FEED ISSUES

IGFA MONTLY NEWSLETTER



Brexit Update

Brexit talks continue



The 6th round of negotiations on a new partnership between the EU and the UK finished on 23 July. The EU Chief Negotiator, Michel Barnier, described the two sides as 'still far away', reiterating that the UK has not 'shown the same level of engagement and readiness to find solutions'. Problems still exist on finding a long-

term solution on fisheries and the EU is disappointed that there has not been progress on 'robust guarantees for a level playing field'. On the latter Mr Barnier said that 'We want to trade with the UK free from tariffs, free from quotas, but also free from unfair competition'. He warned that if an agreement is not reached there will be far more friction 'for instance on trade in goods, in addition to new customs formalities, there will be tariffs and quotas'. On the Northern Ireland Protocol he said that there were some useful developments at a recent Specialised Committee on the Protocol but remained concerned 'that the necessary measures will not be in place on 1 January'. The next round of negotiations will be held mid-August.

Brexit, time to prepare

In July the EU Commission formally advised all member states to prepare for a hard Brexit. A Communication to the European parliament was published covering the areas of concern to businesses and citizens. The document highlights the fact that a free trade agreement (FTA) does not provide for internal market concepts in the area of goods and services such a mutual recognition (of qualifications and certification marks) or the "country of origin principles". The document covers trade in goods and services, authorisation of products, energy and transport. In the Annex on page 32 the readiness notices updated since March 2020 are listed. The feed notice is available here and covers feed hygiene, feed labelling, feed additive authorisation, PARNUTS and the NI protocol.

Below we have outlined some key Brexit related issues for our sector with the aim of directing members to further information and resources.

The Northern Ireland Protocol

The Withdrawal Agreement (WA) has a dedicated Ireland – Northern Ireland Protocol. This Protocol will take effect once the transition period ends, even if there is no agreement on the future relationship between the EU and the UK. The objective of the Protocol is to avoid a hard border on the island of Ireland, and to protect the integrity of the Single Market and Customs Union. The Protocol is clear that while Northern Ireland is in the **UK customs territory**, Northern Ireland will apply the rules of the Union

CONTENTS	
Brexit talks continue Brexit time to prepare	
UK post Brexit agri policies Germany takes the EU helm New FEFAC Website Maize/Sorghum/Rye levy July 2020 WASDE Report Covid, how is it affecting your business? GMO Advisory Committee (AMR) – Medicated Feed Med Feed License Holders Trader Notice 4 Animal Health Iafa FAQ	

WHATS ON

Aug	Teagasc Events
Sept 1ts	Igfa Feed Committee
Oct 13 th	Fefac Premix
Oct 14 th	Fefac Animal Nutrition
Nov 18	Feed Safety
Sept 24 th	XXIX Fefac Congress

USFFUL LINKS

OUL! OF FILLIO	
Igfa Covid 19	Gov Covid 19
HSE Covid 19	CDC Covid19
Crop Forecast	Irish Fbo's
Protein Balance	Fbo Forms
Oeju	Dafm Brexit
Fsai Amr	Dafm Amr
Compound feed Labelli	ng Code
Dafm Trader Notices	Pig Innovation
WASDE	

RASEE July 2020

TO TOTAL DOTAL	
Total Food & Feed	288
Food	251
Food Contact Materials	13
Total Feed	24
Feed Materials	15
Feed Premixtures	0
Feed Additives	2
Compound Feed	1
Nuts, products & seeds	0
Pet food	6

Customs Code and the legislation which governs SPS controls, amongst other relevant EU legislation. The Commission has clarified, that there will be a need for checks, some of which already exist, on goods entering Northern Ireland from Great Britain and Third Countries. The details of how this will be implemented will be finalised in the period ahead, including through the work taken forward by the EU and UK in the Joint and Specialised Committees. It is important to note that these controls do not apply to trade between Ireland and Northern Ireland.

Tariffs



You may remember 3 years (sept 2017!) ago we did a short video for members on how to look up these codes. Please see link to video.

In June the UK updated its <u>Tariff schedule</u>. Tariffs have been simplified, rounded or moved to zero. The AHDB has also provided a simple guide to <u>tariffs under a no deal Brexit</u>. It provides the UK tariff rate for the common codes by Agri-sector (poultry, beef dairy etc). It also shows the relevant EU tariff alongside for ease of comparison. Cereals and oilseeds can be found at the following <u>link</u>. In the case of barley seed imports into Ireland from the UK, the seed would carry a €93/tonne levy and seed imports into the UK of barley seed from the EU would carry a levy of £73/tonne. In the scenario that an FTA is agreed and both tariffs are zero, there still remains the issue that mutual recognition for "certification of seed" (products authorisation / certification) in both jurisdictions has not been agreed. Therefore, importing the seed could still be problematic.

