

## RENEWED INTEREST IN FARM QUALITY ASSURED

### SCHEME MEMBERSHIP

THE Northern Ireland Beef & Lamb Farm Quality Assurance Scheme (NIBL FQAS) was introduced to give consumers assurances about the farm end of the production chain with three key pillars: animal welfare, food safety and care for the environment. These messages have recently been communicated to consumers through an intensive media campaign by LMC.

The scheme helps to provide consumers with assurances that Farm Quality Assured Beef and Lamb has been produced on farms certified as operating to designated assurance standards including their quality of care for animals and the farm environment, their freedom from use of unnatural substances and their compliance with legislation. The scheme is owned by the LMC on behalf of the Beef and Sheep meat industry and has been in operation now for 20 years.

Farm Quality Assured Status is a requirement of trade with many of the major retailers and food service operators in the UK and export markets and has acted as a useful tool when seeking access to key markets for NI beef. As a result incentives were put in place to encourage producers to become a member of the scheme. Until recently processors have applied a penalty of around £30 per head on cattle without FQ status but how stringently this penalty was applied was closely linked with the availability of cattle for slaughter and market outlets for the end product.

The importance of FQ status in the marketing of beef has been further confirmed in its inclusion in the criteria for the 8p/kg bonus currently being implemented across the plants for in spec cattle.

However in light of the European wide horse-meat crisis involving processed beef there has been a renewed interest in the Farm Quality Assurance Scheme due to the enhanced assurances on traceability and safety which the scheme provides. In recent weeks the majority of the major processors in NI have increased penalties for non quality

assured cattle to encourage more producers to become members of the scheme.

Penalties for non quality assured cattle now range from £45-75 per head across the plants with some plants reportedly refusing cattle that do not have FQ assured status. With the annual fee for membership of the FQAS scheme currently £55 (+VAT) the cost of membership of the scheme is potentially less than the penalty for non assured status on one beef animal.

The increasing importance of Farm Quality Assured status in marketing beef has resulted in a marked increase in the number of applications to the FQAS scheme over the last few weeks with in excess of 140 application packs issued in the last month. Farm Quality Assured status has been an important tool in marketing beef produced from prime cattle for a significant number of years with the proportion of prime cattle with FQ assured status exceeding 80 per cent since 2003 and peaking in 2012 at 96%.

It is obvious from these statistics that a large majority of producers finishing prime cattle are members of the Farm Quality Assurance Scheme and recognise the financial benefit of scheme membership to their farm business. The increase in the penalty for non Farm Quality Assured stock and the tighter application of these penalties has resulted in an uplift in interest in joining the scheme from dairy producers presenting cows for slaughter and suckler beef producers who may not be finishing any prime stock but will be culling cows.

Figure 2 outlines the differential in prices paid for Farm Quality Assured and non Farm Quality Assured R3 grading steers between October 2012 and February 2013. Over the period in question there has been a higher price paid for Farm Quality Assured R3 grade steers but in recent weeks the differential between quality assured and non quality assured stock has widened significantly.

In the week ending 08 February 2013 the price differential was 22.1p/kg and with an average R3 steer carcass weight of 365.9p/kg the average differential in price was £80.77. This compares to an average price differential of £35.18 between FQ assured and non FQ assured steers when considering the twelve weeks ending the 28 December 2012. While this significant increase in the

financial benefit of FQ approved status on finished cattle in recent weeks has boosted the number of applications to the Farm Quality Assurance Scheme it is important to also highlight the other benefits of scheme membership.

Farm Quality assured farms have a reduced likelihood of selection for statutory cross compliance inspections under GAEC (Good Agricultural and Environmental Conditions and Food and Feed law) due to a lower risk profile of non-compliance. The FQAS inspection can also be viewed as preparation for a Cross Compliance inspection from DARD.

