



ANNUAL REPORT & ACCOUNTS

2018

Growing the success of Irish food & horticulture

Bord Bia
Irish Food Board

OUR MISSION

To drive, through market insight, and, in partnership with industry, the commercial success of a world-class Irish food, drink and horticulture industry.

STRATEGIC OBJECTIVES

Our mission is further articulated through the following six strategic objectives:

- 1** To actively contribute to the success and development of the Irish food, drink and horticulture industry.
- 2** To enhance the reputation, based on the principles of sustainable development, of Irish food, drink and horticulture, among consumer and trade buyers in the marketplace.
- 3** To be the authoritative source of strategic insight linking market opportunities to industry.
- 4** To lead a collaborative approach with the key agencies involved in serving Irish food, drink and horticulture.
- 5** To pursue emerging opportunities and actively respond to significant market issues that affect industry.
- 6** To deliver value-for-money with expenditures.



STATEMENT OF STRATEGY

The Bord Bia Statement of Strategy 2016-2018 has the following vision for the Irish food and drink industry:

Customers around the globe recognise that Irish food and drink is world-class: that it is high quality, distinctive, and made by a diverse range of creative producers from a unique and fortuitous island location.

And our producers set the global standard in sustainable production – meeting the responsibility we all have to the planet, to society, and to future generations. We have everything we need for a better, more sustainable food system. There has never been a better time to act, and to set an example for the world.

Both the vision and the action plan outlined in the Statement of Strategy have been developed after an extensive and wide-ranging stakeholder engagement process. The Strategic Plan fully supports the implementation of Food Wise 2025, the report of the Agri-Food Strategy Committee, coordinated by the Department of Agriculture, Food and the Marine, which sets out the strategic plan for the development of the agri-food sector to 2025. The vision depends on five strategic pillars, each of which supports the growth of the industry:

- 1** Informed by consumer insight
- 2** Enabled by valued people, talent and infrastructure
- 3** Underpinned by Origin Green
- 4** Realised by effective routes to market and business conversion
- 5** Supported by strong brand communications in the digital age



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PRESENTATION TO THE MINISTER FOR AGRICULTURE, FOOD AND THE MARINE

In accordance with Section 22 of An Bord Bia Act 1994, the Board is pleased to submit to the Minister its Annual Report and Accounts for the 12 months ending 31st December 2018.

Dan MacSweeney
Chair



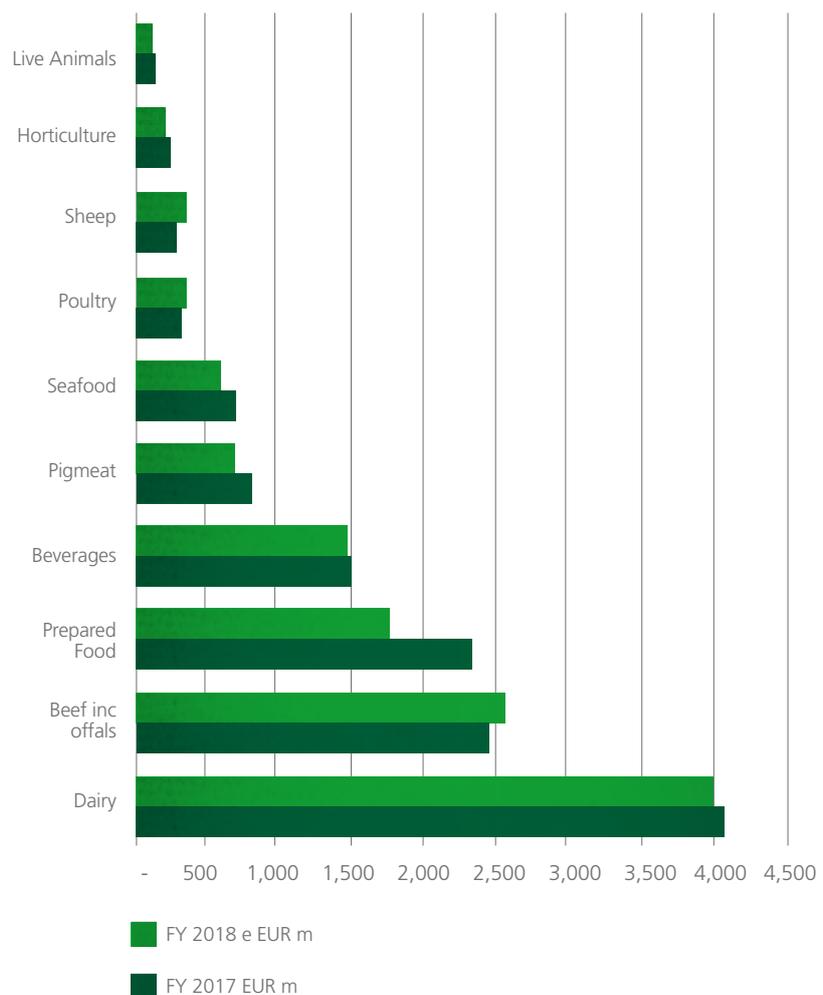
EXPORTS OF FOOD AND DRINK (12.1BN)

The total volume of Irish food and drink exports increased for the ninth consecutive year in 2018, illustrating the industry's resilience through a year of extraordinary global volatility. Volume growth was particularly strong in the core sectors of beef and dairy.

In value terms, there was a slight decline in the total value of exports in 2018 – down 4% to €12.1bn compared to 2017's record figure. The decline occurred in the context of global pressures on food commodity prices and some decline in value being attained for Irish exports as a result of a change in accounting procedures at one of the manufacturing multinationals.

Market diversification continues as Irish exporters develop and foster relationships in new and emerging markets, particularly in Asia. In 2018, 29% or €3.5bn worth of exports went to markets outside of the UK or the EU. 34% of exports went to continental EU and the balance, 37% or €4.5bn worth of food and drink was exported to the UK. In contrast, in 2010, over 42% of all food and drink exports went to the UK.

Meat and livestock accounted for 33% of all exports as did dairy in 2018. Value growth in the meat sectors was limited by global commodity price pressures. In dairy, commodity prices were strong notably in butter for the majority of 2018, but value was taken out of this sector by transfer pricing activity in the multinational sector.



Exports of Irish food and drink (€m)

	2017 €m	2018 €m	2018 v 2017 % +/-
Dairy products & ingredients	4,023	4,008	-
Beef*	2,496	2,516	1
Pigmeat	712	666	-6
Poultry	292	316	8
Sheepmeat	274	315	15
Live animals	176	161	-9
Prepared foods	2,243	1,878	-16
Beverages	1,497	1,482	-1
Seafood	644	562	-13
Edible horticulture & cereals	230	208	-10
TOTAL FOOD AND DRINK	12,587	12,114	-4

*includes edible offals

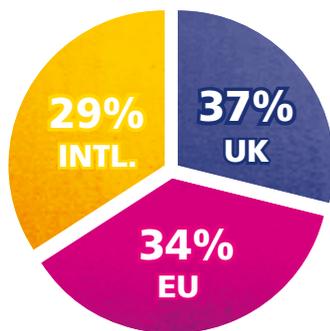
Source: Bord Bia/CSO

180+

Irish food and drink is sold in more than 180 markets worldwide



MARKET DISTRIBUTION OF IRISH FOOD AND DRINK EXPORTS (%)



- International markets account for 29% or €3.5bn
- 37% of Irish food and drink exports are destined for the UK or €4.5bn
- Other EU markets account for 34% of exports or €4.2bn

The total value of Irish food, drink and horticulture exports in 2018 to the UK rose to €4.48bn – a slight rise of 0.4% on 2017's value. The UK market performed strongly in beef, where the value of exports was up 4% despite price pressure; in dairy, the value of exports increased 6% year-on-year.

Exports to the rest of Europe exceeded €4bn in 2018 for the second year in a row. The majority of exports went to the key markets of Netherlands, Germany and France. The Netherlands was a stand-out success story in 2018 where the value of food and drink exports increased

10% to €975m. It should be noted that the Netherlands is used as a hub for onward shipping of product to other parts of continental Europe.

Exports to the rest of the world were worth €3.5bn. This is a decline of 14% on 2017 which was largely due to a change in accounting procedures in the multinational sector which shifted pricing from the Irish market to China. Although the value declined, the volume of product exported to the international markets continued to increase. Export values to international markets have increased by 97% since 2010 when export values were €1.8bn.

International Markets



- Asia
- North America
- Africa
- Middle East
- Other
- Central and South America

CHAIR'S STATEMENT

Ireland's agri-food sector holds the distinction of being at once an expression of our country's living heritage and abundant resources and also the most global of our indigenous industries, serving markets in over 180 countries.



Introduction

The strength of its export performance is an important indicator of the overall health of the industry and its capacity to deliver a range of economic and social goods to our people and country. The agri-food sector provides almost 8% of Ireland's total employment, with a far heavier weighting in rural and peripheral regions; it provides environmental stewardship of large swathes of our countryside; and it supports the overall sustainability of rural Ireland, its families and communities. Indeed, among the many positive outcomes of the industry's strong performance over the last eight years has been that it now employs some 10,000 more people than it did at the start of the decade.

An assessment of the 2018 export performance must begin by recognising that it took place against a backdrop of exceptional political and economic volatility. Trade disputes and greater use of tariffs, often linked to a political retreat from globalisation, have become more frequent between the world's largest economies, while, closer to home, protracted negotiations on the UK's departure from the EU created a deep sense of uncertainty, with a particular impact and concern for the Irish food and drink industry.

The year was also one marked by a greater number of extreme weather events. Adverse conditions linked to climate change affected agriculture across the world, not least in Ireland where severe conditions at the start of the year impacted on grass growth, yield and animal thrive and brought considerable hardship to farmers. This was to have significant consequences on farm income. According to Teagasc, average farm income fell 15% in 2018 across dairy, beef, and tillage.

In this context, one where significant challenges appeared on virtually every horizon, the headline export figures from 2018 must be acknowledged as representing an impressive performance by our industry. Total food and drink exports surpassed €12bn for only the second time ever, and the sector delivered many impressive performances across a range of markets and categories.

Although the 2018 export figures represented a 4% decline on the year-earlier performance, they were accompanied by significant volume growth; all in all, some 50,000 tonnes greater than the year earlier figure. This somewhat unusual situation can be attributed to a number of factors, among them fluctuations in key currencies and pressure on global commodity prices. Additionally, transfer pricing

activity in the multinational sector, whereby the value of foodstuffs was not accounted for in their country of origin, was a contributory factor. It is also useful to view the 2018 value figures in the broader context, recognising that they build on the 13% increase achieved in 2017 and a 64% overall increase since the beginning of the decade.

Given the backdrop of unpredictability, there is a strong case to make that the year confirmed that the fundamentals underpinning the Irish offering remain robust and will allow it to sustainably deliver growth and employment into the future.

Market Analysis

UK

In spite of the uncertainty that continued to surround the Brexit process and the understandable apprehension this has created among producers and processors, the year proved once again that the appetite for Irish food and drink by our nearest neighbour remains as strong as ever. In all, 37% of Irish exports found a market in the UK in 2018, to a total value of €4.5bn, a small percentage increase on the year earlier figure and broadly equivalent in value. This was delivered despite the sustained depreciation, and frequent volatility, in the value of sterling since 2016. Particularly strong

sectoral performances were seen in beef, which countered the challenges experienced elsewhere and increased exports by 4%. This underscored the UK's position as the dominant market for Irish beef, absorbing c. 50% of this €2.5bn export sector. The UK's prominence was also strongly in evidence in many other categories: in the pigmeat sector, 56% of a total of €666m in exports went to our nearest neighbour in 2018; in poultry the figure stood at 67% of €316m total exports. Prepared consumer foods and prepared foods are two separate but overlapping sectors that have also long looked to the UK for primary market opportunities. In the former, the UK remained the principle market in 2018 accounting for 66% of foods exports to a value of €1.5bn. In the latter, the UK is now the market destination for 45% of exports, to a value of €832m.

Dairy exports enjoyed a strong performance in the UK, now valued at an impressive €1.03bn, a 6% increase on 2017's values and accounting for approximately 25% of all Irish dairy exports. Cheese is a particularly important sub category within this and over 50% of the €800m Irish cheese exports are destined for the UK of which 83% is cheddar.

It was a year of slight decline for beverage producers targeting the UK, accounting for 26% of total exports of €1.5bn. Softening demand for cider was linked to this.

There was also decline for edible horticulture and cereal exports, a sector almost entirely dependent on the UK market. Worth €208m in 2018, this was a reduction of 10% on 2017 with the greatest pressure felt by mushroom producers. Producers cited volatility in sterling and uncertainty around Brexit as key to the decline.

For the seafood industry, the UK remains an important market for whitefish and salmon, with exports of the latter seeing declines in volumes of output, due to production issues.

37% of Irish exports found a market in the UK in 2018, to a total value of

€4.5BN



The sector overall declined by 13% in value to €562m and will face particular pressures from Brexit due to issues around future access to fishing waters.

In the context of the Brexit debate, it is also worth acknowledging that a number of food sectors, among them fresh dairy and live exports, have developed not just with Northern Ireland as a distinct market, but with a business model that depends on integrated production and processing between both parts of the island of Ireland.

Continental Europe

The story in continental Europe was one where growth stayed in largely positive territory through 2018. Increases in value and volume terms were a common feature across key EU markets, the total value of which comfortably surpassed €4.2bn, a rise of 1% on the year earlier value. Mainland EU markets now account for 34% of total food and drink exports, a development that reflects positively on the strong push for diversification at the heart of Bord Bia strategy for a number of years. The strongest category performers in 2018 were pigmeat, poultry and dairy.

Irish beef exports had a mixed year, with growth in the Netherlands of 4% to a value of over €200m and in the Italian market by 6% to €192m. Export values to Germany were unchanged at €136m, while volumes to France, Sweden, Denmark and Spain declined.

Strategic diversification has been particularly successful in the sheepmeat sector, with over 50% of shipments by value destined for markets other than France and the UK, an increase from 47% in 2017. Belgium, Germany and Sweden now account for 29% of export values, up 3% on the year-earlier figure.

Dairy exports to continental Europe were valued at €1.35bn, a 6% increase on the previous year. Strong demand in the Netherlands delivered growth of 20%, although a proportion of these exports were destined for onward shipping.

For prepared consumer foods, the core continental EU markets of France, Netherlands, Germany, Italy and Spain are the most important after the UK, and collectively accounted for 17% of exports. In the case of exports to France these declined 14% in 2018, led by a decline in prepared beef exports and in advanced nutrition powders.

For the seafood sector, Europe was among the better performing pelagic markets, with mackerel exports to Germany, Netherlands and Belgium all strong. Increased demand in core European markets for langoustines, Ireland's largest shellfish export category helped drive its overall export value up by 30%.

International markets

International markets, by their nature, are particularly exposed to trade volatilities and Irish exporters felt the impact of significant challenges

across many markets. Overall, the percentage share for international exports declined some 3% on the year-earlier figure, accounting for 29% or €3.5bn of Irish food and drink exports.

Beef exports saw softening demand internationally, with key Asian markets such as the Philippines and Hong Kong proving highly competitive. In contrast, the Chinese market, which opened to Irish beef in June 2018, made a positive start with more than 1,000 tonnes of Irish beef landed there. There was also good news for pigmeat exporters, as they saw increases of 36% to Japan to €30m and 29% to South Korea to €11m. In recent years, South Africa had become the second largest export market for the poultry industry, with exports worth €35m this year. The introduction of heavy tariffs in the market in October, however, is set to undo this growth.

Asian markets, and particularly Japan, China and South Korea, have been a strong focus for Irish dairy producers. There was solid growth in specialised nutritional powder exports to China, which were up 15% on 2017 volumes and in North America, which rose by 36% to €366m. Butter exports continued to perform strongly and are now worth €161m, while the value of cheese exports to the US grew by 20%. There was also a 30% increase in cheese and butter to China, while SMP exports to China grew by more than 110% to €14m and UHT milk increased 90% to €10m.

The story of exports of prepared foods to Asia was also encouraging with 8% growth bringing the market value to €66m. The enriched milk powder category has driven this growth and demand for dairy ingredients in China and South-east Asia continues apace.

Strengthening global demand led to strong demand for Irish seafood in the main export markets. However, in the pelagic sector, quota cuts of 10% in 2018 had a direct impact on

volumes, with the impact of further quota adjustments, particularly in the light of Brexit, a concern.

