the opportunity to provide observations on the Reports at the various drafting stages. All three reports are now finalised and published on the Gov.ie [website](#). The details and core findings of the reports are as follows:

- Summary of competition law issues as relevant to the Irish beef sector. This is a literature review of existing competition law and lays out the legal position in relation to competition law in respect to key issues identified by stakeholders.
- Independent review of market and customer requirements, specifically in relation to the four in-spec bonus criteria currently in operation in the Irish beef sector. This bonus is payable on prime cattle who satisfy the following criteria: were slaughtered at under 30 months, had a maximum of four farm residencies, are part of the Bord Bia Quality Assurance Scheme, spent 60 consecutive days on a quality assured farm immediately prior to slaughter. The core finding of this report was that, while the degree to which the market required each of the in-spec bonus requirements, there was a requirement for each of them in the market.
- Independent examination of the price composition of the total value of the animal, including the fifth quarter, along the supply chain. The report found that it was not possible to map the price all the way along the supply chain due to a lack of availability of data outside of Ireland. It was however possible to examine the relative value of beef at farmgate and processing level, and the report presents a detailed analysis of this data. It concludes that
  - the value of beef animals for slaughter averaged over 2018 and 2019, and exclusive of VAT, was **€2.2 billion**.
  - the value of indigenous beef supply, sold domestically or exported, was **€2.9 billion**; or excluding prepared and preserved products, which may include some element of double counting, €2.7 billion.

## **Promotion**

Promotional Actions were as follows:

- Bord Bia will further intensify promotional activity for Irish beef across key EU markets and China.
- DAFM and Bord Bia are actively engaging with the EU Commission on the development of a Protected Geographical Indication for Irish beef.

Bord Bia promotional activity is by its nature an ongoing action. However, a general update on this activity has been provided as follows:

### **Market promotion:**

Under Bord Bia's marketing strategy for Irish meat, all the market development and promotion activities undertaken are focused on the following four goals:

- 1. Grow share in Priority Markets:** Bord Bia has prioritised those markets with the greatest potential to deliver volume and value growth for Irish Beef and targeted activities in these markets to grow our business with key customers. This directs the greatest investment in the Continental markets of Germany, the Netherlands and Italy, while continuing to invest to maintain our position in the UK market.
- 2. Increased Partnership with Key Customers Globally:** Bord Bia initiates partnership projects with selected key customers which offer significant potential to grow value and volume exports of Irish beef and have therefore been prioritised for focused investment. Activities under this program include the provision of tailored insights, marketing services and category promotions designed to build the market position of Irish beef. These projects are progressing as partnerships between suppliers, customers and Bord Bia, delivering growth focused KPI's.
- 3. Differentiate Irish Beef through Robust, Verifiable Proof Points:** Consumers are increasingly demanding proof of the claims associated with the products they consume, and this is especially evident regarding beef. Based on market insights and feedback, Bord Bia has developed a capability to deliver verified claims to meet this consumer trend. A key example focuses on the roll-out of the "Grass Fed" Standard, as well as the PGI application for Grass fed Irish Beef. Under the Meat and Dairy Facts programme in conjunction with key stakeholders, Bord Bia coordinated the development and execution of a communications campaign on the role of red meat in a balanced healthy diet and the sustainability credentials of Irish beef.
- 4. Grow Awareness & Preference for Irish Beef in Priority Markets:** Based on the "Food Brand Ireland" model a suite of marketing material has been developed to drive awareness and preference for Irish beef in specific priority markets. This enhanced and focused promotional campaign is being activated across selected key markets, at B2B and B2C level. A comprehensive Beef B2B Campaign is seeking to increase awareness and understanding of Irish beef USP's in the UK, Germany, Italy, and the Netherlands. The Chefs Irish Beef Club and Meat Academy customer events are also leveraged to drive awareness and sales of Irish beef in conjunction with suppliers and their customers. Irish Beef B2C campaigns supported sales of Irish beef across the four European priority markets by driving preference among target beef shoppers in each market based on the distinctive benefits of Irish beef. Activities included outdoor, online, radio and press advertising, PR activities and implementing instore promotions, advertorials, and bespoke consumer campaigns with key

customers. Similarly, specific sales supporting category promotions were implemented with targeted key accounts in established, new and high potential markets, such as China and Japan.

