

Minutes of the Horticulture Forum meeting

Thursday 25 March 2013, Lagan Valley Island Centre, Lisburn

Chair: Robin McKee

Present: Robin McKee, Hamilton Loney, John Beggs, Shane Donnelly, Thomas Gilpin, Doug Thompson, Roy Lyttle, B Bell (UFU) , Ian Duff (minutes)

Apologies: Elaine Shaw, Sam MacNeice, Keith Crawford, Patricia Erwin, Elaine Chapman

Robin McKee welcomed Paul Frew, Chair of the NI assembly Agriculture Committee and asked Paul to outline the work and interests of the Committee.

1. Work of the DARD Assembly Committee.

Function. The committee's role is to advise and assist the Minister for Agriculture and Rural Development, on matters within his/her responsibility as a Minister. The committee undertakes a scrutiny, policy development and consultation role with respect to the Department and plays a key role in the consideration and development of legislation.

Membership. The Committee currently has 11 Members representing the various parties in the Assembly.

Mr Paul Frew (Chairperson)

Mr Joe Byrne (Deputy Chairman)

Mr Thomas Buchanan

Mr Trevor Clarke

Mrs Jo-Anne Dobson

Mr Chris Hazzard

Mr William Irwin

Mr Declan McAleer

Mr Kieran McCarthy

Mr Oliver McMullan

Mr Robin Swan.

Committee Clerk: Stella McArdle

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Approach. Try to be supportive of the work of the Department for the benefit of the industry while fulfilling their scrutinising function.

Current Activities.

- Recently impacted on the Dog Breeding legislation to retain trigger levels at 3 bitches and lessen the impact on working farms.
- Have taken an interest in the Badger Cull to ensure that the cull is appropriate to Northern Ireland and that the Bovine TB scheme continues to provide farmers with adequate compensation.
- Have initiated a simple review of plant health protection and enforcement in NI following on from the Ash Dieback and Phytophthora disease outbreaks. Did not formally ask for evidence as would have done for a full Report but are keen to receive the views of the industry on the plant health issues and in particular biosecurity at ports etc.
- Held an informal stakeholder consultation on CAP reform through a seminar attended by Michael Hamell, Head of the European Commission for the Environment, Agriculture, Forests and Soil Department.
- Successfully applied pressure to DARD to reduce late payment of the SFP. As a result the process was started 2 month earlier this year.

Mr Frew welcomed the opportunity to hear from Forum Members on the issues currently affecting the industry.

2. Horticulture issues put to Mr Frew by Forum Members.

Vegetables

- Growth Potential £15m to £20m by 2020.
- The need for grant aid to assist reinvestment on farms;
- R&D for season extension.
- Prefer to achieve income from market but retailers squeezing margins on producers. Need effective Groceries Code Adjudicator.
- Effective Plant health enforcement important on an all island basis
- Concern at effect of greening on land availability.

Flowers

- Growth potential for farmgate value of about £1.2m currently to rise to £3.5m by 2020. Sector has grown quickly from £200k in 2001 but has still more potential.
- A lot of scope for import substitution and export to GB and RoI;

- Stocks most important non bulb crop in UK (12m market), a lot of scope to grow the market for NI stocks particularly through the supermarkets which take 90% of NI production;
- Cool climate in NI enables season extension of 8 weeks over England, scope to grow local production to 15 million stems (currently about 3m);
- Foliage is another opportunity locally. Rol is currently aiming to grow its market from £25m euros to £50 million euros;
- Current barriers to increasing production are insufficient funds for investment in production facilities including polytunnels (grant aid available in Rol). If delay due to lack of funds for investment the demand will be met by other countries;
- Industry taking action to promote itself through formation of NI Flower and Foliage Association (NIFFA);
- NIFFA currently working with AFBI to submit research challenge fund application which is 50% industry funded.
- Flower production does not compete with or replace other production as it uses limited land. Output from 1 acre of glass under flowers is equivalent to 50 acres of agricultural land.