Customs

In July the UK government published a <u>document</u> outlining the processes for moving goods between GB and the EU from 1 January 2021. This document does not cover the NI protocol. Members are reminded that border control is not devolved to the regions and remains a UK competence. On July 22 the UK government published its public consultation on <u>2025 Border control strategy.</u> The consultation welcomes views from stakeholders and interested parties and is open until 28 August 2020.

On 14 July the Commission updated its <u>Guidance in the field of customs, including preferential origin</u>. The Commission guide on Tariffs and TRQ will be updated in September/October when the details of the final deal are published. Members should note that grain moved under a TRQ licence within the existing licence provision must be discharged in the EU customs territory.

Revenue Trade/Business Engagement

Revenue has begun the process of re-engaging with trade and business due to the fact that from 1 January 2021 customs formalities will apply to the movement of goods from, to and through the UK, excluding Northern Ireland. Phase 1 of Revenue's engagement involved sending letters to over 60,000 businesses that traded with the UK since 2019 and have not yet registered for EORI. Phase 2 is planned for the beginning of September when revenue will engage directly with businesses that traded with the UK in 2019 and 2020. It will aim to provide businesses with advice on steps they need to take to be ready for 1 January 2021. Please contact revenue if you have not received a letter this month and you traded with the UK in 2019-20. Revenue intend to update their portal regularly with useful information www.revenue.ie/brexit

Revenue has provided the following guide as an aid to business.

Action	What a business needs to do
Supply Chain	Know where their goods originate, their value for customs purposes, tariff classification and invoicing currency. Businesses that make use of any EU VAT simplification measures (such as triangulation or self-billing) should be aware that these measures will no longer be available where part of the transaction occurs in the UK. Businesses that incur VAT on purchases made in the UK should be aware that the European VAT Refund (EVR) system will no longer be available to reclaim VAT expended in the UK.
Customs Compliance	Decide on who will submit customs declarations for imports; do it inhouse or engage a customs agent. Ensure in-house customs software is up to date and able to connect to Revenue's new Automated Import System (AIS), available from November. In addition to export declarations, need to know who will be responsible for import declarations on the UK side, i.e. Delivery Duty Paid (DDP).

Impact on Logistics	Importer needs to know what new information the logistics provider will need and when.
Certification	Some imports and exports require a certificate or licence, contact the relevant regulatory authority or regulator to put the necessary measures in place.
Payment of Import Duties	Consider the cashflow implications of any import charges including customs duty, VAT and/or excise. Register for Revenue Online Services (ROS) - required to lodge funds into Customs and Excise/TAN Account to pay import charges.
Excise	Movements of excise goods into the EU (incl Ireland) from the UK (excluding NI) will be third country imports from 1 January 2021. The EU Excise Movement Control System (EMCS) will no longer be available to economic operators based in the UK, excluding Northern Ireland, for movements into the EU (incl Ireland). Customs formalities will have to be completed for excisable goods – otherwise businesses will be unable to import such goods from the UK (excluding NI). For movements of excisable products from NI to Ireland, existing procedures under EU law will remain in place.
Advice	Avail of the Brexit advice/financial supports available from other State Bodies and Agencies.
Customs Authorisations and Simplifications	These may make interaction with Revenue easier in the future EU-UK trading environment. An application for any of these authorisations or simplifications is made electronically on the <u>Customs Decision System</u> (CDS). In each case, an application must be made simultaneously for a financial/ <u>comprehensive guarantee</u> .

General

The Department of Agriculture has reissued its <u>checklist</u> for moving animals, plants and products of animal origin (POA). Of relevance to members is any animal feed containing animal by-products and hay and straw. The full list can be reviewed in Commission decision 2007/275.

Get answers to your Brexit questions

Igfa is working on a FAQs document and aims to organise a workshop on Brexit in conjunction with DAFM. Members are requested to submit detailed questions so that we can continue to ask the authorities for clarification over the next few months.

UK post Brexit agri policies

The new UK Agriculture Bill has finished its marathon 7-day Committee stage in the House of Lords where many peers gave comments and debated possible amendments. It will go back to the House of Commons in September. Of most interest to members will be the latest amendment proposing the deregulation of new breeding techniques (NBTs). This amendment would immediately bring UK agriculture into conflict with the European Court of Justice ruling on NBTs. This ruling considered that techniques such as gene editing should be considered as GMO and regulated as GMOs.