The US remains the dominant market for Irish beverage exports, worth €567m in 2018 and accounting for 38% of total beverage exports. Whiskey represented 60% of those exports, a rise of 9% in value to the US in 2018. A further 30% was accounted for by cream liqueurs, which enjoyed value growth of 9% overall, a strong performance after some years of decline.

BREXIT Preparedness

The enduring importance of the UK as a market for Irish food and drink is easily confirmed by the 2018 export figures. In other circumstances, such a performance could be viewed in an almost wholly positive light. In the context of the impending UK departure from the EU, it becomes part of a larger story of risk and potential disruption. Throughout 2018, Bord Bia continued to align resources and implement programmes to prepare the industry for what lies ahead, benefitting from significant additional funding from the Department of Agriculture, Food and the Marine, which has enabled the organisation to deliver targeted research and action projects.

Bord Bia's risk analysis tool, the Brexit Barometer, has been central to much of this work. The Brexit Barometer is designed to provide a robust evidence base for the support services provided to Irish companies, and has contributed to the development of

work streams around supply chain design, customs, foreign exchange management, customer relationships and diversification.

In June 2018, Bord Bia launched the findings of the second Brexit Barometer, providing up-to-date insight on the Irish food and drink industry's preparation for Brexit. The data pointed to a culture of preparedness taking hold across the industry, and found that 73% of respondents had taken some steps to address potential outcomes. In addition, some 54% of companies were tailoring marketing strategies for the UK market and 85% were actively seeking out business in new markets.

International Context

Brexit was without doubt the single most pressing issue facing the industry, cutting across the established parameters of national, EU and international trade. However, it was not the only issue of concern. There were tensions between the US and EU on trade in 2018 which threatened to lead to new tariff regimes being introduced. The EU and Latin American bloc Mercosur continued trade discussions.

In June, the European Commission presented proposals to take the Common Agricultural Policy (CAP) into the next decade. These centre on continued support for a sustainable and competitive agricultural sector in Europe, along with commitments around climate change. The nine specific objectives set out for the



Dairy exports to continental Europe were valued at



€1.35BN

future CAP include: a fair income to farmers; increased competitiveness; a rebalance of power in the food chain; climate change action; environmental care; preservation of landscapes and biodiversity; generational renewal; vibrant rural areas; and protection of food and health quality.

The Common Fisheries Policy, meanwhile, had its most recent update in 2015, when the principle of maximum sustainable yield was introduced to reduce discarded catch. Quota restrictions had an impact on the Irish fishing sector in 2018 and, looking to the future, Brexit will undoubtedly bring a range of challenges to the Irish fish sector with regard to access to fishing waters.

Given the importance of the UK, even minor exchange rate fluctuations between sterling and the euro will always have consequences, and it was a year of some volatility in this regard, albeit with the two currencies closing the year largely as they began it. The decline of the euro against the dollar was more pronounced, and meant Irish products were more competitively priced in the US and in regions that trade in the dollar.

The FAO Global Food Price Index was on a declining trend for the latter half of 2018, a situation linked to the escalation in trade disputes, particularly between the US and China. A 3% decline in agricultural commodity prices was centred on meat, oils and sugar. Bucking the trend, the dairy price index increased by 1% while cereals rose 6% through the year. There were declines in pigmeat and poultry prices while bovine prices largely held, supported by demand from Asian markets.

Rabobank predicts global dairy prices will increase in 2019, and that demand from Asia will benefit pork and beef producers. Feed prices are expected to remain stable in 2019.

The Irish economy continued to benefit from strong growth during 2018, feeding into improving employment numbers. Ireland had the second lowest (annual) rate of consumer price inflation among the EU28. The country ranked 23 in the World Economic Forum's Global Competitiveness Index out of 140 economies, unchanged from a year earlier.

Statement of Strategy

Bord Bia's many programmes and actions in support of the industry are set out by the Chief Executive in her report. They share the common denominator of being guided by at least one the five strategic pillars of Making a World of Difference, the Bord Bia Statement of Strategy 2016-2018. These are:

1. Informed by consumer insight
2. Enabled by valued people, talent and infrastructure
3. Underpinned by Origin Green
4. Realised by effective routes to market and business conversion
5. Supported by strong brand communications in the digital age

The year also saw intensive work on the statement of strategy that will govern activities in the three years ahead. Building Differentiation, Winning Growth, the Bord Bia Statement of Strategy 2019-2021 will take the sector forward at

one of the most critical moments in our industry's history. It has been developed at a time when confidence in our own capabilities has never been higher, but where unprecedented uncertainty has become a feature in key trading relationships.

The new strategy document builds on the achievements of the previous strategy and will revolve around four strategic priorities:

- Driving success and growth in the market
- Insight to power growth
- Building reputation for growth
- Leading through people

For our clients, industry stakeholders and the public at large these priorities will be reflected in a laser-like focus on the export sector and channel management; on insight being used to optimise decision making; and in a renewed emphasis on our sustainability credentials and our people as critical assets in competitive differentiation and growth.

The Department of Agriculture, Food and the Marine's strategy document, Food Wise 2025 will continue to provide the strategic basis on which Bord Bia works with Ireland's agri-food sector. Food Wise 2025 identified an ambitious and challenging growth projection to deliver an expected export performance of €19bn by 2025, and to create an additional 23,000 new jobs in the process.

Conclusion

The Irish food, drink and horticulture sector has seen intensive spotlights thrown on it on a number of occasions over the last few years. At the start of the decade, this was largely because, in the midst of an unprecedented economic downturn, the industry demonstrated that its commitment to quality and excellence could be the basis for growth, renewal and optimism. Since 2016, another unprecedented event, Brexit,



The US remains the dominant market for Irish beverage exports, worth

€567M



has brought the industry once again to the fore in public consciousness, with considerable concern among producers and processors as to the eventual outcome. It was an issue that weighed particularly upon the sector in 2018, but it was not the only one, as the farming community was challenged by inclement weather conditions and processors and manufacturers dealt with currency and trade volatilities.

Weighed against this, the industry's performance in 2018 provides much to take pride in. The industry has continued on the trajectory of volume growth and delivered €12.1bn in value.

Irish food and drink exports continue to win market share in some of the most competitive markets in the world, demonstrating an agility and determination to respond quickly to new opportunities and new pressures.

Bord Bia is proud of its role in facilitating this journey, and will continue to support the industry through a range of programmes and services grounded on robust strategic thinking. Through Origin Green, it will also support Ireland's determination to become a world leader in sustainable food and drink production.

Having worked within this industry for many years, it was my honour to be appointed to the role of Chair in 2018 and I am delighted to report a constructive and productive year working with my fellow board members, the members of the five subsidiary boards and the Bord Bia executive team in 2018. I would like to thank everyone I have worked with for their insight, commitment and diligence and look forward to another productive year as we roll out our new strategy Building Differentiation, Winning Growth, the Bord Bia Statement of Strategy 2019-2021.

Let me set out my particular appreciation for the support and commitment of Chief Executive Tara McCarthy, for her steadfastness and determination to deliver the



The expected food export performance projection for 2025 is

€19BN



strongest possible support for the industry at all times. I would also like to thank Minister for Agriculture, Food and the Marine, Michael Creed, TD, and Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle, TD for their equally tireless commitment to the industry. Over the year, they have shown themselves to be powerful advocates at many levels and among many influential audiences, both at home and abroad. We thank the Department for the additional funding for Bord Bia that has contributed significantly to our industry's overall level of preparedness for Brexit during the year. On that note, let me particularly thank Secretary General Brendan Gleeson, his predecessor Aidan O'Driscoll, and all the staff at the Department of Agriculture, Food and the Marine. Cooperation and partnership between the Department and Bord Bia has never been stronger and is reflected in many of the activities we collaboratively undertake. The support of the Department of Foreign Affairs and Trade was also hugely valuable in 2018 as a strong programme of trade missions brought the message of the Irish food and drink industry to buyers around the world.

We were also delighted to continue our close cooperation with fellow State organisations through 2018. My thanks also go to Teagasc, Bord Iascaigh Mhara, Enterprise Ireland and the Office of Public Works for the many ways they have provided support and partnership over the year.

Let me congratulate His Excellency, the President of Ireland, Michael D.

Higgins, on his re-election to office during the year. We greatly appreciate his role as patron of Bloom and as a strong advocate of sustainability. We look forward to his support for both in years to come.

As an organisation striving to deliver excellence on behalf of the industry it serves, Bord Bia is fortunate to itself be served by a superb team of dedicated professionals and it is my pleasure to represent an organisation that values, nurtures and rewards talent and that understands its people are its greatest resource.

I am also pleased to note that Bord Bia's reputation as trusted partner among industry and consumers was reflected in the annual Ireland RepTrak® 2018 study, which ranked Bord Bia in the top four among Irish organisations.

In a year of challenge on many fronts, the Irish food and drink industry's capacity to respond was tested and demonstrated to be resilient. While questions and uncertainty remain, what is not in doubt is the industry's ability and determination to grow or its capacity to deliver a future that benefits individuals, families and communities across Ireland.

Dan MacSweeney

Chair

Additional information and updates on Bord Bia activities can be obtained from www.bordbia.ie or by following us online at www.facebook.com/bordbia or on [Twitter@bordbia](https://twitter.com/bordbia).

CHIEF EXECUTIVE'S REVIEW

In a year when volatility and uncertainty became watchwords of the global trading environment, Irish food and drink exporters continued to build on the momentum that has brought the sector unprecedented success through the decade to date.

Although 2018 was the first year in the period since 2010 when exports declined slightly in value terms, it was also one where volumes continued to strengthen. This was a performance indicative of challenge across many marketplaces but one that also confirmed diversity to be the basis of our strength.

The exceptional range of quality Irish food and drink products continues to be a powerful foundation from which our industry will grow and sustain market share in the future. For Bord Bia, this reality also makes abundantly clear the value of our industry working in unison. Whether through industry-wide programmes such as Origin Green or individual events like Marketplace International 2018, our increasing ability to signal Ireland as a place of quality, sustainably produced food and drink will undoubtedly help drive our long-term opportunities.

While it was a year of many challenges, that which focused minds most was undoubtedly Brexit. It is a well-established precept that business dislikes uncertainty and no exaggeration to say that the UK's impending departure from the EU offers this in a unique and consequential way. As the 2019 departure date loomed, the political environment remained unsettled and the year ended with no clarity on the mechanism of the UK's departure.

Throughout this challenging time, Bord Bia has taken a robust, constructive and solution focused approach to the challenge, with the goal of preparing the industry for whatever eventuality transpires. This approach has, indeed, been at the core of Bord Bia thinking since the referendum in 2016, and 2018 saw an intensification of the processes of consultation, information and training.

The resources dedicated to Brexit have been considerable, and Bord Bia has been the recipient of valuable additional funding from the Department of Agriculture, Food and the Marine to support these activities. The funding has directly contributed to high-value projects and undertakings such as the Brexit Barometer, the Market Prioritisation studies and a range of seminars and events designed to improve the market readiness of participating companies.

Although Brexit has been a source of understandable anxiety, what is clear from these many activities is that a sense of preparedness is taking hold in the industry. The Brexit Barometer findings released during 2018 portray an industry taking constructive steps to safeguard, protect and grow market share in the challenging time ahead.



Brexit was far from the only issue impacting the industry through 2018. As the Chair has noted, severe weather conditions affected farmers at the beginning of the year while processors and manufacturers dealt with currency and trade volatilities. It is a fact of course that there are often no simple parallels between international disruption and our industry's export performances. For all the challenges that Brexit poses, 2018 was among the industry's best ever performances in the UK. Although dairy had a challenging start to the year, the success of Irish dairy globally continued to impress, with the total value of Irish butter exports surpassing the €1bn mark in 2018 for the first time.

We should remind ourselves too that, despite current disruptions, the alignments of supply and demand internationally remains largely positive and will continue to trend in our industry's favour. These positive factors include strong global population growth, continuing growth in consumer affluence, and behaviours that create strengthening demands for the high quality, sustainably produced food and drink that Ireland excels in delivering.

Sectoral analysis

A closer look at the industry's performance on a sectoral basis

confirms the impact of volatility and uncertainty, but also the resilience and responsiveness of exporters to these challenges. The sustained role of Ireland's largest food category as a pathfinder of growth was emblematic of this. Irish dairy is now a €4bn export sector and 2018 saw volumes rise 5% on the year-earlier figure. Within the sector, Irish butter continues to be a star performer, benefitting from favourable consumer trends and preferences in the US and continental Europe markets in particular and surpassing €1bn in value for the first time. This was an impressive 22% rise on the 2017 figure. The strong global prices that assisted this growth did, however, ease towards the end of the year. Ireland's other stalwart dairy category is cheese, which was worth €800m in 2018. Unlike other dairy categories, UK remains the destination for the majority of cheese exports, although the year saw a 22% increase in cheese exports to international markets.

Meat and livestock followed dairy closely in value during the year, worth just under €4bn in total. Production volumes increased across all species and there were successes in terms of entry to new markets, albeit with challenges in others. Beef exports had a relatively stable year overall, valued at €2.5bn, an increase of 1% on 2017.

Sheepmeat producers saw exports values lift a robust 15% to €315m and poultry exports by 8% to €316m. In contrast, pigmeat exports fell 6% to €666m and live animals fell back marginally to €161m. Prepared consumer foods (PCFs) which includes some meat, beverage and dairy products, and prepared foods (PFs), which include enriched dairy powders, continued to perform strongly. PCFs were worth €2.5bn during the year and PFs €1.9bn.

Beverages exports increased in value to €1.5bn, benefitting from strong and diverse global demand, led by whiskey for which exports increased by €45m in value to €623m. In

all, 60% of whiskey exports were destined for North America.

For Ireland's seafood exporters a combination of factors outside the sectors control made for a challenging year, as exports fell 13% to €561m. These included reduced quotas in mackerel and lower production of farmed salmon in 2018, along with challenging global market dynamics. There was, however, continued growth in categories such as langoustines, crab and oysters.

The value of edible cereals and horticulture exports for the year was €208m. Mushrooms are the single largest category worth €81m with cereals accounting for much of the remainder. The former saw a decline of 5% in value terms while the latter, in spite of a decline in volumes due to poor weather, enjoyed a 10% rise on strong commodity prices.

Making a World of Difference

Bord Bia's three-year strategy document Making a World of Difference, Statement of Strategy 2016-2018, reached its successful conclusion at the end of the year. The strategy centred on five strategic pillars against which the activities and programmes of Bord Bia were aligned:

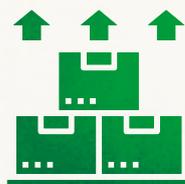
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4. Realised by effective routes to

market and business conversion

5. Supported by strong brand communications in the digital age

The three-year period coincided with change, often of a seismic nature, in international politics and trade. The fact that the Making a World of Difference strategy remained central to Bord Bia's actions in this time must be testament to its robustness and the insight that informed it. It facilitated the development of supports and services that, in some cases, evolved naturally to meet changing needs and, in others, emerged to confront unexpected and unprecedented challenge. Perhaps the greatest strength of the strategy was that it was built on recognition that deep tectonic forces were at work reshaping our industry – from economic and environment ground shifts; to evolving consumer sentiment and behaviour; to the rapidly changing ways in which food is being sourced, produced and consumed. The following review of Bord Bia activities in 2018 sets out our many programmes and activities in the context of their alignment with these strategic pillars.

Bord Bia's next stage of strategic development rolls out in 2019 with Building Differentiation, Winning Growth, Statement of Strategy 2019-2021, which focuses on four priorities: driving success and growth in the market; insight to power growth; building reputation for growth; and leading through people. The strategy will enable



Irish butter
exports exceed

€1.0BN 

us to enter the next phase of industry development alert to an ever-changing trading environment and confident that we have the wherewithal to find an assured place for our industry within it.

Strategic Pillar 1: Informed by Consumer Insight

Consumer insight and innovation

New product development (NPD) is the lifeblood of industry growth and Bord Bia commits considerable resources to facilitating the development of innovation that opens fresh revenue streams in established and emerging markets. Through the work of the Consumer Insight and Innovation team in particular, client companies can move from the initial scoping of a market opportunity right through to product and branding development with supports that mitigate risk and reduce cost.