### **First ever Irish beef TV advertising campaign in the UK**

This campaign ran throughout the months of October and November 2020 across high profile ITV breakfast shows, targeting families who are looking for great-tasting, premium quality meat. The 'It's All Right Here' campaign was an opportunity to showcase Ireland's high standards in grass-fed beef production, and to highlight the tradition and care of our Irish farmers, as well as Ireland's longstanding history of servicing the UK market. The TV advertisement delivered over 20 million impressions to our target audience of 25-55-year-olds. Based on these very positive results and customer feedback, it is planned to conduct a similar campaign in autumn 2021

Another significant development was agreement on the establishment of a **Suckler Brand Development Oversight Group**. This Group which consists of key stakeholders from the sector has been established to provide oversight of the development of a suckler brand proposition by Bord Bia, with a budget of up to €6 million available over three years.

The Taskforce had detailed discussions on the development of a **Protected Geographical Indication for Irish Grass Fed Beef** by Bord Bia, on behalf of producers. The PGI application, with the agreement of the Beef Taskforce, was submitted to the EU Commission by DAFM in November 2020 and remains under consideration in Brussels.

The Taskforce also contributed to the discussion on the transposition of the **Unfair Trading Practices Directive** and plans for the establishment of a new office of the **National Food Ombudsman or Regulator**.

## **Transparency**

Along with the three market scrutiny reports outlined above there were a number of actions focused on improving market transparency as follows:

- In advance of the implementation of a new EU Regulation on price reporting across the EU, DAFM will provide additional detailed price reporting on the Beef PriceWatch app.
- DAFM will report its carcass classification inspection results on a regular basis. An expert report on mechanical carcass classification will be published in the near future. An appeals system for manual grading factories is being introduced.
- Teagasc will review the hot/cold weighing system.
- FSAI and DAFM will ensure strict enforcement of EU labelling laws.
- Key retail customers will be invited to brief the Taskforce on their market requirements.
- A consultation process will be launched shortly on the transposition of the Unfair Trading Practices (UTP) Directive, including consideration of the requirement for an independent regulator.
- The Taskforce will examine transparency models in other jurisdictions.
- EU experts will be invited to brief the Taskforce on the expanded EU meat market observatory methodology.

These actions are now completed.

The provision of additional detailed price reporting on the DAFM Beef PriceWatch App was delivered in early 2020. This App published by the Department provides users with up-to-date information on the average price paid for animals in 24 DAFM approved meat factories throughout the country. Behind these representative prices, the user is one click away from detailed information, at factory level, for prices across the entire 15 x 15 beef carcass classification grid. The app is available [here](#). The enhanced detail includes minimum and maximum prices for each factory.

DAFM has put in place a schedule of regular reporting on its carcass classification inspection results. These are published on the Gov.ie website. An expert report on [modification of mechanical carcass classification trial](#) conducted in 2019 has been published and is also available on that website. An appeals system for manual grading factories has been introduced and notified to relevant processors. To date, appeals have been made by 3 suppliers who supplied 16 animals to 3 different factories. In addition, Teagasc has carried out a review of hot & cold weighing systems and concluded that the Irish average of 2% variance is in line with global averages.

FSAI and DAFM continue to ensure strict enforcement of EU labelling laws, this is an ongoing action referenced in a later part of this report.

Key retail customers in Ireland, including all the major multiples operating here, attended the Taskforce to brief members on their market requirements in January 2020. The key points raised were as follows:

- Details of the in-spec bonus requirements and their rationale were outlined. Carcase weight impact on consumer pack size was also highlighted.
- Retailers gave particular emphasis to the importance of the Bord Bia Quality Assurance Scheme in delivering consistent verifiable quality to consumers which they have trust in.
- Farmer organisations outlined the difficulties presented to farmers in the context of meeting the in-spec bonus requirements and the impact of discounting of beef at retail level and expressed a desire to work more closely with the retailers. Farmer organisations also expressed concern about the sustainability of the current supply levels in Ireland given the poor return to the primary producers and highlighted the need for prices to rise to cover production costs and leave a margin. Retailers were also asked regarding the margins at retail on beef.
- Retailers present committed to engagement with the ongoing transparency studies which have been commissioned by DAFM, subject to terms of reference and commercial sensitivities
- Retailers agreed in principle that DNA registered traceability systems could provide further assurance to the customer, noting potential cost impact. Retailers noted that they have not seen any decline in meat consumption in Ireland, although some decline has been noted in UK markets.
- The importance of the sector meeting changing consumer demands in the context of climate change, as well increased focus on animal welfare was discussed.
- The issue of the price differential between meat and meat substitute products was raised. Retailers advised that currently meat substitute/alternatives were a very small proportion of business relative to meat.