Top Fruit

- Growth potential from £10m at present to £15m by 2020;
- Currently around 120 growers producing from 4000 acres of orchard;
- PGI status for Armagh Bramley. Growers now have to use this marketing/PR opportunity. Growers have been successful in their application to participate in the Supply Chain Development Programme (SCDP) but it will still require considerable funding to maximise the opportunity;
- There has been a decline in the area of English Bramley produced. This provides an opportunity for Armagh Bramley;
- Local growers need support to help them provide suitable storage for Armagh Bramley following the ban on the use of DPA in apple stores. A typical store requires an investment of £50-£60,000.
- Support is also needed to help growers plant orchards due to the high establishment costs (£10,000 per acre) particularly for high density systems and the considerable length of time (3-4 years) before orchards start production;
- Local growers need R&D support to identify suitable dessert varieties that will grow well in NI conditions. This will provide opportunities for import substitution;
- Apple juice and cider production offer local opportunities. There are now about 10 local producers although the large processors are located in Donegal and Clonmel;

- There is concern that smaller sectors are not provided with sufficient R&D support from DARD. AFBI does good work but more still needs to be done;
- There is some concern about the impact of CAP on local orchards. Apples are a long term crop but not necessarily permanent. Also the creation of ecological focus areas would involve removing trees.

Ornamentals

- Growth potential from £16m today to £20m by 2020;
- Horticulture is a particularly labour dependant industry so provides good employment opportunities;
- There is massive opportunity for import substitution in the ornamentals sector where some 70 – 80% of imports could be produced locally and also exported to GB and RoI;
- Current production all sold on the island of Ireland which has plant health benefits;
- There is an ongoing need for technical support from CAFRE and also for the provision of training and development;
- Investment is needed in the industry. Hardy nursery stock is a long term crop whereas bedding has a quicker turnaround of 6 weeks to 6 months;
- Gross margins are being squeezed – now down to 30% from 45% a few years ago. There is pressure to sell plants cheaper leaving a very limited amount of money to expand output;
- A robust plant health strategy is needed. Issues include the importation of plants by individuals as opposed to the “trade”; allegations that some suppliers suppress disease symptoms of plants scheduled for import; large numbers of diseases (e.g Phytophthora variants) waiting to come to the UK/Ireland; and the need to act on warnings provided by trade associations.
- Funding for horticulture similar to that available in RoI would be very beneficial.

Landscaping

- Big employer in Northern Ireland (4000+ jobs in 780 businesses).
- Landscaping sector does not sit comfortably within any of the local government departments. They do not qualify for any CAP payments and they have to pay for training provided by CAFRE;
- Important benefits to mental welfare, physical fitness, quality of life and tourism are often overlooked.
- Links to the need to promote the health benefits of horticulture in general, including the 5 a day fruit and vegetable promotion.

Mushrooms

- Growth potential from £28m today to £42m by 2020
- The need for grant aid as for RoI;
- A Bord Bia equivalent to help with marketing and promotion and to collate market information;
- Retention of Processing and Marketing Grant Scheme;
- Education programme to promote the benefits of local fresh fruit and vegetables to children;
- Opportunities with POs.

Training

- Important that this is linked to industry needs rather than the awarding bodies who want to remove a lot of the practical aspects of courses.

3. Discussion.

AgriFood Strategy Board.

J Thompson had engaged with the sector and sought their views.

Some doubts about what the Board will deliver eg. support funding.

Horticulture is less land intensive than other sectors – which cannot all expand on the same land base.

CAP Reform.

Horticulture is not big recipient of SFP, or any other funding, compared to other sectors.

Greening effects are a concern if this restricts availability of good arable land.

General feeling that arable farming will carry the greening responsibility and penalties.

Health promotion.

Could have win/win effect on local production and public health. Underfunded activity compared to other regions.

Growth Potential.

Industry has growth potential and the desire to grow but margins cannot fund the investment needed unless get Government / EU support.