The Thinking House

Based in Bord Bia's Dublin HQ, The Thinking House has emerged as a world-class research and innovation hub since its launch in 2016. Delivering services at industry and at client level, it provides a knowledge hub for Irish food, drink and horticulture companies seeking evidence-based decisions, based on consumer and market insight, to support the approach to their product and market offerings. The Thinking House aims to ensure that branding and innovation across the food, drink and horticulture industry

in Ireland will start with the consumer and end with the consumer. On a day-to-day basis, it provides a space for collaboration, integration and interaction with the analysis and insight that feeds into Bord Bia's contributions to industry knowledge.

Food Brand Ireland

A major project developed by The Thinking House during the year, and the subject of ongoing work, is Food Brand Ireland. This project was undertaken to provide a coherent brand platform for Irish food and drink exports. Research for Food Brand Ireland included both qualitative and quantitative research across 11 markets involving over 11,000 international consumers. The research has led to the development of an insight-led framework with a flexibility to accommodate different markets as well as all sectors of the food, drink and horticulture industry. It has been found that sustainability can mean different things in different parts of the world with sustainability and food sustainability also having different meanings. Food Brand Ireland seeks to address such differing meanings across the entire spectrum of attributes. It does this by providing a tailored approach that is facilitated by multiple data sources which have the flexibility to identify the attributes applicable to different products and markets. Food Brand Ireland provides a model for ensuring that messaging across markets by Bord Bia and the industry is consistently and appropriately applied to the different markets in a manner that resonates with the consumer.

Consumer Lifestyle Trends

The Consumer Lifestyle Trends programme is one of the highest profile outputs of The Thinking House and captures the changes and trends that are shaping consumer lifestyles and behaviours around the world. These insights are, in a sense, the pulse that drives a successful NPD pipeline and help inform the approach to innovation and NPD by giving companies a live reference point to consumer thinking. 'The Global Outlook' was the 2018 iteration of the programme and the key consumer trends it identified included: engaging experiences, health and wellbeing, fuller lives, responsible living, and community and identity.

To ensure these trends actively influence industry decision making, The Thinking House developed a trend toolkit and initiated a programme of visits to client companies to help embed the learnings into their businesses.

The Brand Forum

The Brand Forum provides an industry focal point for debate, insight and dissemination around best practice in brand management. Strong commitment and support from client companies was in evidence throughout 2018 with workshops well attended over the year. Topics included presentations on food styling and photography; insight-driven brand strategies; best practice in packaging; and case studies on the internationalising of local brands. The Annual Brand Forum Food and Drink Industry Dinner was held in the National Concert Hall.

SuperBrands

SuperBrands is a Bord Bia driven programme designed to assist smaller companies gain a foothold in the highly competitive branded retail sector. Over 2018, 10 SuperBrands projects progressed from their 2017 start, with work focused on finalising product artwork. An additional 10



new projects commenced during the year.

Brand Health Check

Now in its eighth year, the Brand Health Check is a large-scale online survey of grocery shoppers that collects and analyses important information to help brand owners undertake a comprehensive 'health check' of their brand. In total, the Brand Health Check 2018 provided insights for 57 food brands across 43 categories. Individual company reports were extrapolated from this and a workshop held to interpret the results.

High Potential Navigator

The High Potential Navigator is a collaboration between Bord Bia and UK retailers that identifies high-potential NPD opportunities. The programme was launched with Sainsbury's in March 2018 and has seen Irish companies present a range of new product ideas in the areas of snacking, beverages and flexitarianism. By the year's end, six Irish businesses were developing new listings with the retailer, with the Sainsbury's team highly complementary of the programme methodology.

Inspiration

Culinary Inspiration was launched in 2017 and explores high-level culinary trends across the globe. Ten companies participated in the programme in 2018, with one-on-one workshops focused on embedding the learnings and implementing change in their NPD and innovation processes.

Research

The Thinking House originates and commissions a wide body of valuable research on behalf of industry. Projects undertaken in 2018 assessed consumer behaviour and trends in the home and international markets. Some of these included:

- Understanding Dietary Lifestyles:



Exploring consumer diets based on vegetarianism, veganism and flexitarianism. Research from the study was debriefed at an insight session to the industry and shared with media.

- Packaging Trends: An investigation into global trends that influence packaging and format. The research formed the basis of two workshops held in November.
- Future of the Kitchen: A futures workshop examined forces shaping how kitchens may evolve and the impact on consumer behaviour.

Bespoke research

Under the Bespoke Research (formerly Foresight4food) programme, Bord Bia completed a total of 39 projects by the year's end. This involved companies focused on markets in Ireland, the UK, the US, China, France, Germany and Spain. In addition, six 'taste n' tell' product tests were completed and 13 individual projects completed analysis via the concept testing tool.

Investigation of emerging market opportunities

Supporting the drive for diversification, The Thinking House undertook and commissioned a range of research projects in 2018 with a focus on new market opportunities. They included:

- The opportunity for consumer cheese producers in China
- The opportunity for Irish pork in China
- A deep dive analysis of the meat market in Japan, South Korea,

Malaysia, Vietnam and Mexico

- Opportunities for Irish dairy ingredients in Indonesia, Malaysia, Japan, South Korea, Vietnam and Mexico

Support for the home market

A variety of research initiatives tracked consumer behaviours, responses to marketing campaigns and market opportunities in the home market. They included:

- Kantar Retail market research on the fresh produce market
- Home market tracking of campaigns for the year, covering awareness, appeal and impact on purchase behaviour
- Shopper insight, with a particular focus on beef shoppers and the frozen category
- A white fish study designed to better understand the category in Ireland
- The development of a new chicken creative strategy to support poultry promotions
- Support for the horticulture industry, including an apple orchard census; potato yield digs; and a gardening market measure

Think Digital

Think Digital is a digital marketing programme developed to keep food and drink companies ahead of the curve in the digital marketing opportunity. The 2017/18 Think Digital programme concluded in January 2018 with a seminar titled 'Online for Export'. Learnings from the first programme fed into a reformulation of the approach and, with the support of the Digital Marketing Institute, the 2018/19

THIRD COHORT



of Origin Green Ambassadors undertook three placements

programme commenced in August 2018. The new programme incorporates a blended learning approach with offline seminars and online learning modules.

Strategic Pillar 2: Enabled by valued people, talent and infrastructure

Bord Bia undertook its largest ever recruitment drive during the year as it looked to employ 29 new staff to support growth of Ireland's food, drink and horticulture industry.

The 29 positions include roles in branding; marketing and communications; consumer and market insight; PR; digital marketing and overseas business development. Most of the new positions are based across continental Europe, North America, the Middle East and Asia with the remainder located in Bord Bia's Dublin HQ. As the sector continues to face uncertain times with market challenges such as Brexit, this recruitment enables Bord Bia and the industry to meet these challenges. The development of new export opportunities around the world are crucial to the continued growth of the food and drink export sector.

FoodWorks

FoodWorks provides a 'hot house' environment for start-ups and existing businesses with major scaling potential. FoodWorks 5 ran between 2017 and 2018, with nine participant companies taken from the initial boot camp stage to investor-pitch ready status. FoodWorks participants had the opportunity to exhibit in

the Explore New Potential area at Marketplace International.

The recruitment campaign for FoodWorks 6 commenced at the end of 2018. A number of cross-country workshops took place and the first round of selected companies began the programme in January 2019.

Education

Bord Bia operates an impressive suite of education programmes designed to attract ambitious graduates and professionals to the industry. A unified Bord Bia Talent Academy brand was rolled out in 2018, designed to strengthen the links between learning, innovation and the industry, and send a clear signal that talent development sits at the heart of the industry's future.

The most recent introduction to the Talent Academy was the MSc in Design Innovation (Food), delivered by NUI Maynooth and launched in 2017. An intensive two-year programme, it addresses skills gaps in the commercialisation of innovation. Participants gain practical work experience on innovation projects in leading Irish companies, with positive impacts already reported by the host companies on their participation. The programme was shortlisted in the best new programme category in the 2018 Grad Ireland Higher Education awards.

The 2017/18 Marketing Fellowship saw Fellows deliver commercial assignments across 13 export markets. Time spent in-market was raised from 12 months in previous

Fellowships to 18 months on this occasion. In addition, the number of assignments per Fellow was reduced from four to three. Some 40% of clients reported sales increases as a result of involvement, mainly through new listings.

The third cohort of Origin Green Ambassadors undertook three placements that commenced between January 2018 and January 2019. Companies offering placements to the Ambassadors include Danone (Amsterdam), Sainsbury's (UK), The Better Buying Lab (US), World Wildlife Fund (US), McDonalds (UK), LCBO (Canada), Hilton/Tesco (UK), OSI (Germany), Nestle (Switzerland) and Starbucks (US).

The Market Placement Programme facilitated the placement of four experienced graduates in the operations teams of key customers. A major focus of the programme is supply chain and account management, and participants reported excellent exposure to supplier strategy and decision-making processes in their host companies, Sainsbury's, Marks & Spencer, Tesco and Sodexo. Their findings were presented to Irish companies at the Bord Bia Supply Chain workshop.

Bord Bia's Global Graduates programme sees graduates working on a variety of industry-focused university assignments. The graduates are placed in Ireland and across the 13 Bord Bia offices and supported a range of events including the trade mission to Indonesia and Malaysia and the SIAL trade show in Paris. A career day hosted in Bord Bia's Dublin offices in December was designed to reinforce the message of opportunity in the food and drink industry.

Small business supports

Bord Bia completed work on the new commercial marketing strategy for the small business sector at the end of 2018, following an extensive consultative process that involved interviews with key stakeholders, other state agencies, small business

owner/managers and Bord Bia personnel. The new strategy will inform Bord Bia's supports and capability-building initiatives under Building Differentiation, Winning Growth, Statement of Strategy 2019-2021. The strategy segments small business into artisan, established, start-ups and in-growth companies, with each receiving tailored supports.

TASTE

The Transition Year Food Unit 'The Future is Food' was developed by the Taste Council with the support of Bord Bia. It is now offered in schools across Ireland and is designed to increase awareness of the food industry among transition year students.

Horticulture Industry Forum

The Horticulture Industry Forum, working with Bord Bia, is exploring new marketing opportunities for fresh produce and supporting promotional activity, using a matched funding model.

During the year, the sub-committee of the Horticulture Industry Forum explored the opportunity to apply for EU funding to support promotional activity in the future, as well as solutions to the shortage of labour within the sector.

Sponsorship of events

Sponsorship is a significant and constructive way for Bord Bia to show its support for events that offer a platform for the Irish food, drink and horticulture industry at national and international level. Events that Bord Bia sponsored, part-sponsored or supported in 2018 included:

- The GLAS amenity show (headline sponsor)
- World Potato Congress 2021 (ongoing preparations)
- The Food & Drink Exporter of the Year category at the Irish Exporters Association Export Industry Awards

- Dairy Day in association with the Irish Farmers Journal
- Future In Food Ireland 2018 (Sustainability) Conference in Cork
- Food on the Edge event in Galway
- Cork and Kerry Food Market event in Cork
- Bia Sasta – Cork Cheese Week
- Best Artisan and Supreme Champion Award at the Blas na hEireann National Irish Food Awards
- The National Food and Drink Industry Summit in Dublin
- Agri Benchmark and Global Forum in Galway
- Cork Long Table Dinner in Cork
- touRRoir 2018, coinciding with Galway's designation as European Region of Gastronomy
- The Food and Drink Category Award with the Small Firms Association
- Consultative/design support to the Irish team for the World Butchers Challenge in Belfast
- Rare and Special Plant Fair in Athy
- Annual National Honey Show in Meath
- The National Potato Conference, organised by the IFA and Teagasc
- Women in Meat event (UK)
- Retailer of the Year award at the Meat Management Awards
- Irish Beef Butchery Masterclass
- British Culinary Federation (BCF)

Chef of the Year Competition

- Bocus D'or gourmet expoforum in Turin (promoting Irish beef)
- The TV programme 'Neven's Irish Food Trails'
- The TV programme 'Grow Cook Eat'

Strategic Pillar 3: Underpinned by Origin Green

Origin Green

Origin Green continues to bring the Irish food and drink industry on the shared journey of sustainable food production, with a membership base that includes farmers, food producers, retailers and foodservice operators, all committed to measurable improvements in environmental performance.

By the end of 2018, there were 52,034 members of the Sustainable Beef and Lamb Assurance Scheme (SBLAS) while the Sustainable Dairy Assurance Scheme (SDAS) had 16,256 members.

At industry level (manufacturing, retail and foodservice), over 600 companies had signed up and registered for Origin Green while 346 companies achieved verified Origin Green membership. The combined output of Origin Green verified business members now accounts for over 90% of all Irish food and drink exports.

Quality Assurance

Bord Bia's quality assurance schemes provide ISO-accredited assurances



52,034

Was the number of members of the Sustainable Beef and Lamb Assurance Scheme (SDAS) by the end of 2018

to consumers across a range of food categories. The high levels of trust they enjoy among consumers are reflective of a commitment to continual improvement and best practice in the standards that govern them.

By the end of the year, the SBLAS has a total of 51,827 SBLAS herds certified. There were 2,007 new members to the scheme and, in all, 29,569 audits were conducted over the year. Membership of the SDAS is currently at 95.5% of all dairy farmers nationally.

Meanwhile, the development of the Poultry Products Quality Assurance Scheme and the revision of the Sustainable Pig Assurance Scheme and the Meat Processor Quality Assurance Scheme were ongoing over the year. The Sustainable Egg Assurance Scheme has, to date, seen 263 egg production houses and 15 packing centres audited. The Horticulture Quality Assurance Scheme / Sustainable Horticulture Assurance Scheme has 331 certified members.

Bord Bia and Teagasc have been developing a draft grass fed standard that will be submitted to INAB for accreditation. The Feed Quality Assurance Scheme (FQAS), meanwhile, currently has 93 certified members.

The Bord Bia Helpdesk continues to be an important source of information for farmers who require assistance as part of their participation in these quality assurance programmes. The helpdesk deals with approximately 500 queries per week.

Working closely with Bord Bia, a



number of meat processors achieved approval under the United States Department of Agriculture (USDA) Process Verified Program, during the year.

Strategic Pillar 4: Realised by effective routes to market and business conversion

Marketplace International

Marketplace International is the leading showcase for Irish food and drink producers and the 2018 hosting of the event was the largest and most successful to date. A week-long programme of activities and events attracted 532 buyers from 52 markets. Notably, 19 of the 52 markets covered had not been present at Marketplace International 2015. The flagship event was held in the RDS, Dublin, on 12 April, where over 4,000 pre-scheduled meetings were held between buyers and Irish food and drink companies. In addition, some 300 buyers participated in over 28 itineraries that showcased innovation, sustainability and quality within the

Irish food industry. Tailored itineraries brought leading international buyers face to face with Ireland's beef, dairy, pigmeat, seafood, drinks and prepared consumer foods producers. Marketplace International 2018 was also the first sustainable sourcing event managed by Bord Bia. All clients participating were Origin Green verified companies and all invited buyers had an interest in sourcing sustainable products. The event is on course to deliver €40m in new business for Irish companies within 18 months.

Brexit Barometer

First launched in 2017, the Brexit Barometer is a key tool to assess business preparedness for the UK's departure from the EU. The 2018 Brexit Barometer was launched on 23 March and provided insight into the progress Bord Bia clients have made. The Barometer's 2018 online survey was completed by 117 clients, representing 48% of exports to the UK. While 60% of respondents said they remained uncertain as to the impact of Brexit on their business, 74% reported progress in preparing for potential outcomes.

In June, Bord Bia published a Summary Report of the Brexit Barometer and a Recommendations Report, the latter outlining practical steps companies could take to become Brexit-ready.

A Benchmark Report was also circulated to each Barometer

 **532**

**Buyers from 52 markets
were attracted by
Marketplace International**





**pre-scheduled meetings
were held in Marketplace
International**

respondent, outlining how they scored in preparedness alongside peer companies.

The Brexit Barometer won 'Risk Product of the Year' at the annual CIR European Risk Management Awards in London.

Supply chain guide

Bord Bia's Supply Chain Guide was developed specifically around the Brexit challenge and was supported by a supply chain workshop in September, which attracted over 30 clients.

Customs and tariffs

Bord Bia's Customs Training Programme ran across 2018. The programme offered four two-hour sessions for each client, along with a two-hour confidential mentoring session that offered tailored solutions by company. The programme has benefitted c. 50 companies to date.

Currency Training Programme

The Currency Training Programme launched in September and was provided by Treasury Solutions. In all, 17 clients across different sectors were assisted in designing a treasury policy and foreign exchange strategy. Confidential mentoring was also provided.