A public consultation was launched by DAFM on 26 April 2021 on the primary legislation needed to establish a new Office of a **National Food Ombudsman or equivalent** as committed to in the Programme for Government. The consultation sought views on extending the rules of the UTP Regulations as well as on what other functions may be assigned to the new Office. The consultation was open until 11 June 2021. The Department is currently examining the submissions and recently held an information seminar (25 June) for stakeholders at which an overview of the submissions

received was provided, as well as reminding stakeholders of their obligations under the new Regulations.

The next step is to finalise the primary legislation including examining legal issues arising.

EU experts from DG Agri briefed the Task Force and other agri-food stakeholders on the expanded EU meat market observatory methodology on 14 July.

### **Strengthen the position of the farmer in the supply chain**

This action referred to producer organisations and live exports, both of which are ongoing actions, which will continue beyond the remit of the Taskforce. Updates are however given on a regular basis to the Beef Taskforce. The current update is as follows:

DAFM proactively engages with and provides guidance to potential beef Producer Organisations. There are currently three recognised Beef Producer Organisations in Ireland. DAFM is also working with a number of other interested parties. Work is currently underway on development of supports for the sector under the next CAP which will be aimed at further supporting the economic, environmental, and social sustainability of beef and sheep farms in Ireland. In this context, increased funding support for Producer Organisations is being considered.

DAFM is committed to a continued strategic focus in facilitating and developing the live export trade on a sustainable basis, taking account of stringent animal health and welfare standards. This is by its nature an ongoing action. However, general updates have been provided to the Taskforce.

### **Miscellaneous Industry commitments.**

Meat Industry Ireland has confirmed to the Taskforce that that the main industry commitments from the Agreement have been met including the application of the bonus schemes previously referenced. Other actions implemented included a minimum of four months' notice in the case of changes to weight limits, right to access carcass images, written confirmation of terms of sale where requested and option to opt out of the insurance scheme for animals delivered to factories.

In addition, at the request of the Beef Taskforce, individual processors attended the meeting of the Beef Taskforce on 10 June 2021. The individual processors gave an update and answered questions put to them by Taskforce members.

### **Actions in progress:**

As referenced at the start of this report, of the 38 actions in the beef sector agreement, 28 are complete, 2 are in progress, and the remaining 8 are ongoing actions. The three in progress actions are:

- **The Taskforce will examine transparency models in other jurisdictions.** It is proposed that the examination of transparency models in other jurisdictions would be in line with the remit of



the soon to be established National Food Ombudsman's office and it is recommended that this action is assigned there.

- **Lairage weighing service will be provided on request.** Farmer stakeholders have complained that this facility is not being provided by at least some processors. At the June 2021 BTF meeting individual processors gave an update on this and stated that this is not something that their suppliers have or are currently requesting. They indicated that were this demanded by their suppliers they would provide the service.

### **Ongoing Actions:**

There are eight actions which relate to ongoing activity which will continue outside of the context of the Beef Taskforce. Updates on this ongoing work have been given to the Taskforce.

- The need to fully fund CAP and protect its share of the EU Budget, and to ensure that the current level of direct payments to Irish beef farmers is protected.
- Irish Government should seek the invocation by the EU of the WTO safeguard clause to reduce the level of beef imports from third countries. Furthermore, it should be ensured that imports which do not meet the same stringent standards as EU producers are banned.
- FSAI and DAFM will ensure strict enforcement of EU labeling laws.
- DAFM to engage with potential Beef Producer Organisations and provide guidance on the application process.
- Live exports are a critical outlet to improve competition in the sector. DAFM is committed to a continued strategic focus in facilitating and developing this trade on a sustainable basis, taking account of stringent animal health and welfare standards.
- Stakeholders agreed that additional funding for targeted direct support for suckler cows is required as a priority.
- Stakeholders agreed that in the context of Brexit, support is urgently required to ensure that effects on all farmers producing beef are mitigated.

### **Conclusion**

The Beef Taskforce has now satisfied its remit with all the finite actions concluded and the ongoing actions enhanced during the period of the Beef Taskforce work. The Beef Taskforce can point to several specific and significant achievements, including:

- Immediate financial benefits due to the introduction of new bonuses and increased bonus for the existing in-spec criteria.
- A written commitment by Industry in relation to several points including insurance schemes, carcass images etc.
- Establishment of a Group to oversee of the development of a suckler brand proposition by Bord Bia, with a budget of up to €6 million.

- Significant input into the application for PGI status for Irish Grass Fed Beef
- Three substantial market transparency reports which provide important information about the sector and also pointing to information gaps. For example, the third report on price composition pointed out that it was not possible to map the beef price all the way along the supply chain, due to a lack of availability of price data from trade customers outside Ireland.