A NIBL FQAS inspection has similarities to some aspects of a Cross Compliance inspection and does not require any additional information than what is required in a DARD inspection. Some producers therefore view the FQAS inspection as an 'MOT' of their current farming system and a useful tool in identifying any potential problems related to beef and lamb production.

In addition to this the FQAS offers participants the opportunity to rectify non-conformances over a period of time without any financial penalty, aided by the provision of a dedicated FQAS Liaison Service by LMC to help rectify any problems that arise at FQAS inspection. This service includes the provision of the FQAS helpline and the provision of monthly FQAS clinics in marts across NI.

The FQAS scheme strives to remain up to date with current legislation and farming practices and as such relies on the inputs of the representatives from the beef and lamb agricultural industry which form the FQAS Board and Standard Setting Committee. These groups represent all areas of the industry and currently consist of representatives from UFU, NIMEA, DARD, NBA, NSA, NIAPA and LMC.

At present the NIBL FQAS is treated as equivalent to the Red Tractor Assurance Scheme operating in Great Britain and as such NI FQAS beef qualifies for the Red Tractor Logo. With a large percentage of our beef destined for major UK customers this is an important marketing tool for the processors to access markets. The scheme is also important in accessing some EU markets

For any further queries in relation to the Farm Quality Assurance Scheme or with assistance in rectifying non conformances please contact LMC's FQAS helpline on 028 9263 3024.

Figure1: Proportion of prime cattle with FQ status 1992-2012 financial years

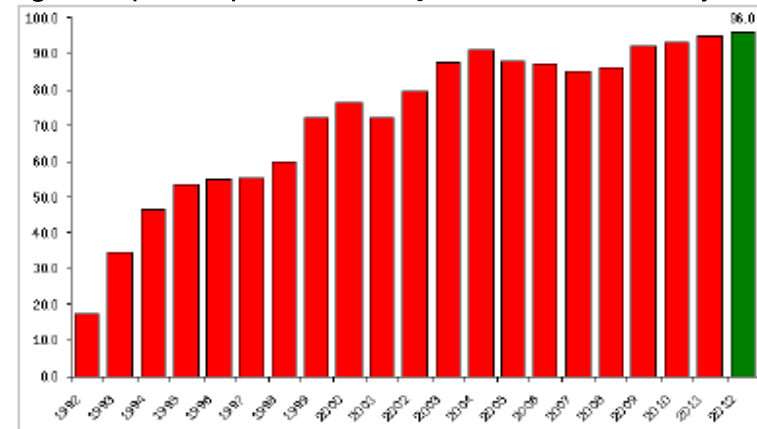
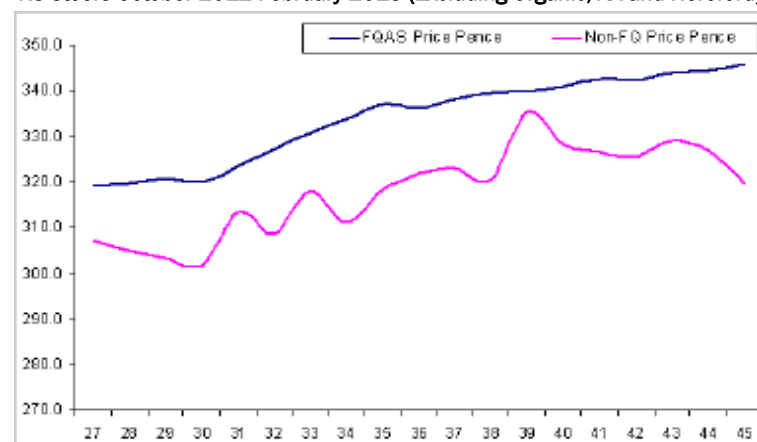


Figure2: Average prices paid for FQ assured R3 steers and non FQ assured R3 steers October 2012-February 2013 (Excluding Organic, AA and Hereford)