Market prioritisation study

In 2017, Bord Bia was commissioned by the Department of Agriculture, Food and the Marine to develop an in-depth market prioritisation study. The resulting study Prioritising

Markets: Opportunities for Growth identified 15 priority markets for Irish meat, dairy, prepared consumer foods, beverages and seafood producers.

Following publication, deep dive analysis was undertaken for five selected markets for meat (Japan, Korea, Malaysia, Vietnam and Mexico) and six selected markets for dairy (Indonesia, Malaysia, Japan, South Korea, Vietnam and Mexico). This research includes consumer and trade components.

Brexit stakeholder engagement

Bord Bia played a leading role in the Government of Ireland's Getting Ireland Brexit Ready public information campaign. Bord Bia presented its support services at a number of public outreach events over the year, including:

- Páirc Uí Chaoimh, Cork, 5 October
- NUI Galway, 12 October
- Four Seasons, Monaghan, 19 October
- National Convention Centre, Dublin, 25 October
- Thomond Park Stadium, 23 November
- Letterkenny Institute of Technology, Donegal, 30 November

Marketing Assistance and Step Change

The Marketing Assistance Programme

(MAP) and Step Change Programme (SCP) are designed to enhance the competitiveness of businesses and take them to the next level of growth. MAP assists in establishing a foothold in new and emerging niche markets, while SCP funds significant new projects that can deliver growth. In 2018, a total of €799,000 was approved for 160 MAP applicants with a further €165,000 approved for four companies under SCP.

Lean horticulture

Following successful lean projects carried out in the mushroom sector in 2016/17, further work in the sector took place in 2018, along with expansion into other horticulture sectors. In all, 10 horticulture companies are participating in the pilot programme with two mushroom companies involved in Lean Plus initiative.

Food Starter and Food Academy Start

A new programme called Food Starter has been developed as a collaboration between Bord Bia and the Local Enterprise Offices (LEOs). This two-day programme for emerging food and drink producers has been developed by Bord Bia and will be delivered at local level by the LEOs. The programme was piloted in early 2018 and completion is now a prerequisite for the Food Academy Start programme. The Food Academy Start programme has also been revised with the mentoring element enhanced. In May, the fifth anniversary of the Food Academy programme was celebrated at The Thinking House.

Trade missions, events and exhibitions

Trade missions during 2018 included a livestock trade mission to Turkey in January led by Minister for Agriculture, Food and the Marine, Michael Creed TD. The visit coincided with Agro-Expo, which is Turkey's largest Agriculture and Livestock Exhibition. In February, 18 Irish food

and drink companies participated in a ministerial-led trade mission, organised by Bord Bia, to the US and Canada. The trade mission first visited the Annual Meat Conference in Nashville where delegates from five meat companies were presenting. The Canadian Market Mission Seminar was attended by key Canadian buyers across the various sectors. In May, Minister Creed TD led a trade mission to China visiting Beijing, Shanghai, Hangzhou and Hong Kong, coinciding with Bord Bia's presence at SIAL Food Exhibition in Shanghai. Delegates included over 50 company representatives from the meat, dairy and seafood sectors, and four representatives from farming organisations. In October a trade mission to Indonesia and Malaysia identified opportunities in South East Asia.

In 2018, as in previous years, Bord Bia provided the umbrella presence for Irish companies participating at a large number of global trade events. Among the most significant of these were: SIAL; SIAL China; China Fisheries; China International Import Expo; Gulfood Manufacturing; Salone del Gusto; Conxemar; the Japan International Seafood and Expo Technology; Lunch!; Seafood Expo Asia; Mondial de la Biere; Wine & Spirits Wholesalers of America; Free From Show; BioFach; PLMA; SEG 2018; ISM; Food ingredients Europe; Salon Du Fromage; Foodex; Internorga; Seafood Expo North America; and Prowein.

Strategic Pillar 5:

Supported by strong brand communications in a digital age

Corporate communications

Bord Bia's Corporate Communications team is tasked with securing international, national, regional and online media coverage for the organisation's many activities, events and outputs. Advertising value equivalent (AVE) is a standard measure of the success of

120,000



visitors
attended
Bloom 2018

communications and PR initiatives, and the AVE of Bord Bia media coverage achieved annually runs to tens of millions of euros.

Building awareness of Origin Green at industry level

Since 2017, Bord Bia has been working with Origin Green certified members to leverage Origin Green membership in both their B2B and B2C messaging. In preparation for Marketplace International, Origin Green verified members were encouraged to align their sustainability messaging with the UN's Sustainable Development Goals. A series of workshops afforded members the opportunity to translate their sustainability commitments into end-consumer benefits.

The Origin Green Public Awareness Campaign ran between May and June, and was designed to build awareness and drive deeper public understanding of the programme. All verified members received customised social media content shares and were encouraged to identify themselves as Origin Green members during the campaign period.

Promotional activity for Origin Green

Bord Bia runs a number of campaigns to promote Origin Green to targeted audiences:

- The Origin Green Umbrella Campaign promotes Origin Green to trade audiences in seven key markets: UK, France, Netherlands, Germany, Belgium, Sweden and Denmark, and operates through a combination of trade advertising and digital promotion. The campaign captures audiences

around key times such as St. Patrick's Day, Marketplace International and major industry events such as SIAL.

- The Origin Green Always-On Campaign directs food buyers to www.OriginGreen.com, and between its launch in April and the year's end, gained over five million impressions across the seven targeted markets.
- The Origin Green Dairy Campaign focuses on dairy farmer communications, trade media, and key press and publications in target markets. The Origin Green China consumer digital campaign is also an important component of its work.

All traffic from the Umbrella, Always On and Dairy campaigns is directed to the new OriginGreen.com international website, available in German, Dutch, Swedish, Danish and French to date.

Bloom

Bloom 2018 was the 12th year for Ireland's largest gardening and horticulture festival, with strong feedback suggesting the show remains relevant, fresh and exciting for the public. An attendance of 120,000 visitors mirrored the previous year's figures, achieved despite yellow weather warnings and strong competition from other events. Of these, 30% were first time visitors in 2018. The show gardens remained the centrepiece of the five-day event, with 10 gold medals awarded across 20 gardens. Bloom recorded a deeply impressive 97% visitor satisfaction level, with improvements in presentation and core content noted by visitors, media and client

companies. Attendees spend increased by €1m on the previous year, to €9.7m. Bloom generates virtually unrivalled media excitement with coverage including the Super Garden TV series, two Bloom live TV shows, and many hundreds of print and digital articles, radio and news slots. Bloom, created by Bord Bia, appeared in 984 items between February and July 2018. This included press (541 items), broadcast (190 items), and online coverage (253 items). Total AVE value was €4.1m.

The Bloom Trade Breakfast saw a 10% increase in attendance, with strong representation from the UK. The attendance of President Michael D. Higgins, Bloom's patron, along with An Taoiseach Leo Varadkar TD, and many ministers and ambassadors reflected the stature of the event.

Looking to the future, the Bloom 2025 Strategic Review is nearing completion and plans for

Bloom 2019 were well advanced by the end of the year.

Asia lamb promotion

Bord Bia leads the three-year EU programme to promote beef and lamb in Asia that commenced in 2017 with a budget of €3.75m, of which 80% was EU funding.

In January, Bord Bia hosted a technical seminar for some 70 guests in the Irish Embassy in Beijing. This was followed by a trade networking dinner.

EU lamb promotion

A new €10.5m EU co-funded lamb promotion (2018-2020)

commenced in April 2018 as part of a joint initiative between Bord Bia, Interbev (France) and AHDB (UK). The campaign was rolled out across Ireland, France, Germany, and the UK.

National organic awards

The National Organic Awards took place in Bord Bia in October and saw 160 products from 50 different producers entered. The winners of each category received a tailored support package to the value of approximately €12,000 to assist in growing their businesses.

2018 Winners:

- Chef's Choice Award: Organic Farm Cherry Tomato Mix – Riversfield Farm
- Retail Award: Good Herdsman Organic Half Leg of Lamb – Irish Country Meats
- Direct Selling Awards: Sack No 3 Vintage Pommeau 2016 – Highbank Orchards
- Export Award: The Little Milk Company Organic Cashel Blue – Little Milk Company
- New and Innovative Product: Curly Kale in compostable bio bag – Beechlawn Organic Farm
- Business in the Community: Sli Eile Housing Community Organic Farm
- Overall Winner: Good Herdsman Organic Half Leg of Lamb – Irish Country Meats

National promotions

Bord Bia organised two national campaigns, on the domestic market,

during 2018 to promote Irish shellfish, mainly mussels. Domestic promotional campaigns also included those for potatoes, mushrooms, apples, eggs, lamb, pork, ham and bacon, and chicken. Campaigns included quality assured promotions of lamb, pork and ham and bacon. The gardening promotion, GroMór commenced on the May bank holiday weekend with the first of three themed weekends taking place across the summer months. AVE value of coverage achieved was over €250,000. Work on a website to promote apples and apple growers was undertaken in conjunction with the Irish Apple Growers Association. The strawberry campaign, formerly called 'National Strawberry Week' has been widened to 'Celebrate Strawberry Season', giving it profile throughout the summer months.

Food Dudes

The roll out of the Food Dudes Programme for the current school year commenced at the end of September. The programme target was to have 700 schools and 100,000 children participated during the 2018/2019 school year.

Incredible Edibles

The 2018 Incredible Edibles programme concluded in July. Over 1,220 schools (48,000 pupils) registered to take part with over 1,600 grow packs distributed. An awards ceremony to present the overall winning prize took place in the winning school (St Patricks NS, Galway) in September.

Promotional activity overseas

Across Bord Bia's 13 overseas offices, an intensive schedule of promotional events is continuously at planning or execution stage. Below are a few examples that give a flavour of activities undertaken across the office network during the year.

In Belgium, Bord Bia hosted workshops that highlighted Quality Assured Irish lamb to a key retailer

100,000



children participated
in the Food Dudes
programme



and targeted food bloggers from September through to October. In-store tastings in November focused on the key attributes of Quality Assured Irish Beef.

In France, Irish meat, dairy, prepared meals and frozen food companies, international buyers and media attended SIAL in Paris. Bord Bia supported beef tastings with a leading foodservice operator in November to highlight Irish Quality Assured Beef.

In Germany, Bord Bia and Gourmetfleisch.de invited German beef and lamb lovers to Ireland as part of a joint consumer competition advertised on the Gourmetfleisch.de website and social media portals. The online promotion received over 18,000 entries. Meanwhile, around 18 butchers from the Südwest region participated in a market study visit to Ireland.

Key buyers from Italy travelled to Ireland to understand Irish beef and lamb USPs, while a B2C advertising campaign using billboards was undertaken in Milan and Turin to drive sales and awareness of Irish beef.

The Madrid Meat Attraction trade show helped Irish meat companies to develop or secure business in Spain, while beef tastings took place in stores there in December.

In the UK, Bord Bia collaborated with Staff Canteen, a leading UK B2B and trade chef network with 65,000 chef subscribers and 300,000 online followers. Bord Bia and Irish beef had a presence at the 2018 Women in Meat Conference, and Irish beef partnered with famed chef Heston Blumenthal's brand of slow cookers.

Following beef market access to China, two stands promoting Irish meat were present at SIAL China in Shanghai during May. One stand was in conjunction with the EU as part of the EU Beef and Lamb promotional campaign and another in the Ireland Pavilion promoting beef and pork.

In the Netherlands, 19 Irish food and

drink producers attended the private label trade fair at the RAI Convention Centre in Amsterdam.

Conclusion

Challenging trading conditions internationally, the uncertainty of Brexit and adverse weather at home were the less-than-ideal backdrop to the industry's export performance in 2018. Nevertheless, there was much to commend in that performance, as it showed what Irish exporters can achieve on a shared platform of quality, sustainability and responsiveness.

I would like to add to the appreciation expressed by the Chair for the tremendous support shown by the Minister for Agriculture, Food and the Marine, Michael Creed, TD, and Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle, TD, for Bord Bia's work over the year and of course to Secretary General, Brendan Gleeson and his team at the Department of Agriculture, Food and the Marine for the great assistance they routinely provide to us.

I would also like to thank the Chair Dan MacSweeney for his outstanding contribution through the year. He, along with all the members of the Board and the five subsidiary boards, have showed commitment and determination to address the challenges ahead, not least in their support for the development of the new statement of strategy Building Differentiation, Winning Growth, Statement of Strategy 2019-2021.

Let me also sincerely thank all my colleagues in Bord Bia who have shown what can be achieved when a common sense of purpose and determination drives us. We were delighted to welcome new staff members to our organisation strengthening our resources in the areas of branding; marketing and communications; consumer and market insight; PR; digital marketing and overseas business development. The allocation of these new staff

resources has been based on the Market Prioritisation exercise and these market specialists will assist food and drinks companies in market research, planning, building winning partnerships and succeeding with customers and markets. Four new staff are placed in Asia (Singapore, Tokyo and Shanghai); four in Europe (London, Amsterdam, Dusseldorf and Warsaw); two in the US (New York); and one in Nigeria (Lagos), serving the Africa region. Additional staff have been recruited to be based in Dublin and will support the overseas offices from various functions across the organisation including sector teams and insights. I would particularly like to thank the Minister for Agriculture, Food and the Marine and his Department for the provision of the resources to the organisation to facilitate the recruitment of these additional staff to continue to drive the success and growth of the food, drink and horticulture industry.

In the midst of uncertainty, Bord Bia's commitment to work tirelessly to deliver on its remit is not in doubt, nor is our determination to build the reputation of Ireland as a sustainable source of the highest quality food and drink. We look forward to bringing value to our clients, and all the customers and consumers of Irish food and drink at home and abroad, in everything we do. Working together, we will continue to win on behalf of our industry.

Over the last number of years, the food and drink sector's ability to anticipate and meet the needs of a diverse customer base has enabled it to stay ahead of the curve. In doing so, it delivered unprecedented growth and value for its stakeholders. Those strengths have only continued to grow and will be pivotal to driving the success of our industry in the years ahead.

Tara McCarthy,

Chief Executive

SECTOR REVIEWS



SECTOR REVIEW: MEAT AND LIVESTOCK



BEEF

During 2018, cattle supplies at export meat plants rose by 60,000 head, or 3.5%, to reach 1.8m head. Higher throughput figures were consistently recorded throughout the year for both prime cattle and cows. Steer supplies dropped marginally by 1.5% or 12,000 head, although this was offset by an 8% or 14,000-head increase in young bull production.

Similarly, heifers increased by over 28,000 head and cow slaughtering were also 26,000 head higher, a rise of 7%. The impact of higher cattle supplies was partly offset by a slight decline in carcase weights. In total, the volume of Irish beef produced rose by 3% to 633,000 tonnes in 2018. The value of offal exports dropped slightly to €230m, under pressure from lower prices, particularly in the Hong Kong market. The total value of beef exports, including offal, was just over €2.5bn,

an increase in value of 1% overall on 2017. This growth was anticipated early in the year due to growing calf registrations and relatively low calf exports in 2016. 579,000 tonnes (excluding offal) of beef was exported during 2018 with a total value of €2.32bn – an increase of 2% year-on-year. Average producer prices saw little or no change with a marginal increase in R3 steers, rising from €3.83/kg in 2017 to €3.84/kg excluding VAT last year.

Markets for Irish beef

Exports of beef to the UK increased by 4% in 2018 with lower beef supplies in the UK leading to increased demand for imports. The UK remained the dominant destination for Irish beef exports during 2018 with exports of approximately 283,000 tonnes. Demand from the retail sector was stable while the foodservice sector was more challenging, as Irish beef came under pressure from more competitively priced imports from

Eastern Europe. Irish beef, however, was able to grow its presence in the higher end of the foodservice sector. This was particularly impressive considering the weakness in the value of sterling and some uncertainty surrounding Ireland's future trading relationship with the UK post-Brexit.

Irish beef exports saw growth in the Netherlands and Italy and remained static in Germany, while volumes sent to France, Sweden, Denmark and Spain declined. Exports to the Netherlands grew 4% to a value of over €200m. The Italian market was close behind worth €192m, with 6% growth. The values to Germany were at €136m which was similar to 2017. Generally, the EU market was adequately supplied with competitively priced beef from continental Europe.