Finally, in this period September 2019 to July 2021 significant additional funding, outside of existing CAP schemes, was made available by DAFM and an extra €180.3 million was drawn down by beef farmers, through the following schemes:

- In November 2019, 16,424 farmers received payments totalling €15.3 million under the BEEP Pilot
- In December 2019, payments to 32,500 farmers, to the value of some €78 million were received under BEAM.
- In November 2020, 27,200 farmers received payments totalling €46.6 million under BFP
- In November 2020, 24,400 farmers received payments totalling €40.4 million under BEEP-S

The BSEP Programme launched in March 2021 includes an updated BEEP-S scheme with a budget allocation of €40 million and a new Dairy Beef measure with a budget allocation of €5 million.

## **Annex I – Full text of the Beef Sector Agreement 15<sup>th</sup> September 2019**

### **Irish Beef Sector Agreement, 15th September 2019**

This Agreement, reached on 15th September 2019, in Agriculture House, Kildare Street, Dublin, is in respect of the Irish Beef Sector. This agreement should be read in conjunction with the Backweston 'Conclusions and Next Steps' document dated 21 August.

#### **Strand One: Immediate benefits for farmers**

Strand One of the Agreement involves a number of interventions which will provide immediate benefit for beef producers. The following interventions were agreed:

- The **immediate introduction of a new bonus of 8c/kg for steers and heifers aged between 30 to 36 months**, which meet all non-age related existing in-spec criteria, and which up to now have not received any bonus.
- An immediate increase of two-thirds in the current in-spec bonus for steers and heifers, **from 12c/kg to 20c/kg**.
- The introduction of a **new in-spec bonus of 12c/kg for steers and heifers under 30 months in the categories of grade O- and fat score 4+**, which currently do not qualify for any bonus.
- The in-spec 70-day residency requirement will be reduced to 60 days on the last farm.
- Bord Bia will develop a beef market price index model based on 3 components: cattle price index, beef market price index (retail and wholesale) and an offal price indicator, which will be introduced week commencing 16 September.
- An immediate scientific review of the Quality Payment Grid by Teagasc; the first stage of the review, a desktop analysis of the pricing structure of the grid on the basis of meat yield/conformation, to be completed by end October.
- The establishment of a **Beef Market Taskforce**.

#### **Strand Two: Strategic Structural Reforms:**

Strand Two of the Agreement sets out the strategic measures which seek to address structural imbalances in the beef sector.

#### **Market Scrutiny**

Initiatives aimed at improving information along the supply chain will **include the immediate commissioning of the following reports, with a view to publishing before the end of 2019:**

- **an independent review of market and customer requirements**, specifically in relation to the four in-spec bonus criteria currently in operation in the Irish beef sector.
- **an independent examination of the price composition of the total value of the animal**, including the fifth quarter, along the supply chain. The results will inform future actions as necessary. The beef industry will co-operate in providing data; and
- **a summary of competition law issues** as relevant to the Irish beef sector.

## **Beef Market Taskforce**

As part of Strand One and underpinning Strand Two, a Beef Market Task Force will be established to provide leadership to develop a sustainable pathway for the future of the beef sector in terms of economic, environmental, and social sustainability. The Taskforce will be independently chaired by an appointee of the Minister, and will include DAFM, relevant State agencies and nominees from farm organisations and the meat industry. The Taskforce will provide for a robust implementation structure for commitments entered into in this Agreement, with timelines and stakeholder engagement. Furthermore, the Beef Market Taskforce will offer a suitable platform for strategic engagement with key stakeholders including retailers, regulatory authorities etc.

The Task Force will review and bring forward measures that can support farmers transitioning from lower grade animals towards higher-spec categories through innovation and new technologies.

## **Promotion**

- Bord Bia will further intensify promotional activity for Irish beef across key EU markets and China.
- DAFM and Bord Bia are actively engaging with the EU Commission on the development of a **Protected Geographical Indication for Irish beef**.

## **Transparency**

- In advance of the implementation of a new EU Regulation on price reporting across the EU, DAFM will provide **additional detailed price reporting on the Beef PriceWatch app**. EU experts will be invited to brief the Task Force on the expanded EU meat market observatory methodology.

- Key retail customers will be invited to brief the Task Force on their market requirements.
- The Task Force will examine transparency models in other jurisdictions.
- A consultation process will be launched shortly on the **transposition of the Unfair Trading Practices (UTP) Directive**, including consideration of the requirement for an independent regulator.
- DAFM will report its **carcass classification** inspection results on a regular basis. An expert report on mechanical carcass classification will be published in the near future. An appeals system for manual grading factories is being introduced.
- Teagasc will review the hot/cold weighing system.
- FSAI and DAFM will ensure strict enforcement of EU labeling laws.