Comparisons to situation in RoI highlighted in Strategy Report – appendix 3.

Processing and Marketing Grant Scheme.

Useful and paperwork not too difficult. Needs to be retained but is of no assistance to production sector.

Export.

Weight and relatively low value of material means that the potential is restricted to markets relatively close to home -- UK / RoI / Europe.

Important to extend the season for local produce to substitute for imports.

Anaerobic Digestion.

Mr Frew was interested in the views of members. General view was one of caution and a feeling that finance was an issue and that there was likely to be more talk than actual investment on the ground.

Nursery Products / Landscape Products.

Members expressed the view that competent evaluation of tenders was a problem with unsustainable tenders still being accepted.

Pesticide Chemicals and Application Certificates.

The loss of important pest control chemicals through EU legislation and withdrawal of Grandfather rights for operators was a major concern to the industry in general.

4. How the Assembly Committee can help.

Where individual grower has an issue this should be referred to their MLA.

Agriculture and Rural Development Committee is interested if the issue is of general relevance to the industry e.g plant health.

Horticulture Forum should make their views known to the Committee on specific strategic issues.

Representation should be focused and targeted – having a general moan about low margins / bad weather etc. will be counterproductive.

In first instance the Forum should approach the Committee through the Committee Clerk, Stella McArdle. Arrangements may then be made for an informal discussion with the Chairman / Deputy Chairman.

Contact with the committee may be either through written submissions or verbally if invited to provide evidence at a meeting of the Committee.

Although they meet weekly, time is limited and tend to focus on specific issues through reviews e.g current review of tree / plant health and action on the recent severe weather. The Horticulture Forum should choose only priority issues to take to the ARD Committee but then do so in a well presented and clear fashion.

Site visits are useful but are time consuming and may be poorly attended. Need to be important and do what cannot be done in committee.

5. Thanks.

The chairman thanked Mr Frew for devoting the time to meeting the Forum, especially in the midst of all the constituency and committee pressures arising from the ongoing extreme weather condition and their impact on farm families.

Mr Frew then left the meeting. Dr Long attended the remainder of the meeting.

6. CAFRE Advisory Group.

The importance of representation from the Horticulture Forum on this important advisory Group was stressed. Doug Thompson's term of office had come to an end and the competition for new members was now open – **closing date Friday 19 April 2013.**

Following discussion, Shane Donnelly agreed to submit an application.

7. Horticulture Statistics.

Elaine Chapman had been approached by the DARD Economists who were keen to improve their statistics of the horticulture industry. Members were supportive of this initiative.

8. Research priorities.

The Forum will be invited to send representatives to the Stakeholder meeting on 10 May 2013. Important that any gaps are brought to the attention of those attending so that the case and need for research can be suitably argued on behalf of horticulture.

9. Date of next meeting

CAFRE have proposed that it would be possible to hold a Forum meeting prior to the CAFRE Horticulture Awards Event, which is being held on the evening of 19 June 2013. This will allow members to represent the industry at this event.

It was agreed that this would be a good opportunity and the Forum should accept the CAFRE offer.

10. Future Roles and Structures of the Horticulture Forum.

Ian Duff (Supply Chain Facilitator) introduced a paper seeking the members' views on possible changes to the Forum's terms of reference and structure to build on its recent success in raising the profile of the industry and promoting its needs to Ministers and MEPs.

A copy of the proposals and questions posed are provided with these minutes. Possible changes and questions addressed in the subsequent discussion are highlighted in red.

The revised terms of reference and structure provided in Annex 1 of these minutes were drafted to reflect the views expressed by members at the meeting. It was agreed that these would be sent to the representative organisations to enable them to comment in time for the revised document to be finalised at the next meeting on 19 June 2013. At the same time views would be sought as to whether organisations would be prepared to contribute a small amount each year to provide professional PR support in situations where this was thought necessary.