DEFRA has also launched a policy discussion/consultation on its proposed new Land Management Policy. Issues ranging from how the land management plans will work to how and what will be paid for is up for discussion. There is also talk of an extra payment/incentive for farmers to help in the transition and Defra have dropped the EU greening compliance from next year.

A new trade and agriculture <u>advisory commission</u> has been launched in the UK. Farmers, retailers and consumers are represented on the commission. It will report directly to the International Trade Secretary on policies the Government should adopt to secure opportunities for UK farmers, while ensuring they remain competitive and that animal welfare and environmental standards in food production are not undermined.

General News

Germany takes the EU helm

Germany took over the rotating six-month presidency of the EU on 1 July. A number of policy areas have been prioritised including climate change, security and the future relationship with the UK but the focus will be on overcoming the consequences of the coronavirus crisis and addressing the EU's long term economic and social needs. The first huge step in this direction was taken on 21 July when EU Heads of State finalised a post pandemic financial package worth €750bn.

This package was agreed alongside a future 7-year budget for the EU worth €1.074 trillion. €336.4bn of this will be spent on the future CAP 2021-2027, representing an overall cut of approximately 10% on the 2014-2020 CAP budget. €5bn has also been put aside in the budget for a new 'Special Brexit Adjustment Reserve' to deal with the consequences of Brexit for member states and sectors that are worst affected. Discussions on the future EU budget are traditionally the most contentious and EU leaders negotiated over 4 days and 4 nights. However, finalising such a difficult issue and settling the politics surrounding it means that the Germans can focus their efforts on other pressing policy priorities for the rest of the year.

New FEFAC Website



The European Feed Manufacturers' Federation, FEFAC, has launched a <u>new</u> website with the aim of improving access to information on the compound feed and premixtures industry across Europe. The website details the activities and initiatives that

the industry is undertaking and highlights our role as "animal nutrition experts". It contains latest information on recent changes to FEFAC governance and leadership and promotes the FEFAC Congress that will be held on September 24th under the theme "Towards climate – neutral feed and livestock production in Europe".

Maize/Sorghum/Rye levy

The tariff for maize, sorghum and rye was updated three times in the last three months. At first an increase of the import duties was due to the drop in US cif maize price, mainly as a result of the collapse of bioethanol demand in the US. Later on, with the situation starting to recover, the US maize price started increasing again, triggering a first reduction of import tariffs and has continued steadily increasing since then. In parallel, a lower maize harvest in the US is now expected in 2020/21, pushing maize prices further up. Now that prices on the world market for maize have significantly increased, the import tariffs are set at EUR 0 per tonne again. The revised tariff was published on 3 July 2020 and is calculated according to EU regulation 642/2010. The import duty for the three cereals is based on the difference between an EU reference price and the world benchmark for maize – the US price, calculated as cif maize price (i.e. cost, insurance and freight included) at the port of Rotterdam.

July 2020 WASDE Report

The World Agricultural Supply and Demand Estimate (WASDE) is prepared and released by the World Agricultural Outlook Board (WAOB). The report is released monthly, and provides annual forecasts for US and world wheat, rice, coarse grains, oilseeds, and cotton. The report also covers US production of sugar, meat, poultry, eggs, and milk. See link to July Report.

Coronavirus, how is it affecting your business?



The European Commission has launched a survey with the aim of investigating the impact of the coronavirus pandemic on the EU's food supply chain. Views are being sought from all agri food businesses. It is hoped that learning from these experiences can help EU policy making in the future. Igfa will respond on behalf of the whole industry but individual responses are also highly relevant. The survey should take about 25 minutes and is open until 30 September 2020.

GMO Advisory Committee

Igfa's Deirdre Webb has been appointed to the EPA's GMO advisory committee. Meetings are held once a year and the majority of the work is carried out electronically.

Technical News

Antimicrobial Resistance (AMR) - Medicated Feed

<u>EU Regulation on Veterinary Medicinal Products 2019/6</u> entered into force on 28 January 2019, following a 5-year period of negotiation. It applies directly to EU members from 28 January 2022, and sets out rules for the sale, manufacture, import, export, supply, distribution, advertisement, control and use of veterinary medicinal products. National discretion is allowed in a number of areas. DAFM invited submissions on the contents of the new Regulation. The following is the submission made by Igfa to DAFM veterinary section on 23 July 2020.

Whilst we note that Regulation (EU) 2019/6 recital 13, clarifies that medicated feed or intermediate products are not legally VMP's, Igfa members (medicated feed licence holders) wish to comment on articles 57 and 105.