#### **Strengthening the position of the farmer in the supply chain**

DAFM is proactively engaging with several potential **beef Producer Organisations** and providing guidance on the application process. The first beef PO was approved by DAFM this week.

**Live exports** are a critical outlet to improve competition in the sector. DAFM is committed to a continued strategic focus in facilitating and developing this trade on a sustainable basis, taking account of stringent animal health and welfare standards.

#### **Miscellaneous industry commitments**

- Meat industry confirmed that the base price at individual plant level applies to all steers and heifers regardless of age or breed.
- No change in weight limits without a minimum of four months notice to the farmer.
- Farmers have the right to access their carcass images.
- Lairage weighing services will be provided on request, which may incur a nominal charge.
- Written confirmation of terms of sale, where requested.
- Farmers can opt out of the insurance scheme for animals delivered to factories.

#### **Resolution of dispute**

All parties have entered into this agreement in good faith. The intention here is to resolve all outstanding issues between farmers and processors. We agree as follows:

- Blockades and protests will be removed immediately and all parties to this agreement will ensure that this happens.
- Thereafter, beef processors undertake that all legal proceedings against farm organisations and/or individual farmers will be withdrawn in relation to this matter.
- Parties agree that any future disputes that arise should, in the first instance, be brought before the Beef Market Taskforce, in order to maintain the integrity of the Agreement.
- If any party fails to comply with these provisions, the Agreement lapses.
- This Agreement enters into force following the cessation of all protests and blockades.

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**The parties to this agreement, which was facilitated by the Department of Agriculture, Food and the Marine, on 15 September 2019, are:**

- Meat Industry Ireland
- Irish Cattle and Sheep Farmers Association
- Macra na Feirme
- Independent Farmers Organisation of Ireland
- Irish Creamery Milk Suppliers Association
- Beef Plan Movement
- Irish Farmers Association
- Irish Natura and Hill Farmers Association

## **Annex II – Beef Taskforce Terms of Reference**

### Beef Task force Terms of Reference

#### **Purpose of the establishment of the Taskforce**

The Beef Taskforce was established by the Minister for Agriculture, Food and the Marine Michael Creed TD, on foot of the agreement of 15th September.

#### **Remit of the Taskforce**

The Beef Taskforce remit is to monitor the implementation of the actions arising from the agreement reached on 15th September. The Taskforce will provide for a robust implementation structure for commitments entered into in this Agreement, with timelines and stakeholder engagement. Furthermore, the Beef Market Taskforce will offer a suitable platform for strategic engagement with key stakeholders including retailers, regulatory authorities etc. The Task Force will review and bring forward measures that can support farmers transitioning from lower grade animals towards higher-spec categories through innovation and new technologies. A market update report will be provided and discussed at each meeting. The Taskforce will meet at least quarterly from October 2019 for a period of one year after which the Taskforce's progress will be reviewed. Composition of the taskforce The Taskforce is comprised of an independent Chair nominated by the Minister and nominees from each of the relevant organisations as follows:

<b>Name</b>	<b>Organisation</b>
Michael Dowling	Chair
Sinead McPhillips	DAFM
Maria Dunne	DAFM
Aidan Murray	Teagasc
Padraig Brennan	Bord Bia
Pat McCormack	ICMSA
Des Morrison	ICMSA
Edmond Phelan	ICSA
Eddie Punch	ICSA
Joe Healy	IFA
Kevin Kinsella	IFA

TJ Flannagan	ICOS
Thomas Duffy	Macra
Derrie Dillon	Macra
Dermot O'Brien	BPM
Enda Fingelton	BPM
Brendan Joyce	INHFA
Colm O'Donnell	INHFA
Philip Carroll	MII
Cormac Healy	MII
Joe Ryan	MII
Sean Coughlan	ICBF

As the Taskforce works through specific issues, the Chair may invite additional subject experts to attend meetings on an ad hoc basis.

Secretariat will be provided by DAFM.

Valerie Woods	DAFM - Secretariat
Gregory Murray	DAFM - Secretariat

Reporting & Governance Agreed minutes and update reports will be published on DAFM's website. Taskforce meetings will be held in camera. Documentation circulated and discussions at Taskforce meetings will be confidential, in order to facilitate an open dialogue.