## LMC Red Meat Prospects Conference 2013

### PROGRESS THROUGH PARTNERSHIP

**Speakers:**

- Christine Tacon- Grocery Code Adjudicator
- Peter Mitchell- OSI Food Solutions
- Angela McGowan: Danske Bank
- Aodhan O'Donell: Consumer Council for Northern Ireland
- Andrew Taylor: UK Export Certification Partnership
- Stuart Ashworth: Quality Meat Scotland
- Joe Burke: Bord Bia
- Conall Donnelly: Livestock and Meat Commission

Book your seat at the LMC Red Meat Prospects Conference in Greenmount College, Co Antrim on 20 March 2013 (9:30-4pm). Booking is free, lunch and other refreshments are included.

Chaired by Richard Wright (BBC NI), the conference theme is 'Progress Through Partnership'. An exceptional panel of guest speakers will discuss the importance of strong supply chain relationships and brief you about what we can expect from the market in the next 12 months.

**Bookings**

BY EMAIL: [conference@lmcni.com](mailto:conference@lmcni.com)  
BY PHONE: 028 9263 3000



FQAS LIAISON OFFICER MART CLINICS TIMETABLE		
Saintfield	Wednesday	06/03/2013
Ballymena	Friday	08/03/2013
Markethill	Tuesday	12/03/2013
Enniskillen	Thursday	14/03/2013



**FQAS Helpline**

If you have had a recent inspection and need help and advice to rectify any non-conformances, contact the FQAS helpline: 028 9263 3024

**Answerphone Service**

Factory Quotes & Mart Results Updated 5pm Daily

Tel: 028 9263 3011

**Text Service**

Free Price Quotes sent to your mobile phone weekly

Email - [bulletin@lmcni.com](mailto:bulletin@lmcni.com)  
Tel: 028 9263 3000

# WEEKLY BEEF & LAMB MARKETS



## CATTLE TRADE

### NI FACTORY QUOTES FOR CATTLE

(P/KG DW)	This Week 18/02/13	Next Week 26/02/13
<b>Prime</b>		
U-3	334-338p	336-340p
R-3	328-332p	330-334p
O+3	322-326p	324-328p
* Plus 8p/kg in spec bonus where applicable		
<b>Cows</b>		
O+3 & better	265-285p	265-285p
Steakers	180-255p	180-255p
Blues	160-190p	160-190p

### REPORTED NI CATTLE PRICES - P/KG

W/E 16/02/13	Steers	Heifers	Young Bulls
U-3=	343.5	354.1	334.2
U=3=	345.8	355.1	332.9
U=4=	332.2	348.1	326.0
R=3=	344.6	350.6	331.0
R=4=	336.8	340.9	320.0
O+3=	338.6	340.1	320.3
O=3=	330.4	328.6	315.9
Average	336.5	340.7	322.2

### REPORTED COW PRICES NI W/E 16/02/13

Grades	Price (p/kg)	Avg Wgt
O+3=	289.4	320.9
O-3+	271.7	327.9
P+2+	249.6	277.3
P+3+	262.0	301.5
P-1-	174.2	220.3

## COMMODITIES

### COMMODITY PRICE

W/E 16/02/13	Price (£) per tonne / 1000litre	% weekly change
Barley	210.50	-0.9
Wheat	226.50	-1.5
Soya	471.00	-2.9
Straw	16.00	-
Red Diesel	720-750	-

\* Table shows the latest available commodity data in NI

### Deadweight Cattle Trade

**B**ASE quotes from the plants this week for U-3 grade prime cattle increased to 336-340p/kg with reports of deals being made at higher prices as prime cattle supplies have tightened. The majority of plants are quoting 340p/kg for both steers and heifers with similar quotes expected for early next week. Quotes for first quality cows ranged from 265-285p/kg.