Article 57 - Collection of data on antimicrobial medicinal products used in animals

We fully support the collection of data and the use of such data as part of the EU Farm to Fork strategy in setting credible reduction targets. However, we feel a robust transparent validation of such data is just as critical. We suggest that the data collected at farm should be validated by the authorities against scripts issued by professional veterinarians. Electronic issue of scripts through a central database may be the future. In addition, we would welcome clarity on whether the new Statutory Instrument will include details of how authorities plan to avoid imports bypassing the data collection system.

Article 105 - Veterinary prescriptions

Veterinary prescriptions for antimicrobials are only valid to be filled for 5 days; and are limited to the amount required for the treatment concerned (article 105.10).

We are concerned about how this will work in practice as our experience indicates that there can be at least a 5-day delay between the veterinary practitioner writing the script and the medicated feed being manufactured/dispatched.

We welcome a similar Public Consultation document for Regulation (EU) 2019/4 on the manufacture, placing on the market and use of medicated feed and request to be advised on a timeframe for that document.

List of Med Feed License Holders on DAFM website

DAFM Veterinary Medicines (ERAD) wrote recently to Medicated Feed Licence Holders and advised that it is the Department's intention to produce a list of licenced Medicated Feed companies on their website which will be available to the public. The name and contact details of each licence holder will be included on the list. Following igfa's request to DAFM for clarification, DAFM Veterinary Medicines (ERAD) have advised that It is entirely at the licence holder's own discretion as to whether they wish to be included.

Trader Notice 4

Trader notices 4 2020 (see <u>link</u>) was issued to all feed business operators on 16th July . This trader notice relates to Inspections by DAFM to verify compliance with the Return to Work Safely Protocol and associated measures to prevent the spread of COVID-19 in the workplace. The Minister for Agriculture, Food and the Marine has given a commitment that inspectors from this Department will work with the HSA to inspect for compliance with the Return to Work Safely Protocol in premises where we carry out routine inspections.

The Return to Work Safely Protocol outlines the control measures that need to be in place. The key measures are:

- 1. A Return to Work Safely Protocol, specific to your premises
- 2. A lead worker representative must be identified, where appropriate
- 3. Adequate controls must be in place to stop the spread of the disease.
- 4. Training on the protocol must be provided to all staff

The HSA <u>website</u> has a series of checklists and templates that can be used to assist with compliance.

Animal Health

Avian influenza (HPAI) in Europe

DAFM published their latest AI Alert No. 10 update on avian flu on 28 July 2020

Low Pathogenic Avian Influenza H6N1 Outbreaks in Ireland

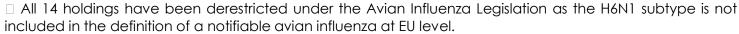
□ On the 22/06/2020, DAFM confirmed another case of Low Pathogenic Avian Influenza (LPAI) of the H6N1 subtype in a poultry flock in County Monaghan

☐ This brings the total number of LPAI H6N1 outbreaks to 14

☐ The confirmed flocks include 11 table egg layer flocks, 2 fattening turkey flocks and 1 turkey breeder flock.

□ Presenting clinical signs in affected flocks have included:

- o Significant drop in ega production
- o Reduced feed intake
- o Mild depression (occasionally)
- o Green diarrhoea (one case only)
- o Slight increase in mortality



□ Recently confirmed cases remain restricted under Irish Law and are subject to compliance with certain requirements in order to prevent further disease spread.

□ Culling of birds has occurred in the case of all the flocks – note this is a commercial decision on behalf of the flock owners.

LPAI H6N1- Ireland's avian influenza disease status is not affected

Avian influenza is defined in EU law and in the OIE Terrestrial code for the purposes of notification, control, eradication and trade. Notifiable avian influenza includes all influenza A viruses of the H5 or H7 subtypes, whether they are low pathogenic or highly pathogenic. It also includes non H5 or H7 subtypes, provided they are classified as highly pathogenic following a specific testing regime set out in the legislation. Under these rules the H6N1 subtype of avian influenza in this case is not deemed to be notifiable to the EU or the OIE as it is not a H5 or H7 subtype and testing has confirmed that it is not highly pathogenic (this is also supported by the clinical picture). Therefore, Ireland's Avian Influenza disease status is not affected by these outbreaks and there is no legal requirement to cull affected flocks or to introduce the same high-level controls required by other notifiable subtypes of avian influenza such as H5N8 or H5N1.