Exports to international markets declined in 2018. Conditions in key Asian markets such as the Philippines and Hong Kong were highly competitive as more South American and Australian beef targeted these

markets and price levels fell. The Chinese market opened to Irish beef in June 2018 and demand has been strong. By the end of 2018 some 1,000 tonnes of Irish beef was delivered to China.

Market promotion

In addition to trade fair participation and provision of market intelligence, a number of important promotional activities were undertaken for Irish beef during 2018. In the UK market, Bord Bia invested in online consumer marketing and a PR / trade awareness campaign to build relationships and drive preference with higher-value customers.

The strategic focus in the UK market lies in securing Ireland's position as the beef supplier of choice for leading retail and foodservice accounts based on reputation, quality assurance, sustainability and consumer acceptance. In Germany, Bord Bia promotions focused on the superior taste of Irish beef and our sustainable production system. Promotions in the Netherlands highlighted the integrity of Irish beef production, focusing on eating quality, sustainability and animal welfare. Irish beef is carving out a premium niche with some of Italy's leading retail and foodservice customers and Bord Bia promotions emphasised the purity and natural quality of Irish beef. During 2018, Bord Bia entered the second year of a three year campaign on 'EU Beef & Lamb – Excellence in Food Safety and Sustainability' across China, Hong Kong and Japan. The underlying objective is to build awareness of the high standards of food safety, quality assurance and traceability associated with beef and lamb from the EU. Each year, the programme has a budget of €1.25m, including 80% support from the EU.

Irish cattle supply outlook

Forecasts from the Department of Agriculture's Animal Identification and Movement database suggests that prime cattle supplies are set to decline somewhat in 2019, although

cow throughput is predicted to remain high.

LIVESTOCK

Overall live cattle exports reached approximately 238,000 head, an increase of 27% from 188,000 head in 2017. The higher trade levels came mainly from calf exports, which have a far lower value per head than other categories. Additionally, average prices for weanlings, stores and finished cattle decreased in 2018. This meant that the estimated value of live cattle exports fell by 6% to €110m.

Calf exports totalled 156,000 head, representing an increase of 56% or 56,000 head. Exports of weanlings and stores declined slightly and these categories collectively accounted for exports of 57,000 head. Adult or finished cattle numbers decreased by 15% to around 25,000.

As in recent years, the principal markets for Irish calves in 2018 included Spain, the Netherlands, Belgium and France. The Spanish market recorded significant growth, accounting for over 71,000 Irish calves, a 60% increase on the previous year. These were mainly comprised of better-quality Holstein Friesian males, as well as some beef-cross calves. Irish calf exports to the Netherlands grew by 15% to 48,000 head, which mainly included lighter Holstein-Friesian bull calves destined for veal production. Irish exports to other markets also recovered strongly with trade to France and Belgium more than doubling to 9,000 and 14,000 head respectively. The decline in exports of weanlings (aged three to 12 months) from Ireland over the year was closely linked to economic and political instability in Turkey. Over 30,000 Irish cattle were sent to Turkey in 2017 and exporters were optimistic of further growth in early 2018, with the opening of the market to private buyers and a ministerial-led trade mission.

However, significant weakening in the value of the Turkish lira detrimentally affected demand. As a result, Irish exports to Turkey declined by almost 60% to just 13,000 head. There has been a 22% recovery in Irish exports to the Italian market, to 24,000 head, as Irish animals became more price competitive than in recent seasons, relative to French cattle, which account for over 75% of Italian imports. There were also 6,000 head of cattle shipped to Libya and 1,500 head to Greece. Other markets included Poland (2,500 head), Slovakia (1,500 head), Romania (1,000 head), Czech Republic (600 head), Morocco (800 head), Tunisia and the Lebanon.

Live cattle exports to Great Britain were 6% below 2017 levels, at just 5,500 head. Some 24,000 cattle were sent to Northern Ireland, a decline of 12%. The continued preference for UK-born animals by UK retailers, combined with less favourable exchange rates, contributed to this situation.

The overall value of live pig exports declined marginally year on year to €49m. The main market is Northern Ireland, and the trade is significantly exposed to potential Brexit effects.

Live sheep exports declined by 50% on 2017 levels to approximately €2m and 25,000 head. Religious festivals continue to play an important part in the sheep trade, with 80% of live exports occurring in the four weeks leading up to the Muslim Eid-UIFitr festival.

Livestock promotion

Live exports represent an important source of competition and a valuable market outlet for the various categories of stock. Bord Bia actively supports the development of the live export trade, through its Livestock Sector Manager in Dublin, in conjunction with the relevant market offices, principally Madrid, Milan and Amsterdam. Bord Bia's Market Managers for Africa, the Middle-East and Moscow also have a strong focus



on livestock. In addition to providing up-to-date market information, promotional initiatives are arranged to enhance the image and reputation for Irish animals.

SHEEPMEAT

Irish sheep throughputs were up to 2.99m head, nearly 50,000 (1%) up on last year's figures. The potential volume gains as a result were offset by lighter carcass weights as lamb thrive suffered due to the challenging spring and summer drought.

This included an additional 22,295 (3%) hoggets, an extra 60,000 (13%) ewes and rams and a fall of 42,067 (2%) in spring lambs. The additional numbers in the system increased the total volume of sheepmeat produced in 2018 to 69,500 tonnes, a rise of 2,500 tonnes on the previous year. In the first quarter of 2018, Irish sheepmeat export volumes were almost on a par with 2017 levels, at 16,397 tonnes. The early Easter in 2018 (1 April) contributed to the drive in exports in the first quarter. However, the extreme weather conditions that followed in spring had an impact on lamb thrive and, as a result, peak supplies of new spring season lamb did not materialise

until mid to late summer. This saw Irish sheepmeat exports slip in the early part of the second quarter, thus delivering a 16% reduction in export volumes for the first seven months of the year. With increased throughputs of new season lamb and heavier carcass weights in the third and fourth quarters, together with a continued strong supply of culled ewes, total exports reached 55,800 tonnes. Sheepmeat export values for 2018 are €315m, a 15% gain on last year on the back of strong price gains.

Notwithstanding the higher input costs incurred due to the adverse weather conditions in spring and summer 2018, farm gate price returns have performed well. Achieving €5.14 per kg, average sheep prices were some 33 cents per kg above 2017 levels.

French exports remained at over one third of total Irish sheepmeat exports, while UK exports represented around 17%. France remains the top export market for Irish sheepmeat with 10% value growth year on-year. While the majority of Irish exports in volume terms are still destined for either France or the UK, it is worth noting that the value of exports to other markets now stands at over 50% of

total exports. This represents a 3% rise on the previous year's figures, which showed 47% of export values were for markets outside of the UK and France. Diversified, high value markets such as Belgium, Germany and Sweden, now account for a combined 29% of export values, (up 3% on 2017) and continue to outperform others both in value and volume growth.

The increased availability of sheepmeat also underpinned a sharp rise in exports. Total export volumes reached 57,000 tonnes and despite the weakness in sterling, the value of exports grew by 12% to €312m. The market diversification evident over recent years was largely maintained with over 45% of shipments destined for markets other than France and the UK in 2017.

EU markets

The German market saw increases of around 25% in value terms last year, reaching more than €37m and cementing its place as Ireland's third most valuable export market for sheepmeat. Meanwhile, the Belgium market saw more modest growth of 13% while the value of Swedish imports of Irish sheepmeat took a hit of around 9% to stand at around €22 m.

Promotions

With the objective of increasing the frequency of purchase and to encourage consumers to choose lamb with the quality mark, during the peak season of supply, home market promotions focused on a broad spectrum of activities to include PR and social media activities as well as a six week TV campaign airing in May and September.

Bord Bia entered the second year of a three year EU co-funded promotional campaign themed 'EU Beef & Lamb – Excellence in Food Safety and Sustainability' across China, Hong Kong and Japan. The underlying objective of the campaign is to build awareness of the high standards of food safety, quality assurance and traceability associated with beef and lamb from the European Union. The campaign has secured 80% co-funding from the EU over the period 2017-2019, culminating in a promotional spend of €3.75m. Activities for the second year of this campaign included inward buyer visits, knowledge transfer programmes and a study visit. Bord Bia also exhibited at multiple trade shows in Shanghai, Beijing and Tokyo as well as hosting the 'East-Meats-West' culinary competition in Hong Kong in May 2018. This campaign will continue through 2019 and serve to increase awareness in those countries, which are currently the destination for very small amounts of Irish sheepmeat exports.

Outlook

With effect from 1 June 2019, all sheep moving off a holding must be identified with an EID tag. This move to full EID will protect Ireland's reputation as a source of safe and secure food and animals. It will put Ireland's sheep traceability system on a par with other major competitor exporting countries.

In 2019, Easter will fall on 21 April. This will be followed by Ramadan some two weeks later, for the period 5 May to 5 June. The timing of these

festivities will provide a significant impetus to trade demand over that period.

The form that Brexit will take will be important for the lamb export industry. The implications of a hard Brexit will compound the logistical issues for Irish exporters of using the UK land bridge in the lead-up to two of the busiest weeks in the year, Easter and Ramadan. Nevertheless, Ireland will have a competitive advantage over UK exports to the EU. Some 95% of UK exports are destined for EU26 countries, of which France accounts for 50%, followed by Germany at 10%.

PIGMEAT

Against a backdrop of relatively strong pig prices during the first nine months of 2017, Irish producers had retained more breeding pigs in their herd by the end of December 2017. This expansion in the breeding herd combined with ongoing improvements in pigmeat efficiencies at farm level left production for 2018 4% higher at 306,000 tonnes compared to the previous year.

On the back of increased production, exports for 2018 increased by almost 6% to 264,000 tonnes. However even allowing for volume gains, significant downward pressure on prices this year left the value of exports 6% lower at €666m for 2018.

Globally, the pigmeat trade was affected by an overhang of product in the marketplace reflecting some increase in pig production across key regions such as the EU and the US during 2018. Figures from the US Department of Agriculture show that global production is expected to increase by 2% to 113m tonnes during 2018 compared to the previous year.

Global trade was adversely affected also by the outbreak of African Swine Fever (ASF) in China, which

has spread to 10 geographically dispersed provinces in China since August 2018. Resulting bans on the transport of pigmeat have made it difficult for affected provinces to move pigmeat inventories. This inability to process pigs in affected regions led to reduced prices and forced herd liquidation. Recent ASF outbreaks in Europe also raise the possibility of more trade interruptions and the potential for greater herd losses especially in Eastern Europe, where the breeding herd in Romania has been particularly affected. In addition, the EU pigmeat sector felt the negative effects of the drought that prevailed across Northern Europe during the summer months, which led to significantly lower yields and higher feed costs for pig producers. Elsewhere, US production grew by 3% during 2018 to 12m tonnes. The industry has been affected somewhat by retaliatory tariffs placed on US pork by Chinese authorities. However, lower prices have benefited exports to their key neighbouring market, Mexico.

The average pigmeat price in Ireland in 2018 stood at €1.39, this is the lowest yearly average since 2010 and a significant decrease of over 12% on last year's average of €1.59. This price is more than €0.03 below the EU average for 2018.

Domestic

Ireland consumes more than 50% of the total output of pigmeat in this country, a uniquely high proportion across the species. The pigmeat sector in Ireland had a reasonably strong performance in 2018. In the year ending 3rd December 2018, the volume of pork and sausages sold at retail level increased by 4% and 3% respectively, to over 20,000 tonnes and 17,000 tonnes. Sales of sliced cooked ham increased by over 5% breaching 20,000 tonnes, as existing consumers purchased the product more frequently, combined with new shoppers buying this product. However, the overall category was affected somewhat by the

slowdown in bacon sales of almost 5%. Domestic retail sales of pigmeat products were over €670m in 2018.

EU markets

The UK remains the most significant export market for Irish pigmeat accounting for 56% in 2018, while markets such as Denmark and France also saw growth in value of exports in the region of 40% when compared to 2017 figures. Denmark now represents in the region of 7% of total Irish pigmeat exports, making it the third most popular destination. Exports to France, Spain and the Netherlands remain modest, however these markets are a valuable outlet for high value products and each of them saw significant growth in value terms in 2018.

International

International markets such as Japan and South Korea saw good growth in 2018. Exports to Japan increased by 36% to €30m and exports to South Korea were 29% higher at €11m compared to 2017. This helped to offset some of the decline in export activity to China, the second largest market for Irish pigmeat exports. Values in 2018 were back to €59m,

having been at €93m in 2017. This was due to lower pricing in that market for most of the year, along with stock movement challenges as a result of ASF. Exports to South Africa increased by 30% to €35m in 2018.

Outlook

Looking ahead to 2019, success for the Irish pigmeat trade will be underpinned by strengthening demand from Asia combined with access to new potential markets and some stabilisation in supplies from other European markets.

ASF has the potential to cause significant structural change in the Chinese pork industry. Price pressure in the affected regions has already forced some smaller producers to exit the market. The latest government figures show that the country's breeding herd was 5% lower in August 2018 compared to the previous year. In Europe ASF is already present in Belgium. If ASF was to spread to other Western European countries, such as the Netherlands and Germany, this could have a very damaging effect on overall European trade during 2019. The outbreak of ASF in Belgium has affected local exporters significantly. However, in

the overall context of European trade, this event has had little impact to date, with Belgium accounting for just 3% of EU pigmeat exports.

While pigmeat output is expected to come under further pressure in China and in the EU to some extent during 2019, production in the US is expected to increase by around 5% to 12.6m tonnes. This follows substantial investment in production capacity by processors whose confidence was boosted somewhat with both the recovery in US pig prices and in the wake of the discovery of ASF in China. US exports of pork to China have been affected by tariffs introduced in the middle of the year, but the effect has been cushioned by strong demand from the largest customers for US pork in Japan and South Korea.

Brexit poses a further unpredictable but undeniable challenge to the Irish pigmeat industry, both in terms of potential tariff and non-tariff barriers as well as currency exposure. With 56% of pigmeat exports from primary and secondary processors currently being shipped to the UK, along with 99% of live exports, the risk is significant.





POULTRY

The value of poultry exports from Ireland are up 8% to €316m. Irish poultry production increased by around 3% to almost 157,000 tonnes during 2018 compared to previous years' levels. This is the highest production ever recorded for poultry production in Ireland and reflects the continuous increase in popularity for white meat protein as consumers perceive poultry meat to be a versatile and healthier choice compared to other sources of meat protein.

Domestic

The poultry category at retail level in Ireland showed a reasonable performance by the year's end. For 2018, the volume of poultry sold increased by 3% as consumers purchased this category more frequently while the average price per kilogram remained flat at €5.56. The foodservice channel has also been more supportive of Quality Assured poultry over the last two-year period

and this is helping build demand for Irish poultry meat.

Exports

Of the poultry exported from Ireland in 2018, 67% went to the UK, of which 87% went to the mainland. The second largest export market for Irish poultry is South Africa, which attracted €35m in exports in 2018, 11% of the total and a 30% increase year on year. The prospects for this market however are less bright for the future as South Africa imposed in October an 'agricultural safety levy' of 35% on all imported bone-in poultry cuts.

The global poultry market had a mixed performance during 2018, with trade being affected by EU restrictions on several Brazilian export plants, changing halal standards in Saudi Arabia, the impact of the truckers' strike during the second quarter in Brazil and recent anti-dumping restrictions on Brazilian chicken imports set by China. The reduction in Brazilian exports due to state investigations of a number

of plants accused of fraud in safety inspections during the second half of 2018 led to significant opportunities for some exporters. The Ukraine was the principal beneficiary. During the first half of 2018, their total export volumes reached record levels at 155,000 tonnes with prices around 15% higher.

Outlook

In 2019, the global poultry industry will face challenges from rising volatility in grain and oilseed prices arising from tightening global grain stocks. However, the outlook for the EU industry for the next year remains broadly positive on the back of restrictions that have seen 20 Brazilian plants removed from the EU approved list.

It is likely that the number of birds processed in Ireland will reach a record-breaking 100m during 2019 as producers continue to invest in new and existing facilities within the sector, reflecting the ongoing strengthening in demand within both the retail and foodservice channels.

SECTOR REVIEW: FOOD & BEVERAGES



DAIRY PRODUCTS AND INGREDIENTS

Irish dairy is Ireland's largest food export sector, with exports amounting to over €4bn in 2018. The sector has seen 78% increase in export values since 2010. Dairy was the strongest performer in terms of export volume growth in 2018, with volumes up 5 per cent compared to 2017. The value of dairy exports remained stable, exceeding €4bn for the second year in a row.