Throughput of prime cattle last week was similar to previous weeks at 7,050 head. A total of 391 prime cattle were imported from ROI last week for direct slaughter bringing total imports for the year to date to 2,661 head. This is a fourteen percent increase on the same period last year when 2,341 prime cattle were imported for direct slaughter. Meanwhile exports of cows to ROI for direct slaughter have increased in recent weeks with 1,377 head exported for the year to date. Much of this increase in exports to ROI may be due to the increased penalties for non FQ assured stock being implemented in NI plants

The average steer price in NI last week was 336.5p/kg, up almost a penny on the previous week while the average heifer price was up slightly to 340.7p/kg. Meanwhile in GB average steer and heifer prices were up in the region of 2p/kg to 368.5p/kg and 365.5p/kg respectively. Average steer and heifer prices in Scotland were relatively unchanged on the previous week at 372.7p/kg and 370.4p/kg respectively with an improved trade reported in Northern England and the Midlands. Steer prices in Northern England were up 3p/kg to 370.7p/kg while heifer prices were up 3.6p/kg to 366.4p/kg. In the Midlands steer prices were up 2.5p/kg to 368.4p/kg while heifer prices were up 2p/kg to 365.8p/kg.

Young bull prices showed an improvement in NI last week, increasing by 3p/kg to 322.2p/kg. A similar trend can be observed across GB with the average young bull price up 4.6p/kg to 344.6p/kg. The biggest increase was recorded in Northern England where average prices increased by 6.5p/kg to 340.6p/kg.

The continued strong value of the euro against sterling has held prime cattle prices in ROI above NI prices for all reported grades. R3 steer and heifer prices in ROI both increased by 1.9p/kg to 347.1p/kg and 362.3p/kg respectively.

### This week's Marts

**T**HE trade for finished cattle has remained strong this week with finished first quality steers selling to an average of 206p/kg (+7p/kg) with finished first quality heifers selling to an average of 200p/kg (+1p/kg). First quality beef cows were similar to previous weeks at 170p/kg with plainer type animals selling to 138p/kg.

A firm trade for good quality store cattle saw first quality bullocks up to 400kg sell to an average of 200p/kg (+11p/kg) with plainer animals in the same weight range a similar trade to last week at 171p/kg. First quality bullocks over 500kg sold to 205p/kg (+10p/kg) with second quality selling animals selling to 182p/kg (+9p/kg).

### LAST WEEK'S DEADWEIGHT CATTLE PRICES (UK / ROI)

W/E 16/02/13	Northern Ireland	Rep of Ireland	Scotland	Northern England	Midlands & Wales	Southern England	GB
Steers	U3	345.2	355.6	376.9	378.3	380.8	379.0
	R3	343.8	347.1	372.1	372.4	372.3	371.3
	R4	340.1	347.9	374.8	380.2	371.1	367.4
	O3	331.4	332.9	362.1	359.7	358.2	349.4
	AVG	336.5	-	372.7	370.7	368.4	358.5
Heifers	U3	352.6	374.8	377.3	377.0	382.6	378.9
	R3	348.5	362.3	370.5	368.2	370.8	365.2
	R4	343.1	362.3	372.8	370.2	369.1	366.0
	O3	335.8	346.0	356.1	351.6	350.2	345.4
	AVG	340.7	-	370.4	366.4	365.8	355.7
Young Bulls	U3	333.9	347.8	363.1	360.3	371.5	362.4
	R3	329.6	341.8	355.8	352.0	362.0	357.7
	O3	316.5	331.6	338.7	333.4	341.5	354.4
	AVG	322.2	-	344.7	340.6	348.7	344.5
	Prime Cattle Price Reported	6011	-	7158	6195	5537	4035
Cows	O3	276.8	285.8	286.7	280.1	277.9	261.2
	O4	280.5	289.1	289.4	279.8	279.4	268.5
	P2	230.4	253.8	240.2	240.8	244.9	211.4
	P3	257.8	276.2	262.3	262.6	244.8	236.1
	AVG	251.4	-	278.8	261.0	267.2	228.6