11. Action Points.

1. Forum to write to the Clerk of the ARD Committee supporting their review of the plant health controls relating to trees but advising them of the importance of having a clear and effective plant health strategy for all plant material covering the Island of Ireland.

2. Shane Donnelly will apply for position on the CAFRE advisory Group.

3. Dr Long to advise CAFRE that the Forum will be pleased to meet at Greenmount Campus prior to the Awards Evening on 19 June 2013.

4. Members invited to attend the DARD Research Stakeholder Meeting on 10 May should attend or delegate a representative to reflect the research needs of the horticulture industry.

5. Ian Duff is to contact the member organisations and seek their views on the proposed refinement of the Horticulture Forum Terms of Reference and Structures. He should also determine whether they would be prepared to contribute to a small fund to engage professional support to promote the industry in the media.

Signed

Date

Annex 1.

Discussion Document – updated roles and functions of the Horticulture Forum for Northern Ireland.

1.1. Horticulture Forum.

The Horticulture Forum was established in 2005 following a recommendation within the Strategic Review of the NI Commercial Horticulture Sector carried out by PWC on behalf of DARD.

The forum considers that It is now appropriate, following 7 Years of successful operation, which culminated in the development by the Forum of the Strategy for development of the Horticulture Industry, to review its terms of reference and membership structure.

The intention in doing so is to build on recent success in raising the profile of the industry and to ensure continued vitality through effective representation of all sectors of the industry and achieving structured leadership succession.

1.2. Terms of Reference – *updated April 2103.*

The Horticulture Forum provides a means of communication between the horticulture sectors on collective horticulture industry issues. The Horticulture Forum;

- I. Represents the interests of horticulture industry with public representatives, DARD and other Executive Departments as appropriate;
- II. Has no statutory or regulatory role but will operate as a consultative and advisory body for Executive Departments on cross sector horticultural issues;
- III. Acts as liaison and point of contact with the Horticulture Development Company and other horticulture organisations outside Northern Ireland;
- IV. Promotes the industry and its contribution to the Northern Ireland economy;
- V. Works with others to promote career opportunities and encourage young people to enter the industry.

NOTES:

1. DARD has committed to “arrange, provide accommodation and take minutes of meetings; make available to the public, as required under Freedom of Information legislation minutes of meetings taken by DARD staff; but will not provide any other direct funding to the Forum”.

2. The organisation will continue to function only so long as the industry finds the activities to be of benefit.

3. Apart from the activities funded by DARD (see Note 1) the organisation will be sustained by industry member organisations

4. The Horticulture Forum will meet approximately 4 times per year and may undertake any other activities which further its Terms of Reference.

1.3. Membership.

Representatives will be the communication links between the Forum and the individual Sector organisations.

A maximum of two representatives shall be eligible to attend from each of the following organisations –

- I. Landscape Contractors of Ireland (ALCI),
- II. UFU Vegetable Committee,
- III. Ulster Farmers Union (UFU),
- IV. NI Fruit Growers Association (NIFGA),
- V. Growers NI,
- VI. Fruit Industry Federation (FIF),
- VII. Horticulture Trades Association (HTA).
- VIII. Northway Mushrooms –representing the interests of the wider mushroom industry
- IX. Northern Ireland Flower and Foliage Association

Where Nominated Individuals are unable to attend any meeting they will be encouraged to send alternative representatives to represent their organisation.

Nomination will be on a 2 year basis to encourage continuity and sustained representation of the various organisations.

The Forum should have the power to invite other individuals to attend the Forum meetings where their experience and / or expertise will benefit the organisation in meeting its “terms of reference”

1.4 Office Holders.

In addition to the Secretary, who will be appointed by DARD, the office bearers of the organisation will be;

Chairman.

Vice Chairman.

Public Relations Officer.

Treasurer – *required only if the organisation decides to collect and hold funds.*

To encourage active participation by the member organisations, the positions of Chairman and Vice Chairman will be held for a maximum of two years and these positions will be rotated around the member organisations.