Ireland produced more dairy products and exported more volume in 2018 than in any previous year. The top five markets for dairy are the UK, China, the Netherlands, Germany and US. The UK remains a key market accounting for 26% of dairy export volumes. Dairy exports to Continental Europe were valued at €1.35bn, a 6% increase on the previous year.

Irish milk production increased by 3% in 2018, which was lower than the expected growth. This was due to extremely challenging weather conditions with an extended winter lasting until March and severe drought in the summer months that affected grass growth and grass availability. There was some recovery of milk production in the final quarter of 2018. Increased feed usage, combined with higher feed prices, increased cow numbers and higher milk production, resulted in a 52% increase in dairy feed expenditure in 2018.

One of the most valuable elements of Irish dairy exports in the last years has been specialised nutritional powders. The value of exports for this product has increased from less than €600m in 2010 to €1.1bn in 2018. This product has been most successful in exports to China, where Irish dairy's

safety and outdoor reared credentials have particular salience.

Butter had an exceptional year in the US and continental Europe and for the first time the value of Irish butter exports exceeded €1bn for the year, representing a 22% increase on 2017's value. This enormous growth has centred on the US and across Continental Europe with butter exports to the US increasing by 90% to €161m. Prices stayed at the record highs, with demand not likely to change in the short term as consumers are cooking with and using butter instead of other fats.

Skim milk powder (SMP) production and exports have increased in line with butter production. The volume of SMP exports in 2018 has increased by 30%. Volumes were strengthened and prices challenged by the release of large volumes of SMP from intervention.

More than 50% of Ireland's cheese exports – of which 83% is cheddar – is destined for the UK. However in 2018, 22% of cheese exports were destined for countries outside of the UK and continental Europe, a significant increase from 17% in 2010. In 2018 the value of cheese exports to Asia and to North America increased 12% and 35% respectively to a total value of €75m.

Market insights

In advance of a dairy focused trade mission to Indonesia and Malaysia, in-depth reports were carried out for both markets, which have been identified as priority for Irish dairy, assessing the competition, the landscape and product opportunities.

Bord Bia carried out desk research looking at key markets for enriched milk powder to identify opportunities for Irish suppliers. Dairy market overviews for Angola and Egypt were developed to include profiles of industry players. At home, Bord Bia worked with Behaviour and Attitudes and Empathy Research to deliver a series of shopper insight studies looking at the cheddar cheese, butter and spreads categories in Ireland. Bord Bia also completed a yogurt gap analysis project for the Irish yogurt category identifying specific opportunities for manufacturers. The project methodology included manufacturer, multiple retailer and discounter one-to-one interviews along with data analysis.

Brand communications

Supported by the dairy industry, the Origin Green dairy campaign seeks to increase awareness of Ireland as a source of sustainably produced dairy in key overseas markets. The campaign has 4 distinct pillars:

- Trade media building Ireland's reputation as a world leader in sustainably produced food and drink.
- International PR-targeting key press and publications in target markets with editorial as well as

organising Origin Green dairy inward journalist visits.

- Origin Green China consumer digital campaign promoting the sustainability credentials of Irish dairy to Chinese consumers in tier 1 and tier 2 cities.
- Irish dairy farmer communications campaign, targeted at Irish dairy farmers to promote the benefits of SDAS and Origin Green.

Journalists, many having a dairy focus and representing publications from UK, France, US, Sweden, Netherlands, UAE, South Korea and Japan, visited Ireland throughout 2018.

Route to market

Dairy companies participated in more than eight trade shows and missions in 2018. Highlights included:

- Gulfood in Dubai saw six dairy processors take space on the Bord Bia stand in the Dairy Hall. Bord Bia also participated in Gulfood Manufacturing for the first time due to industry demand.
- Bord Bia assisted the raw milk cheese presidia in showcasing five companies at Salone Del Gusto in Turin. Participation at this event allows the raw milk cheesemakers to meet customers, sell directly to consumers, develop their knowledge and build relationships with the international artisan food community.
- SIAL Paris is the largest food innovation exhibition, and once again there was a dedicated dairy pavilion, with four dairy companies.
- Bord Bia was allocated space at the China International Import Expo in Shanghai, an inaugural show, with the participation of 11 Irish dairy and meat companies.
- The South East Asia trade mission to Indonesia and Malaysia saw seven co-ops participate. Both countries have been identified as offering potential for dairy export growth through Bord Bia's Prioritising Markets study due to their expanding middle class, dependence on imported

dairy and the growing demand for consumer foods made from quality ingredients.

PREPARED CONSUMER FOODS

Prepared Consumer Foods (PCF) encompass a wide range of value-added food and beverage products amongst which are food products that have received further processing, such as bakery, pizza, chocolate, confectionery, biscuits, snacks, extracts, sauces, soups, value-added meats, consumer dairy products, value-added seafood, value-added horticulture and non-alcoholic beverages.

As a result of significant declines in the value of protein powder exports to the US, the overall value for PCF declined in 2018, while confectionery, chocolate and frozen food exports saw strong growth.

The growth was driven primarily by innovation, new product development and newer channels for exporters in mature markets. As a result of the weak sterling rate and the dependence on UK exports many companies also focused on cost reduction as an aid for margin recovery in the sector.

For PCF, the dependency on the UK grew in 2018 to 66% of all PCF exports, an increase from 62% in 2017. This relative increase was due to the decline of exports to international markets rather than an absolute increase in exports to the UK. The value of exports to the UK declined by 4% to €1.5bn. After the UK, the core continental EU markets of France, Netherlands, Germany, Italy and Spain remained the next biggest export markets, accounting collectively for over 17% of PCF exports.

Bakery

2018 was a challenging year for the Irish bakery category with exports down by nearly 25%. While baked

goods had delivered a very strong export performance in 2017, with an increase in bread exports in the high single digits, the UK market accounts for the main fall in the 2018 value of exports, with a loss in business also recorded in less traditional export markets of US, Canada and Australia. This has been offset to an extent with increased sales to Continental EU markets where medium tier manufacturers have been winning business in the own label retail market and higher value foodservice.

Irish manufacturers are responding well to trends within bakery such as health, ethnic foods and free-from and are well placed to continue to secure higher value contracts for speciality bakery in the more competitive markets of Western EU, and indeed the North American markets with health-based and ethnic offerings. The growth of grab and go within EU retail also offers opportunities for suppliers of the Irish and UK convenience sectors.

Confectionery

Exports of Irish confectionery performed solidly in 2018 with sugar based confectionery up 11%

to €50m and chocolate up 9% to €248m. The UK market remained steady despite the uncertain trading environment with continued market diversification evident in the export volumes.

The global growth of chocolate and confectionery is reported at 4% and 2% respectively. Confectionery consumers continue to look for propositions around convenience, health and indulgence and this is driving much of the innovation and value in the category. Irish manufacturers are showing a good understanding of these trends which is sustaining their growth in export markets.

Grocery

The Irish grocery market, essential for this sector demonstrated both value and volume growth with value growing ahead of volume at 3%. Increasing household spend assisted the domestic market growth which also saw strong performances from branded sales ahead of the total market growth.

Growth was also evident in the domestic foodservice sector which

recorded an increase of 6.1%, providing a buoyant market to Irish suppliers in the sector. Outside the domestic opportunities, the UK is the largest export market for ambient grocery. Exports to the UK grew 3.8% in 2018 primarily driven by price increases. Volume also increased but at a more modest level at 2.1%.

The sector continues to focus on its key Irish and UK markets. Interest in diversifying into new European markets continues to be a focus for the sector. Innovation in premiumisation and health continue to evolve the offering in the sector.

Frozen

The frozen food category demonstrated a return to growth in 2018 due to the introduction of new products conveniently meeting consumer needs. The UK frozen market, valued at £6.1bn, experienced strong growth performance of +6.5% (value), with growth in each subcategory. Premiumisation, health and a shift in perception by consumers on the quality of the category, have resulted in an increase in average prices (+4.2%). This change in demand



is expected to continue, as new consumers enter the category. The category attracted 320,000 new UK shoppers in 2018 and saw an increase in penetration by 0.2% to 99.3%.

Innovation was also a strong focus for the Irish frozen companies supplying the UK market. The innovation also generated interest in the new European markets in both the retail and foodservice channels. Irish frozen food companies also plan to build on their success in niche opportunities in markets such as Middle East, South East Asia and US. These opportunities are driven by the industry's innovative product concepts, premium taste and lead generation initiatives.

Closer to home the Irish frozen retail market also demonstrated growth of 7.8%. This was primarily driven by more trips to buy as shoppers return to the frozen aisles more often. All sub-sectors benefited but meat, fish and ice cream saw the highest percentage increases year on year. Private label continues to dominate the market with 42% share in value and is in strong growth at 7%.

Chilled convenience

The chilled convenience sector has remained focused on the Irish domestic market and exporting to the UK market due to the constraints of shelf life. The chilled ready meal category in the UK was worth £1.7bn and experienced strong growth of +6.8% as demand for convenience continues to grow. The growth was largely driven through higher prices, however shoppers are also purchasing the category more frequently.

Vegetarian had a small share of the total category, but demonstrated strong growth of +9.1%.

The chilled convenience sector is reporting concerns around the potential challenges due to Brexit driven supply chain complexities and delays. The category is already very price competitive and coupled with potential barriers 2019 will be a very challenging period for the sector. The chilled ready meal companies are

aware that they will need to continue to focus on remaining competitive in the UK market as well as delivering innovation to the category.

In the domestic market the chilled ready meal category, was valued at €147m with a growth of +7.8%. Private label continued to dominate the category with brands accounting for 21.5% of total spend. The domestic market will continue to be the most important strategic market for this sector with innovation, packaging and process capabilities continuing to create opportunities.

Value added meat

The value added meat sector continues to support the consumer and customer requirement for convenience without any compromise to quality. Innovation in product and process has been key in the performance of this sector. Quality, innovation and a skills shortage in the channel are major influencing factors for developing a strong proposition for value added meat companies. There has been a strong focus by many in the sector to understand the opportunities in the QSR (quick service restaurants) and FSR (full service restaurants), in European markets.

Beverages

Alcohol beverage exports continued on a positive trajectory in 2018, with an overall increase of 7% on 2017, from €1.215bn to almost €1.3bn. This is largely driven by continued double-digit demand for Irish whiskey in many markets and a sustained change in fortunes for the Irish cream liqueur category. Continued demand for premium offerings with strong Irish provenance is also responsible for this increase. Irish whiskey is leading the category, with consumption levels globally exceeding the projected 10m cases by the end of 2018 for the first time. This represents an increase of 9% in volume on 2017 and almost 12% in value. In terms of mature markets for Irish whiskey, the US and the EU remain key to this growth.

In terms of developing geographies, Africa and Asia are expected to deliver potential in the coming years.

Irish cream liqueurs also enjoyed a strong performance with growth of 9% in value, achieving sales of over 7.9m cases in 2018, up from 7.2m in 2017. Improved markets of note for Irish cream liqueurs include the UK, Africa and Australia.

The beer category held its own in value terms overall, but reflected an overall increase in volume of 9%, with a particularly positive performance in EU exports offset by reduced volume and value to Middle East and North Africa. Despite remarkably promising summer weather in its major markets of Ireland and the UK, cider had a challenging time losing ground in both value and volume at -20% and -16% respectively. Consumer trends toward healthy living and the negative press surrounding sugar in the context of the sugar tax introduction are believed to be having an impact on the category. The Irish gin category is starting to impact on the international consumer, with an increase of 24% in volume, albeit from a low base.

In recognition of the dependence on the US market, and the increasing demand in Asia for Irish whiskey, Bord Bia launched the East Asia Programme for Irish Spirits in January of 2018, with research into the regulatory environment and distribution landscapes of three Asia markets, Singapore, South Korea and Japan. The programme continued to phase two in October 2018 when the category was provided with a debrief on the research, with 28 delegates attending from 25 companies. Phase three of the East Asia programme – a market mission to Singapore, Seoul and Tokyo – will be executed in Q1 2019, followed by an associated inward buyer visit in Q4 2019.

Other promotional activity included Bord Bia's trade fair programme, which continued with an increased presence at ProWein Dusseldorf in



March. In all, 14 client companies hosted more than 300 B2B meetings on-stand over the three day event. For the first time, the Ireland stand hosted Irish whiskey masterclasses for buyers visiting Prowein, with 14 classes attended by more than 160 guests.

Seafood

The value of Irish seafood exports in 2018 was estimated to be in the region of €562m, an 8% decline on the record value attained in 2017. Challenges were found across the category but it was particularly so in salmon, where export values declined 36% as a result of limits on production capacity. Global demand for seafood continued to increase in 2018 and Irish exporters reported strong demand for their products in the main export markets. The ability of the sector to fulfil existing customer demand in light of the challenges in accessing raw material remains the key challenge for this sector.

The main EU markets, namely France, Spain, UK, Italy and Germany continue to dominate seafood

exports, accounting for approximately 58% of total exports by value. The share of seafood exports to international markets is approximately 30% of total exports in 2018. Exports to the four main Asian markets - China, Hong Kong, South Korea and Japan - together increased by an estimated 19% in value terms in 2018 compared to 2017. Overall, these four Asian markets accounted for almost 14% of total seafood export values. Taking into account the wider South East Asian markets to include Taiwan, Vietnam, Singapore, Malaysia and Thailand, this region accounted for over 15% of total export values in 2018. This compares to a share of just 7% of seafood export values in 2013, demonstrating the increased focus by the Irish sector and Bord Bia in its market development and promotional efforts in this region over the last number of years.

Looking at individual species performances in 2018, for the pelagic sector, quota cuts of 10% had a direct impact on the volumes exported in 2018. Irish mackerel experienced a quota cut of 20%,

which had a large impact on the Irish pelagic sector. Prices and demand for Irish mackerel were strong particularly in Asia where there was a shortage of stocks and an increase in Norwegian prices which saw many Asian buyers choose Irish mackerel instead. As a result, after the quota cuts were accounted for, volumes are down for the full year but increased values have compensated. The best performing pelagic markets in 2018 were in Asia and in Europe. Demand for Irish mackerel in China increased by around 10% in value, while demand for Irish horse mackerel increased by 84% in Japan. The African markets performed well earlier in the year but struggled to match the new price levels. Core markets in Europe also performed well.

Export values on Irish shellfish were extremely strong throughout 2018 as demand continued to outstrip supply across many export markets. The largest shellfish export category in 2018 was frozen langoustines, which accounted for an estimated 9% of total seafood exports. For this species export values increased by 30%, driven by increased demand

in the core European markets and underpinned by an increase in the Irish quota for 2018. The Irish oyster sector had another strong value growth year with export values increasing by 12% against just a 2% increase in export volumes. Exports of packed oysters to China and Hong Kong continue to drive the majority of the value gains with exports to China increasing by 121% and to Hong Kong by more than 52%. Irish brown crab is one of the core shellfish species exported annually and this sector experienced very strong growth again in 2018 despite challenges in raw material supply, which has hampered the ability of the Irish processing sector to further penetrate new markets for this sought-after species. Frozen crab is the most important category within this segment and experienced strong growth, increasing in value by 15% against a 16% drop in export volumes. Nearly all of this gain came from burgeoning demand in China, which grew by 307% in value terms during this period. The live crab sector had a very strong year, growing in export value by 61%, with excellent performances being recorded in

China, which increased in value terms by 212% during 2018. This was driven by a doubling in export volumes to this market and a 38% increase in the average price per tonne. Exports of prepared molluscs, which include clams and whelks, decreased in value by 2% during the year despite volumes increasing by 24% during this period. South Korea, which remains the main export market, accounting for almost 70% of total exports in this category, decreased in value by 4%. Exports to China increased by 15% while strong export growth to Hong Kong was also recorded, increasing in value by 116% during the year.

The rope mussel industry had another challenging year with an extremely competitive situation on the European market. This was partly driven by increased competition from Chile and Germany resulting in a drop in demand from key markets such as France and the Netherlands. More positively, the rope mussel industry has seen a significant increase in demand from the domestic market both in the foodservice and retail fronts. This can be attributed in part

to Bord Bia's 'Flex Your Mussels Campaign', which completed its third year of promotions in 2018. Salmon production continued to face issues in relation to maintaining a regular supply for the market in 2018. Despite prices reaching high levels for organic Irish salmon, production reduced as operators were not been able to develop new sites for production. In 2018, salmon export values dropped by 44% while the price per kilo of Irish salmon increased as demand drove the organic salmon sector. The French market continued to dominate Irish salmon exports, accounting for 56% of total values, but it decreased in value in 2018 by around 31%. This was driven by a 37% drop in export volumes as prices remained strong (+10%). Spain remains our main market for whitefish followed by the UK and France. These three markets represent over 85% of total whitefish exports. Performance of these species still depend on quotas, which were relatively stable in 2018 compared to 2017 for overall whitefish species. Some declines were recorded in export performance during 2018.