Notes: (i) Prices are p/kg Sterling-ROI prices converted at 1 euro=86.02p Stg  
(ii) Shading indicates a lower price than the previous week.  
(iii) AVG is the average of all grades in the category, not just those listed

### LATEST LIVEWEIGHT CATTLE MART PRICES NI

W/E 16/02/13	1st QUALITY			2nd QUALITY		
	From	To	Average	From	To	Average
<b>Finished Cattle (p/kg)</b>						
Steers	200	216	206	175	199	187
Friesians	140	181	160	127	139	133
Heifers	189	212	200	165	188	177
Beef Cows	158	205	170	120	157	138
Dairy Cows	114	144	126	90	113	102
<b>Store Cattle (p/kg)</b>						
Bullocks up to 400kg	183	221	200	160	182	171
Bullocks 400kg - 500kg	194	220	202	165	193	179
Bullocks over 500kg	196	221	205	170	195	182
Heifers up to 450kg	176	200	182	156	175	165
Heifers over 450kg	182	210	188	160	181	171
<b>Dropped Calves (£/head)</b>						
Continental Bulls	220	430	250	140	218	170
Continental Heifers	180	275	215	100	178	130
Friesian Bulls	100	195	140	40	98	65
Holstein Bulls	40	100	70	1	38	25

# SHEEP TRADE

## HOGGET QUOTES

(P/Kg DW)	This Week 18/02/13	Next Week 26/02/13
NI Factories	350-360p	360-370p
ROI Factories	365p	375p

Notes: (i) Hoggets up to 22kg

(ii) ROI prices converted at 1 euro=86.02p Stg

## REPORTED HOGGET PRICES - P/KG

(P/KG DW)	W/E 02/02/13	W/E 09/02/13	W/E 16/02/13
NI Liveweight	304.2p	310.2p	322.7p
NI Deadweight	333.7p	340.6p	347.2p
ROI Deadweight	343.2p	346.9p	n/a
GB Deadweight	333.4p	346.4p	359.7p

## Deadweight Sheep Trade

QUOTES from the plants this week increased to 360-370p/kg with plants reporting a tightening in the supply of hoggets. Deadweight prices in NI last week were 347.2p/kg, up 6.6p/kg on the previous week. Meanwhile in GB prices have continued to show strong increases with the deadweight price last week up by 13.3p/kg to 359.7p/kg.

With hogget availability starting to show signs of tightening in recent week's throughput in the NI plants has gradually declined. Throughput last week was back by 300 head with 5,145 hoggets slaughtered. Exports to ROI for direct slaughter last week totalled 12,480, down 750 head on the previous week.

### This week's marts

AN improved trade in Kilrea on Monday saw 540 hoggets sell to an average of 340p/kg compared to 420 hoggets last week selling to an average of 313p/kg. A similar trend can be observed across most of the marts with 682 hoggets in Saintfield on Tuesday selling from 320-355p/kg (avg 330p/kg) compared to 611 hoggets last week selling from 311-350p/kg (avg 324p/kg). In Ballymena on Wednesday 1,118 hoggets sold to an average of 338p/kg compared to 1,231 hoggets last week selling to an average of 318p/kg. Cull ewes continue to be a strong trade with a top price of £100 reported in Newtown Stewart last Saturday and in Rathfriland on Tuesday.

## LATEST SHEEP MARTS

From: 16/02/13 To: 21/02/13		Hoggets (P/KG LW)			
		No.	From	To	Average
Saturday	Omagh	910	327	364	-
	Hilltown	620	321	354	326
	Donemana	210	297	340	325
Monday	Newtown Stewart	310	300	332	316
	Swatragh	564	329	346	337
	Massereene	926	330	371	-
Tuesday	Kilrea	540	330	350	340
	Saintfield	682	320	355	330
Wednesday	Rathfriland	552	321	400	340
	Armoy	234	305	326	320
	Enniskillen	685	345	374	355
Thursday	Ballymena	1118	315	365	338
	Markethill	950	320	363	338

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