### **Annex III – Current BTF membership**

<b>Name</b>	<b>Organisation</b>
Michael Dowling	Chair
Sinead McPhillips	DAFM
Maria Dunne	DAFM
Aidan Murray	Teagasc
Padraig Brennan	Bord Bia
Pat McCormack	ICMSA
Des Morrison	ICMSA
Edmund Graham	ICSA
Eddie Punch	ICSA
Tim Cullinane	IFA
Tomas Bourke	IFA
Ray Doyle	ICOS
John Keane	Macra
Derrie Dillon	Macra
Dermot O'Brien	BPM/IBLA
Enda Fingleton	BPM/IBLA
Joe Condon	INHFA
Colm O'Donnell	INHFA
Philip Carroll	MII
Cormac Healy	MII
Joe Ryan	MII
Sean Coughlan	ICBF



## **Annex IV – List of Beef Taskforce meetings:**

Meetings of the Beef Taskforce were held on the following dates:

- Meeting on 03/12/2019
- Meeting on 09/01/2020
- Update circulated in May 2020
- Meeting 25/06/2020
- Meeting 23/09/2020
- Meeting 12/10/2020
- Meeting 22/10/2020
- Meeting 17/12/2020
- Meeting 09/03/2021
- Meeting 22/04/2021
- Meeting 03/06/2021
- Meeting 21/07/2021

**Annex V – Table of actions as of 21<sup>st</sup> July 2021**

Completed  
In progress  
To be commenced  
Ongoing

**Progress Report as of July 2021 on Implementation of Irish Beef Sector Agreement 15 September 2019****Strand 1**

No	Action Agreed	Lead	Timeline	Update
1	Establishment of a Beef Taskforce.	DAFM	Q4 2019	Taskforce Established, Chairperson appointed. First meeting 3 December 2019
2	The introduction of a new in-spec bonus of 12c/kg for steers and heifers under 30 months in the categories of grade O- and fat score 4+, which currently do not qualify for any bonus.	MII	Q4 2019	Confirmed. Implemented on resumption of processing following 15 September 2019 Agreement.
3	The immediate introduction of a new bonus of 8c/kg for steers and heifers aged between 30 to 36 months, which meet all non-age related existing in-spec criteria, and which up to now have not received any bonus.	MII	Q4 2019	Confirmed. Implemented on resumption of processing following 15 September 2019 Agreement.
4	An immediate increase of two-thirds in the current in-spec bonus for steers and heifers, from 12c/kg to 20c/kg.	MII	Q4 2019	Confirmed. Implemented on resumption of processing following 15 September 2019 Agreement.
5	The in-spec 70-day residency requirement will be reduced to 60 days on the last farm.	MII	Q4 2019	Confirmed. Implemented on resumption of processing following 15 September 2019 Agreement.
6	Bord Bia will develop a beef market price index model based on 3 components: cattle price index, beef market price index (retail and wholesale) and an offal price indicator, which will be introduced week commencing 16 September.	Bord Bia	Q4 2019	Launched 18 November 2019. Available on the Bord Bia website: <a href="https://www.bordbia.ie/farmers-growers/farmers/prices-markets/beef-market-tracking/">https://www.bordbia.ie/farmers-growers/farmers/prices-markets/beef-market-tracking/</a> PWC retained to verify figures. Market update as standing item on BTF meeting agenda agreed.

7.	An immediate scientific review of the Quality Payment Grid by Teagasc; the first stage of the review, a desktop analysis of the pricing structure of the grid on the basis of meat yield/conformation, to be completed by end October.	Teagasc	Q4 2019	Teagasc presented the first stage of the review in detail at the 9 Jan 2020 BTF meeting. The final scoping study was presented on 9 March 2021 BTF meeting.
8.	Independent review of market and customer requirements, specifically in relation to the four in-spec bonus criteria currently in operation in the Irish beef sector.	DAFM	<del>Q4 2019</del> <b>Delayed due to COVID-19</b>	Tender was awarded to Grant Thornton. Progress report issued to BTF members in May 2020. Grant Thornton provided an update to the BTF in June 2020 with a further update given in September 2020. The draft report was presented in December 2020. Final report was presented on 09 March 2021 meeting and subsequently published.