Ireland advice to flock owners: The recent outbreaks of non-notifiable LPAI H6N1 here in Ireland are a reminder to all stakeholders that vigilance is needed against avian influenza.

All flock owners should monitor their flocks closely for signs of disease and consult their private veterinarian or local Regional Veterinary Office if they have concerns. Note that the presenting signs for H6N1 can be relatively mild and flocks presenting with any of the clinical signs of avian influenza should be reported to DAFM so that a full investigation can be carried out in order to rule out the presence of notifiable disease.

Flock owners, particularly those located in the area affected by H6N1 and surrounding high density poultry areas (Monaghan, Cavan & Louth) should review their individual risk for avian influenza and ensure strict mitigating biosecurity measures are in place to prevent the disease spreading to their flocks.

African Swine Fever (ASF)

DAFM published their latest ASF update on 4th June 2020.

Asia - At least 60% of the world's pig population is believed to be in Asia and the Pacific region according to the OIE. The confirmation of ASF in India brings the total number of Asian countries affected to fourteen including China.

Europe - Belgium reported a third confirmed case of ASF this year on 10 March in a wild boar which was believed to have died more than six months previously. All 3 of the reported ASF cases in wild boar in Belgium have occurred in aged carcasses that have been discovered as a result of surveillance in the demarcated infected zone. Germany is preparing to erect a solid chain-





link fence along the border with ASF infected areas of Poland. This is in addition to the mobile electric fences which they have been using since January. German authorities have also increased hunting and surveillance in the border area for ASF in wild boar.

Ireland advice to pig owners: Pig owners in Ireland are advised to remain vigilant and to implement biosecurity measures to mitigate the risk of an outbreak of the disease in Ireland. These measures include never allowing pigs access to food waste, implementing a pig free period of 72 hours for anyone coming from an ASF affected region and not allowing pigs to come into contact with contaminated clothing, vehicles or equipment. Further biosecurity advice, ASF videos and posters and disease updates can be viewed and downloaded from the DAFM website.

Igfa FAQs



Tolerances

Permitted tolerances for discrepancies between the labelled compositional values of a feed material or compound feed and the values analysed in official controls are available in Regulation (EC) No 767/2009 amended Commission Regulation (EU) 2017/2279 see <u>link</u> page 27.

Sample taking and retention (unless your customer has greater requirments)

campic raixing and i	cicinion (offices your costoffice flas greater requirificins)
Ufas H 2.1 Bulk Raw materials	A representative sample of each bulk feed intake (including liquids/ powders) must be taken and retained (samples may be provided by the supplier where they cannot be obtained at intake).
Ufas H 2.2 Bagged Raw Materials	The Participant must take and retain a sample of each packaged feed intake, unless alternative arrangements for timely access to a representative sample have been made. The Participant may arrange for the supplier to retain these samples.
Ufas H 3.1 Bulk finished feed	Each consignment of bulk feeds must be sampled at out loading, and the sample retained. Where this is not practical, traceable production samples may be retained instead.
Ufas H 3.1 Bagged finished feed	Each batch or run of packaged feeds must be sampled and the sample retained.
Ufas H 4.1	Feed samples must be retained and be available to the Competent Authorities for a defined period appropriate to the use for which the feed is placed on the market, Sample retention time should take into account the shelf life of the feed.
Feed Hygiene Regulation (EC) No 183/2005	Samples of ingredients and of each batch of products manufactured and placed on the market or of each specific portion of production (in the case of continuous production) must be taken in sufficient quantity using a procedure pre-established by the manufacturer and be retained, in order to ensure traceability (on a regular basis in the case of manufacture solely for the manufacturer's own needs). The samples must be sealed and labelled for easy identification; they must be stored under conditions which prevent any abnormal change in the composition of the sample or any adulteration. They must be kept at the disposal of the competent authorities for a period appropriate to the use for which the feed is placed on the market.

Record Retention

Record Refermion	
Ufas J 1.5	All relevant records must be retained for a defined period not less than two years, or as required by legislation, and be available to auditors.
Ufas K 14.2	All records relating to feeds containing Controlled Products must be retained for a minimum period of five years.
European Feed Manufacturers Guide 2.2.6.	All records required by the EFMC must be kept for the required minimum period according to the EU legislation and/or national provisions. By default, a 5 years period is recommended. • The storage conditions must prevent any deterioration or damage to the records. • The records must be sorted and filed for complete and easy information and be legible.
Regulation (EU) 2019/4 Medicated feed	SECTION 6 Record-keeping The documents listed in this paragraph shall be kept for at least five years in the record after their date of issuance.