SECTOR REVIEW: SMALL BUSINESS & ORGANIC

The small business sector is defined by Bord Bia as businesses with annual turnover of less than €3.5m, representing all sectors from beverages, seafood, dairy, speciality meat and prepared foods. Bord Bia engages with over 700 clients within this sector, a figure that has seen continued growth in recent years. Consumers are increasingly seeking foods with authenticity and provenance and small local suppliers, with a diverse range of products, play to this trend. The Small Food and Drink business sector is substantial and continues to grow, worth an estimated €300m-€450m. The diversity of the sector is also reflected in the profile of businesses, from start-ups to artisan, to lifestyle, to fast growing export-focused enterprises.

SMALL BUSINESS OPEN DAY

The annual Small Business Open Day was held on Tuesday 23 January 2018 in Johnstown Estate Hotel, Enfield, Co. Meath attracting 165 attendees. This year's event asked small food and drink producers to look to the future asking 'Is your business future fit?'

This annual event provides an opportunity to showcase the full range of resources available to small food producers from Bord Bia and other support agencies. A wide range of information services were present at the event - Bord Bia desks included information services and

Origin Green, retail and foodservice programmes, and marketing finance. Other agency desks included the Local Enterprise Offices, the Food Safety Authority of Ireland, the Small Firms Association, ISME, Enterprise Ireland, FoodWorks and Love Irish Food. The event was opened by Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle TD. Guest speakers included Dr. David Hughes from Imperial College London and David Berry from Kantar Worldpanel with Bord Bia speakers including Chief Executive, Tara McCarthy; Insights team specialist, Grace Binchy and Food & Beverage Senior Manager for Small Business, Karen Tyner. A



producer panel on the day included representatives from Honest Bakery, Veggie Heroes, Lismore Food Company and Poachers Premium Beverages.

SMALL BUSINESS QUANTIFICATION STUDY

One of the actions outlined in *Food Wise 2025* was to develop a sectoral strategy for food and drink SMEs, which sets out supports, targets and best practice for the entry, development and progression of these companies to 2025. In relation to this, and recognising the changing landscape of the

sector in recent years, Bord Bia commissioned research in Q4 2017 to quantify the small business sector in Ireland to better understand the needs of small businesses.

In-depth face to face interviews were held with over 20 small business producers from across Ireland in late 2017. An online survey was developed to ensure that a broader representation of the small business sector was captured, with businesses ranging from start-up or fledgling stage, up to more established producers turning over up to €3.5m.

The findings of this research were finalised and collated for Bord Bia in Q1 2018. Some of the key findings include:

- Dublin, Cork, Galway and Waterford lead the sector in numbers of businesses.
- Small businesses are supremely optimistic, see opportunities in abundance and need help in accessing them.
- Exporting is seen as vital to future plans and businesses need help in identifying and accessing new European customers.
- Opportunities for development span sales, operations (BRC etc.) and sustainability, and these businesses will look to Bord Bia for help in these areas.
- Practical commercial skills are vital in helping businesses achieve their ambitions, and Bord Bia is seen as a key facilitator in this. The challenge to Bord Bia is to keep the support practical and tailored across a diverse and dynamic sector.

BORD BIA SMALL BUSINESS STRATEGY 2019 - 2021

Bord Bia has completed work on the new commercial marketing strategy for the small business sector. The completed strategy will inform Bord Bia's supports and capability building initiatives for the small business sector from 2019-2021.

Small businesses tend to have a strong domestic market focus, are typically young (<10yrs), mainly self-funded and employ fewer than ten people, but plan to increase employment significantly. More than 30% of the more established businesses supply a retailer brand, and exports account for 16% of reported turnover within the EU, with the UK being the largest export market. Meanwhile, more than half of the companies exporting (54%) avail of distributors, with 44% exporting directly to their end customers.

Bord Bia's vision for small businesses is that they are 'unique food and drink businesses that will be recognised at home and internationally as skilled and creative producers. Discerning customers will seek out their high quality and truly distinctive produce.'

The strategy segments small businesses into Artisan, Established, Startups and In-Growth type companies, each requiring tailored supports which will be developed to support companies in five key areas:

1. Information and signposting to relevant supports
2. Online supports and entry-level retail and foodservice programmes
3. Capability workshops and entrepreneurship
4. Creating relevant networks
5. Assisting relevant introductions

BORD BIA VANTAGE

Bord Bia Vantage is Bord Bia's focused online resource guide for small businesses at www.bordbiavantage.ie.

Profiled on the website are key services for the small food and drink community along with market data, trade and consumer events. Visits to the site exceeded 23,000 in 2018 with the most visited sections relating to starting a food business, sector overviews, business development, food academy and events.

ROUTE TO MARKET

In terms of route to market from an Irish market perspective, Bord Bia offers a range of supports to small business clients.

Food Academy is a shared initiative of Bord Bia, SuperValu, and the Local Enterprise Offices (LEO). Developed in 2013, Food Academy celebrated its fifth year in 2018. Over 750 companies have completed the programme, with 49 new producers entering SuperValu stores in 2018. All LEOs countrywide have engaged in Food Academy either independently or with a neighbouring LEO.

Grow with Aldi was launched in 2018, in collaboration with Bord Bia. In August 2018, 71 Irish products, made by 38 suppliers, were listed in Aldi stores nationwide as part of Aldi's Specialbuys Irish Food promotion. At the National Ploughing Championships in September the five winners of the programme were announced, with each receiving a one-year listing. Two additional companies secured seasonal listings.

Lidl's Kick Start programme, in collaboration with Bord Bia, returned for its second year to give Irish food and drink suppliers the chance to showcase their products and grow their business through Lidl stores across the country. Two promotions were held in Lidl stores in 2018, with 39 companies involved in their March promotion and 29 in their September programme.

Food Starter was developed by Bord Bia and the LEO network to assist companies that are at the very early stage of developing a food business. Work on this programme started in November 2017 and national roll out to all LEOs happened in early 2018. The two-day programme will be delivered by individual LEOs as an entry-level programme and a prerequisite for Food Academy Start.

Bord Bia's FoodService Academy is run in partnership with Musgrave MarketPlace and is aimed at providing participants with tailored

support and guidance for their business. The programme seeks to help participating producers grow sales within the foodservice, or out-of-home, market. The initiative also offers the opportunity to achieve growth within Musgrave MarketPlace's foodservice business, supplying over 6,000 customers each week ranging from hotels and restaurants to pubs and nursing homes.

Farmers' market training

Food markets (or farmers' markets) and other direct routes to market continue to play a vital role to companies in the start-up phase and beyond by providing low risk market access and direct consumer feedback. *Food Wise 2025* recognises the importance of direct selling and 'includes a recommendation for the introduction of a direct to consumer development workshop. Bord Bia delivered a regional workshop programme in 2018 to help support new and existing members of the food market network as they seek to grow their business directly with consumers. The training is delivered by Bord Bia in collaboration with experienced stall holder Margaret Hoctor of Kilmullen Farm. This initiative continues to prove very popular, with 82 participants in 2018. Further workshops for vendors will be offered in March 2019.

FOODWORKS

FoodWorks, Ireland's leading accelerator programme for food and drink start-ups, works with a small number of high potential start-up food teams boasting a strong food business idea.

The programme, run by Bord Bia, Enterprise Ireland and Teagasc, aims to foster and encourage innovative new product ideas that satisfy a genuine market need while supporting the growth of the Irish food industry on a global scale. Since 2012, FoodWorks has worked with 85 start-ups in developing scalable and export focussed business ideas.

2018 also saw Bord Bia engage with some of Ireland's leading business ambassadors to help develop the next batch of serial food and drink entrepreneurs and high potential start-ups. The ambassadors were David McKernan, Java Republic; Ann Murray, Lir Chocolates; Paddy Callaghan, Natures Best; Pat Rigney, The Shed Distillery, Stephen Twadell, Food Investor & Business Coach; Larry Murrin, Dawn Farm Foods and John O'Brien, O'Brien Fine Foods

The success of the programme to date includes:

- One in five have already achieved export success.
- Global markets reached span four continents: Europe, Africa, Asia and North America.
- Over €2.5m in funding from Enterprise Ireland has been secured.

Following the formal application process, five successful companies will join the 2019 FoodWorks program commencing in January 2019. The resounding feedback from the ambassadors to focus attention on a smaller number of high potential companies helped the agencies in choosing the final 2019 participants.

BLOOM 2018

The Food Market at Bloom provides a platform for marketing, promotion and business development for small food producers. 69 food and drink producers participated in the food market at Bloom in 2018 including 17 new exhibitors.

Bloom boasted record visitor numbers of 120,000 over its five day run. The Food Market is an established feature at Bloom and is also an important showcase opportunity for producers with over 200 trade buyers from Ireland and the UK attending a Bord Bia trade reception at the event. The Food Market increases awareness of smaller and new food companies and also provides an opportunity for food companies to engage with and sell directly to the consumer. The food

village at Bloom also played host to 24 small drinks producers including 14 first-time exhibitors, in the Bloom Inn tent.

ORGANIC FOOD

While the organic sector in Ireland is still relatively small in relation to agriculture as a whole, it is experiencing considerable growth at present.

There are currently 2,127 organic operators in Ireland, of whom over 1,700 are farmers. The area of land under organic production has expanded dramatically under the current Rural Development Programme, thanks to the suite of supports that have been put in place. Latest figures indicate that there are now some 72,000 hectares under organic production, an increase of nearly 50% on the position at the start of the programme in 2014.

An Organic Sector Strategy Group was established in March 2018 to develop a strategy for the development of the organic food sector for the period up to 2025. The group comprises of representatives of the Department of Agriculture, Food and the Marine, Teagasc, Bord Bia, BIM, as well as the farming organisations IFA, ICMSA, ICSA and a wide range of stakeholders from the organic meat, dairy, horticulture, cereals and aquaculture sectors

Underpinning this strategy is a vision of Irish organic food, based on its natural production attributes, being a desirable choice for farmers, consumers and retailers. The overall objective of the strategy is to further develop a viable Organic food sector in Ireland, enhancing the sustainability credentials of Irish food by producing a wide range of organic products to meet increasing domestic and export market opportunities.

Bord Bia coordinated the Ireland stand at Biofach, the world's largest organic trade show, held in Nuremberg, Germany (14-17 February, 2018). The four-day show attracted over 50,000 visitors from 134 countries.

In 2018, 91% of the visitors to the show were involved in purchasing decisions in their company. Bord Bia's goal in participating at Biofach is to increase awareness and knowledge of Ireland's organic sector among trade buyers in relevant target markets, who are canvassed in advance of the event. With Origin Green featured as the over-arching theme of the stand, Bord Bia positioned Ireland as a clean, green, sustainable supplier. Nine organic companies exhibited on the stand in 2018 representing seafood (4), prepared foods (2), dairy (2) and meat (1).

Minister of State at the Department of Agriculture, Food and the Marine, Andrew Doyle TD, was in attendance at BioFach 2018 in February where he attended a trade meeting at Denn Biomarkt, an organic German retail chain. There was a very positive reaction to participation at BioFach 2018 with business secured both at the show and afterwards.

A strong intent to participate again indicated by 2018 exhibitors led Bord Bia to once again book space at the show and the canvass for 2019 was filled in Q4 of 2018.

The National Organic Awards, organised by Bord Bia in association with the Department of Agriculture, Food and the Marine, celebrates the achievements of an increasing number of Irish organic food and drink growers and manufacturers. Held every two years, the awards recognise developments in the sector across key categories as judged by a panel of experts. A new award in 2018 highlighted the sustainability achievements and contributions of organic producers to their local communities.

The judging of the awards took place in Bord Bia's HQ on Wednesday 12 September. A team of industry experts from Ireland and France judged the six categories with a holistic approach to the judging looking at taste, branding and product value for money of each product entered.

The award winners were:

1. Chefs Award: won by Rivers field Organic Farm for their Cherry Tomato mix.
2. Retail Award: won by Irish Country Meats for their Good Herdsman organic half leg of lamb.
3. Direct Selling Award: won by Highbank Organic Orchards & Distillery for their Sack No 3 Pommeau 2016.
4. Export Award: won by The Little Milk Company for their Organic Cashel Blue.
5. Best New and Innovative Product: won by Beechlawn Organic Farm for their Curly Kale in compostable bio bag.
6. Business in the Community Award: won by Slí Eile Housing Community Organic Farm.

Over 200 entries from 50 companies were received for the awards which took place at Bord Bia HQ in October. The event was followed by an organic lunch which included ingredients from all of the shortlisted companies. Each winner received a bursary to the value of €12,000 to support the growth and development of their organic business.

The organic sector also featured at *Bloom* in 2018 with organic producers highlighted in the food market using the EU Organic leaf logo signage.

ORGANIC MEAT

Meat export activities

There were a range of initiatives undertaken throughout 2018 to build and develop awareness of organic beef and lamb. With continual engagement and input from processors, promotional activities were built around key markets as outlined below.

UK

Building on the successful promotion of SBLAS Irish organic beef with leading online retailer Ocado in 2017, a second competition/promotion was held in March 2018. This competition strengthened the relationship with Ocado which overtrades by 9% of the organic category. The month long competition led to a 19% uplift in sales.

Germany

An Irish Organic Beef promotional event was held in Germany's largest organic retail chain, Denn Biomarkt in Nürnberg.

Italy

The Woerndle Internal Trade Fair, promoted Organic Irish Beef to their foodservice customers.

There were more than 1,000 visitors, 21 exhibitors and almost one tonne of meat was sampled.

The event was attended by the Italian press including Rai TGR.

Trade engagement

Throughout the year, Bord Bia assisted Irish processors in brand development and building relationships with customers in key markets through inward and outward study visits.

SECTOR REVIEW: HORTICULTURE



THE RETAIL FRESH PRODUCE MARKET

The fresh produce market was valued at €1.5bn in 2018 with fruit accounting for €768m, vegetables €573m and potatoes €195m. Increases in the average price and frequency of purchase contributed to the increase in the value of the retail market in 2018.

Growing season 2018 challenging

The 2018 growing season was one of the most challenging in recent years. A number of weather events from storms to heavy snowfalls to the drought conditions had a significant impact on the growing season in terms of yield and quality of produce. In the early part of the year the snow and persistent cold during spring delayed planting and stunted early growth.

The cool spring also had an impact on the early demand from consumers for gardening plants. The late spring and early summer saw temperatures increase and improve growing conditions dramatically, as well as the market for plants. The summer drought impacted significantly on crop growth, particularly outdoor vegetable crops and potatoes. There were some crop losses and reduced yields. Growers irrigated crops where possible but this was not an option in all locations. The arrival of more normal rainfall in late summer/autumn with good temperatures resulted in good growing conditions in the second half of the year with yield and quality significantly improved.

Horticulture output was valued at €437m in 2018 with over 80% of the value contributed from the food crops and the balance from amenity crops. The two most significant value crops were mushrooms and potatoes.

Mushrooms

In 2018 the farmgate value of the mushroom industry was valued at over €117m producing 66,800 tonnes of mushrooms. The mushroom industry exports 80% of its production to the UK market and consequently it was the horticulture sector most affected by the currency volatility that followed the UK Brexit vote. A number of measures taken by industry and supporting agencies to address the challenges created by Brexit were undertaken including reducing input costs, currency management, seeking price increases from the marketplace and promotion activities in the market.

The UK is the only export market for Irish mushrooms. Exports were down 5% in volume compared to 2017. This was a reasonable performance in the face of lower margins resulting from the drop in sterling. The UK retail market for mushrooms overall

has been showing good volume growth at a rate of 4% and retail sales are at an all time high. On the domestic market retail mushroom sales were stable maintaining similar levels to 2017.

Potatoes

Potato production in 2018 was estimated at 245,000 tonnes which was back on production in 2017. The weather was a key contributor with lower yields due to later planting and reduced yields. The area grown was under 8,000 hectares and the farmgate value of production was estimated at €80m for 2018. The main variety continues to be Rooster with other notable varieties including Kerrs Pink, Queens and varieties for crisp production. The domestic market is the key market for the potato industry which was valued at €195m in 2018 at retail level with sales volume estimated at over 209,000 tonnes. This represents a recovery in that market after a number years of decline.