## Strand 2

No	Action Agreed	Lead	Timeline	Update
9.	Independent examination of the price composition of the total value of the animal, including the fifth quarter, along the supply chain. The results will inform future actions as necessary. The beef industry will co-operate in providing data.	DAFM	<del>Q4 2019</del> Delayed due to COVID-19	Tender was awarded to Grant Thornton. Progress report issued to BTF members in May 2020. Grant Thornton provided an update to the BTF in June 2020 with further updates given in September and December 2020. A final update was given at March 2021 meeting and a final draft of the report was issued to BTF members in April 2021. This draft was discussed at the meeting on 22 April 2021 with agreed observations incorporated in a final report. The report was discussed at the June 2021 Beef Taskforce Meeting and published immediately after.
10.	Summary of competition law issues as relevant to the Irish beef sector.	DAFM	Q4 2019	Tender was awarded to Grant Thornton. Progress report issued to BTF members in May 2020. Grant Thornton provided updates to the BTF in June and September 2020 This report was completed in

				December 2020 and subsequently published.
11.	Provide additional detailed price reporting on the Beef PriceWatch App	DAFM	Q1 2020	DAFM added the additional details to the Beef Pricewatch App in early 2020.
12	EU experts will be invited to brief the Task Force on the expanded EU meat market observatory methodology.	DAFM	Q1 2020	Scheduled seminar in Ireland by DG Agri for March 2020 was postponed due to Covid-19. It was rescheduled and took place on 14 July 2021.
13	Key retail customers will be invited to brief the Task Force on their market requirements.	DAFM	Q2 2020	Retailers attended BTF on 9 January 2020
14.	The Task Force will examine transparency models in other jurisdictions.	DAFM	Q2 2020	It was agreed that this action would be undertaken by the new Authority referenced in Action 15.
15.	A consultation process will be launched shortly on the transposition of the Unfair Trading Practices (UTP) Directive, including consideration of the requirement for an independent regulator.	DAFM	Q4 2019	<p>On 28 April the Minister signed Statutory Instrument No. 198 of 2021 which sets out the Regulations to give effect in Irish law to EU Directive No. 2019/633 on Unfair Trading Practices in business-to-business relationships in the agricultural and food supply chain. These Regulations came into effect on 1 July 2021. The Regulations apply to agreements for the supply of agri-food products.</p> <p>A public consultation regarding the work of a new authority, as provided for in the Programme for Government, commenced in April 2021 and concluded on 26th May 2021. All submissions under this process will be considered, including requirement for an independent regulator, in establishing the new authority. The Authority will have the necessary statutory powers to investigate complaints, carry out investigations on its own initiative and initiate legal proceedings for breaches of the Unfair Trading Practices (UTPs) prohibited under the Directive. The establishment of this Authority requires primary legislation</p>
16.	DAFM will report its carcass classification inspection results on a regular basis.	DAFM	Q4 2019	A schedule of regular reporting has been put in place. These reports are available on the Gov.ie website

17.	An expert report on mechanical carcass classification will be published in the near future.	DAFM	Q4 2019	The expert report on mechanical carcass classification review has been published on the Gov.ie website.
18	An appeals system for manual grading factories is being introduced.	DAFM	Q1 2020	An Appeals system has been put in place and notified to relevant processors
19.	FSAI and DAFM will ensure strict enforcement of EU labeling laws.	DAFM	ONGOING	DAFM confirmed this is ongoing.
20.	DAFM to engage with potential Beef Producer Organisations and provide guidance on the application process.	DAFM	ONGOING	DAFM is proactively engaging with several potential beef Producer Organisations and providing guidance. The first beef PO was approved by DAFM in September 2019, a second one in October 2019 and a third in May 2021. DAFM have had initial engagement with ICOS on the role of Co-ops in the co-operative structure Engagement with prospective groups is ongoing.
21.	Live exports are a critical outlet to improve competition in the sector. DAFM is committed to a continued strategic focus in facilitating and developing this trade on a sustainable basis, taking account of stringent animal health and welfare standards.	DAFM	ONGOING	DAFM confirmed this is ongoing. Written updates were provided on specific issues raised.
22.	DAFM and Bord Bia are actively engaging with the EU Commission on the development of a Protected Geographical Indication for Irish beef.	DAFM, BB	Q4 2020	DAFM have applied, with agreement of the BTF, to the EU Commission for an Irish grass fed PGI. A monitoring group will be established in the event that the PGI is granted.
23.	Bord Bia will further intensify promotional activity for Irish beef across key EU markets and China.	BB	complete	In the light of the market disruption caused by COVID Bord Bia has revised its promotional programme across key European and international markets. This included a switch to online promotional activity aimed at consumers that shop at supermarkets selling Irish beef. A revised plan for each market has been developed to focus on strong utilisation of the network of chefs that actively use Irish beef to have them act as the first line of promotion - through their social media channels. Prior to the suspension of Irish beef exports to China in May 2020, trade had developed strongly with exports valued at €60m in the 18-

				month period to June 2020. During this period Bord Bia increased its investment to over €1m to deliver enhanced awareness of Irish beef across both foodservice and e-commerce. The current absence of Irish beef in the market limits our potential activities. However, through our office in Shanghai, Bord Bia has a marketing plan in place that will be activated immediately once trade recommences. The plan focuses on activities to re-introduce Irish beef to the market and build on the previous progress made with customers, particularly across foodservice and e-commerce.
24.	Development of Suckler Brand	Bord Bia	Ongoing	Bord Bia commit to providing up to €6 million over the next three years for the development of a suckler specific brand. A stakeholder monitoring group has been established.
25.	Review of hot & cold weighing system	Teagasc	Q1 2020	Teagasc has carried out a literature review and concluded that the Irish average of 2% is in line with global averages. The factors for this were outlined in an oral presentation.
25.	Meat industry to confirm that the base price at individual plant level applies to all steers and heifers regardless of age or breed.	MII	Q4 2019	Confirmed 15 September 2019.
26.	No change in weight limits without a minimum of four months' notice to the farmer.	MII	Q4 2019	MII has notified its members, and this is now in place.
27.	Farmers have the right to access their carcass images.	MII	Q1 2020	Mechanism put in place in February 2020 and details circulated by DAFM to the members of the Beef Taskforce
28.	Lairage weighing service will be provided on request, which may incur a nominal charge.	MII	Q1 2020	At the June 2021 BTF meeting, individual processors gave an update to the BTF members. In line with the 2019 action point, processors noted that this is not something that their suppliers have or are currently requesting. Processing companies did indicate to the meeting that where this was demanded by their suppliers, they will facilitate the service.
29.	Written confirmation of terms of sale, where requested.	MII	Q4 2019	Confirmed by MII. This facility is in place, where requested.



30.	Farmers can opt out of the insurance scheme for animals delivered to factories.	MII All Stakeholders	Q4 2019	Confirmed by MII. This facility is in place where requested. Any individual farmer seeking clarity on this matter, or wishing to opt out of the insurance scheme, should contact their processor.
31.	Blockades and protests will be removed immediately and all parties to this agreement will ensure that this happens.	FARM BODIES	Q3 2019	Confirmed by MII.
32.	Thereafter, beef processors undertake that all legal proceedings against farm organisations and/or individual farmers will be withdrawn in relation to this matter.	MII	Q3 2019	Implemented.
33.	Parties agree that any future disputes that arise should, in the first instance, be brought before the Beef Market Taskforce, in order to maintain the integrity of the Agreement.	FARM BODIES, MII	ONGOING	Commitment re-iterated.

## Additional Stakeholder Points from August meetings

No	Action Agreed	Lead	Timeline	Update
34.	Stakeholders agreed that additional funding for targeted direct support for suckler cows is required as a priority.	DAFM	ONGOING	<p>In November 2019, 16,424 farmers received payments totaling €15.3 million under the BEEP Pilot</p> <p>In December 2019, payments to 32,500 farmers, to the value of some €78 million were received under BEAM.</p> <p>The Beef Finisher Payment launched on 19th August provided income support to all beef farmers who finished animals from 01/02/20 to 12/06/20 as this was the peak period of market disturbance due to the COVID-19 pandemic</p> <p>In November 2020, 27,200 farmers received payments totaling €46.6 million under BFP</p>

				<p>In November 2020, 24,400 farmers received payments totaling €40.4 million under BEEP-S</p> <p>The BSEP Programme launched in March 2021 includes an updated BEEP-S and a new Dairy Beef measure with an additional budget allocation of €5 million. BSEP has an overall budget allocation of €45 million.</p>
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35.	Stakeholders agreed that in the context of Brexit, support is urgently required to ensure that effects on all farmers producing beef are mitigated.	DAFM	ONGOING	Government and DAFM are monitoring and assisting with administrative and customs barriers. Supports provided in the context of Brexit included the €100 million EI scheme for capital investment in the meat and dairy processing sector, which will support industry to invest in product and market diversification.
36.	Stakeholders agreed on the need to fully fund CAP and protect its share of the EU Budget, and to ensure that the current level of direct payments to Irish beef farmers is protected.	DAFM	ONGOING	DAFM will continue to lobby for the strongest possible CAP budget and continued support at EU level.
37.	There was a demand from the stakeholders that the Irish Government should seek the invocation by the EU of the WTO safeguard clause to reduce the level of beef imports from third countries. Furthermore, it should be ensured that imports which do not meet the same stringent standards as EU producers are banned.	DAFM	ONGOING	DAFM will continue to lobby for continued support at EU level.



**An Roinn Talmhaíochta,  
Bia agus Mara**  
Department of Agriculture,  
Food and the Marine