Field vegetables

Overall 2018 was a challenging year for field vegetable production as alluded to previously particularly as a result of the adverse and variable weather conditions, with drought having the biggest impact. There are over 4,000 hectares of field vegetable production and the farmgate value of production was estimated at €76m for 2018. The key crops grown are root and brassica crops. Field vegetable production is concentrated in Leinster. The key domestic retail market for vegetables (including protected vegetables) was valued at €573m in 2018.

Protected vegetable crops

Tomatoes, cucumbers, lettuce and herbs are the main crops in this sector which had an output value of €34m for 2018, most of which was destined for the Irish retail market. Recent years have seen some increases in certain greenhouse growing areas with some new investments. There

were good growing conditions during 2018 with plenty of sunshine for glasshouse crops which helped generate a good consistent demand for salad ingredients throughout the summer. Tomatoes continue to be the number one purchased fresh produce vegetable line at retail level.

Fruit crops

The output value of the soft fruit sector was valued at €40m in 2018. The majority of soft fruit is now produced under protection either glass or polythene. In the soft fruit market, strawberries are the most important crop with a growing season that runs from early April to December.

Despite the heavy snow early in the year which damaged some growing tunnels, the cool spring and the extreme temperatures during the summer impacted the yield of certain crops. It was a reasonably good growing year for soft fruit with a robust demand overall. There was also a growing demand for other berries such as raspberries and blueberries.

The output value of home grown apples was estimated to be €9m in 2018. Over the last couple of years there has been some new orchard planting particularly for use in juicing.

Fruit is the largest fresh produce category with a retail value of €768m in 2018. Apples and strawberries are the two main fruit crops produced in Ireland.

Amenity crops

The value of output from the amenity sector was estimated at over €75m in 2018. The most recent measure of the gardening market shows that the amenity market – as measured by consumer spend - is valued at €795m and is growing. This was a growth of 9% on the previous measure in 2016.

Of this a total of €282m was spent on the plants and flowers category. A recovering economy and building sector are creating opportunities for the sector.

In relation to exports the amenity horticulture sector relies heavily on the UK for sales and despite significant currency changes triggered by Brexit growers of plants, Christmas trees, cut foliage and flowers all managed to maintain or increase exports to GB and NI. The total value of exports increased from €17.9m to €18.5m.

Hardy nursery stock accounts for €7.3m of exports with bulb / cut flower exporters having sales worth €1.6m in 2018. Cut foliage producers have made significant inroads into the buoyant mainland Europe market to counteract Brexit and sales were up to €4.8m. Christmas tree returns from the UK saw producers maintain their export value at €4.8m.

HORTICULTURE PROMOTIONS

Mushrooms promotions

The €2m “Mushrooms Complement Everything” EU and industry funded campaign will be implemented over the period 2018 – 2021. It commenced in April 2018 with the first burst of activity followed by a second phase of activity in October. The campaign message is focusing on blending mushrooms with meat - ‘Bring on the Blend’. A large amount of new digital assets were prepared including 10 new video recipes, for use in particular on Instagram which has the best engagement rate of any of the social media platforms. Over 1.1m people saw the videos in the October burst, with a total of 1.8m views for video content for the year.

Potato promotion

The EU potato promotional campaign ‘Potatoes More Than A Bit On the Side’ finished in July 2018. Overall the results of the campaign are impressive and met all targets set. The retail market for potatoes has stopped declining and has now grown to a stable 210,000 tonnes per annum (from a low of 162,000 tonnes at the campaign start). Key activities included outdoor, print and on line advertising as well as significant

social media communication across a number of digital platforms. Consumer research tracking showed that the campaign awareness and key messages resonated with consumers and encouraged increased consumption.

Gardening promotion

The GroMór consumer gardening campaign, with the objective of encouraging the 35 to 45 age group to start gardening, continued in 2018. Supported by Bord Bia and the nursery stock sector this is an initiative by garden centres under the Retail Excellence Ireland umbrella. Activity included PR, advertising, social media and campaign website. The campaign performed well overall and exceeded metrics for 2018.

Celebrate Strawberry Season

A number of key changes were made to the 2018 campaign. The name of the promotional campaign was changed from 'Celebrate Strawberry Week' to 'Celebrate Strawberry Season' thereby extending the promotional period and encompassing a host of revised activities over the entire growing season.

The main campaign activity burst took place in mid-June and featured many different elements such as on-pack promotion, TV and radio sponsorship as well as print media communication. Reach for TV, radio and print communications totaled over 578,000 in the first week of the campaign alone.

There was an eye catching showcase of Irish strawberries at Bloom, where over 120,000 visitors attended. This included generic sampling of Irish strawberries and visits from 1,000 primary school pupils and their teachers. Other campaign activities included a national primary schools competition, a launch event at Haughton House, Dublin Zoo and an advertorial feature in Easy Food magazine which has over 75,000 readers. There was also a big focus on digital media, and content included new recipes and recipe videos. Exposure on Facebook reached almost 250,000 people with the website having over 2,000 views during the entire seasonal campaign.

Food Dudes programme

The EU School Fruit and Vegetables Scheme is implemented in Ireland

through the Food Dudes Healthy Eating Programme. The Food Dudes Programme is an evidence-based incentivised behaviour changing initiative which is managed by Bord Bia and funded by the Department of Agriculture Food and the Marine and the European Union. The Food Dudes Programme aims to increase sustained fruit and vegetable consumption amongst primary school children through the provision and repeated tasting of fruit and vegetables over a 16-day intervention period. This is supported with accompanying measures in the form of role models (Food Dudes Heroes) and small rewards (followed by a home phase where fruit and vegetables are supplied from home over a number of weeks). Fresh produce is also provided to schools on additional tasting days. In 2018, a total of 825 schools and over 135,000 pupils participated in a Food Dudes re-boost programme. The year also saw a review and refresh of some elements of the programme including updating of the programme DVDs, website and print materials. Pilot testing was also carried out on new accompanying measures which will be actioned in the future roll out of the programme.



Incredible Edibles

The Incredible Edibles is a school based programme with the aim of engaging children into growing their own fruit and vegetables in school and at home, thus increasing awareness of their role in a healthy and balanced diet. Jointly funded by the horticulture industry and Bord Bia with support from the three departments of Agriculture, Health and Education, the programme is managed at school level by the agri-food educational body Agri Aware. A total of 1,223 primary schools and 48,000 pupils took part in the programme during 2018.

Fresh produce promotion

In 2018 Bord Bia partnered with the EPA in jointly sponsoring the new gardening programme 'Grow Cook Eat' which launched on RTE during the spring. The series is a collaboration between GIY Ireland and the TV production company In productions. The programme is focused around the growing, cooking and eating of fruit and vegetables and achieved significant viewers numbers on its first run.

HORTICULTURE PROGRAMMES

Marketing, innovation

Under the Bord Bia Marketing Assistance and Step Change Programmes a total of 31 horticulture businesses received assistance to undertake a range of activities including trade shows, market research, point of sale, labeling generation and website development.

GLAS

The GLAS tradeshow – the premier trade event for the Irish ornamental sector, took place in July at Citywest Conference Centre. Once again the show expanded on the previous year, with over 144 exhibitors, including 20 nurseries. Visitor numbers were strong, with more than 1,000 key buyers of horticulture products

attending. A range of educational and information sessions took place at the Learning Theatre throughout the day.

National plant fairs

There were two plant fairs held during the spring that were organised by the Irish Hardy Nursery Stock Association and supported by Bord Bia. The aim of the fairs was to bring plant buyers and growers together in one venue to facilitate and promote plant sales of local product at the start of the gardening season.

Amenity Export Development Programme

The development and expansion of exports for amenity products, especially nursery stock, cut foliage and bulbs, has been identified as an opportunity for expansion. The Amenity Export Programme (AEP) is targeted at amenity horticulture business owners, who wish to build on existing export sales or enter export markets for the first time. These companies are engaged in amenity horticulture; cut foliage, bulbs/flowers, Christmas Trees and garden plants. In 2018 a mentor was in place who had regular contact with the key amenity crop exporters. With the advent of Brexit and the importance of the UK market to exporters in this sector the support was amplified and targeted where needed. In November all exporting nurseries attended dedicated personalised export consultancy sessions with the UK based amenity sector mentor. The amenity export newsletter was introduced and is used to send regular updates and insights to the participating nurseries. In September Bord Bia supported a small group of nurseries who combined resources to exhibit at Four Oaks show in the UK.

Top fruit growers seminar

The annual top fruit growers seminar included an update on the retail market for apples, consumer trends for cider and juices, the EU apple

market and the National Apple Census. There was also a visit to a nearby cider production facility.

Sponsorships

Bord Bia supports the needs of the horticultural industry through the provision of sponsorship to relevant conferences, seminars and workshops as well as events organised by other organisations which Bord Bia are associated with. In 2018 over ten such events/associations were supported.

Bord Bia continues to support the young Horticulturalist of the Year competition and the organisation of the David Robinson Memorial Lecture to promote and support student interest in horticultural education.

Lean management

The Lean programme for Horticulture Producers which commenced in 2017 with mushroom producers was built on in 2018. Lean management principles are an aid to help businesses raise productivity. Lean Start initiatives were completed with 10 companies in the wider horticultural sector. A Lean Plus initiative ran across three mushroom exporters, and a specialist project was implemented with the mushroom industry on best practice recruitment and on boarding procedures for external workers.

The results from the pilot work have been very positive, with considerable savings and increases in productivity. There is growing interest in Lean and the benefits it can bring to horticulture, and a desire from participating companies to take part in larger scale Lean initiatives. At the end of 2018, a further 13 horticulture businesses were engaged in the Lean programme.

SECTOR REVIEW: SERVICES



ORIGIN GREEN PROGRAMME

Origin Green – for farmers

Membership of Origin Green for farmers is through participation in Bord Bia's sustainability assurance schemes for producers. Currently Bord Bia operates four sustainability assurance schemes at farm level: Sustainable Beef & Lamb Assurance Scheme (SBLAS); Sustainable Dairy Assurance Scheme (SDAS); Sustainable Egg Assurance Scheme (SEAS); and, the Sustainable Horticulture Assurance Scheme (SHAS). The Poultry Products Quality Assurance Scheme was fully revised to the Sustainable Poultry Products Assurance Scheme (SPPAS) and submitted for accreditation of the Irish National Accreditation Board (INAB) in the autumn of 2018. Following accreditation, audits to the SPPAS standard will commence. The Pig Quality Assurance Scheme was revised as the Sustainable Pig Assurance Scheme (SPAS) and submitted to INAB for accreditation at the end of 2018. Audits to the SPAS standard will also commence upon receipt of accreditation.

Over the course of 2018 the

Sustainable Horticulture Assurance Scheme (SHAS) for food crop producers has been rolled out, with 76% of growers audited to date obtaining certification to the new standard. The development of the Amenity Module for SHAS was progressed through 2018 and will be presented to INAB for accreditation in early 2019.

A total of 46,666 audits of farms in the various producer schemes took place in 2018. Membership at the end of the year was as follows:

Sector	Members
Beef & Lamb	52,034
Dairy	16,256
Pig	419
Poultry	733
Eggs	230
Horticulture	294

In response to the opportunity to leverage Ireland's natural advantage of ideal climatic conditions for growing grass, Bord Bia, together

with the key stakeholders, developed an Irish Grass Fed Dairy and Beef Standard. This standard will be submitted to INAB for accreditation in spring of 2019 and will become Ireland's national standard for grass fed claims.

The use of the Quality Assurance logo on retail labels continues to grow year on year. In 2018 some 1,959 labels were approved from 114 companies with the highest number of applications received for bacon.

Origin Green – at company level

Food and drink manufacturing companies can become members of the Origin Green programme by committing to the Sustainability Charter, and developing sustainability plans of a sufficiently high standard to merit independent verification. By the end of 2018, over 600 food and drink companies had registered for the programme, with 346 companies achieving full membership. These 346 member companies supply over 90% of all Irish food and drink exports. The growth in Origin Green verified membership from 2012-2018 is demonstrated in Figure 2.

Figure 1 - Individual Sector Approvals 2018

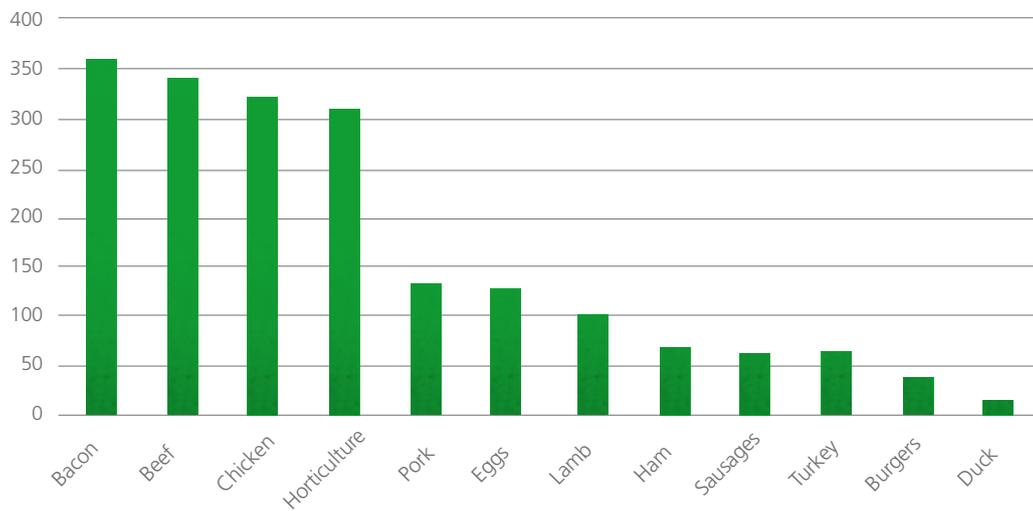
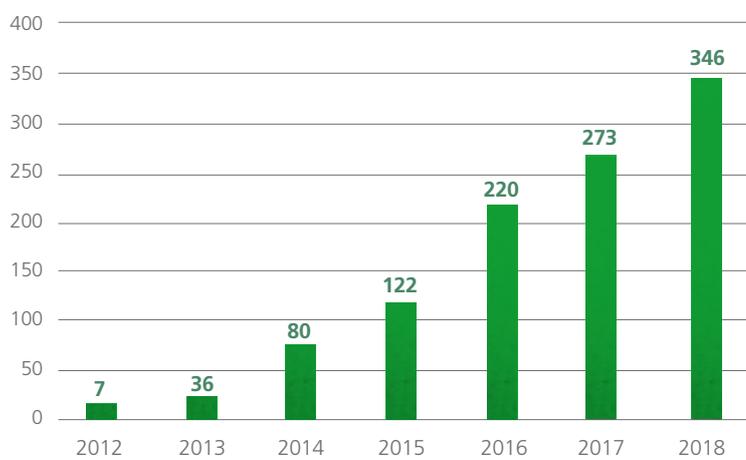


Figure 2 - Number of Origin Green Verified Members (2012-2018)



The number of companies achieving verified Origin Green membership status has grown for 7 consecutive years.

In 2016, Bord Bia extended the Origin Green programme to the final level of the supply chain, with the introduction of the 'Retail and Foodservice Sustainability Charter' as part of a pilot programme. Similar to manufacturers, retail and foodservice companies participate in Origin Green through the development and delivery of ambitious, measurable and time-bound targets as part of a five-year sustainability action plan. These plans must also receive independent verification before membership is

granted.

By the end of 2018, 10 retail and foodservice companies had become verified Origin Green members.

As the programme continues to evolve, new areas have also been introduced, including packaging and diversity and inclusion, along with the previous focus area of sustainable sourcing, operational efficiency and social sustainability. This ensures Origin Green members can remain a step ahead with regard

to market trends and continue to meet customers' sustainability requirements.

Origin Green – a robust strategy for the future

As the Origin Green programme entered its sixth year in operation Bord Bia undertook a comprehensive review to determine the strategic direction of the programme for the next three years in parallel with Bord Bia's corporate statement of strategy.

A study of global insights into consumer and customer perceptions of sustainability across 13 markets informed the review. In addition the insights from the farmer and food and drink company members of Origin Green were captured. These insights shaped the strategy which is defined by four strategic objectives:

- To deepen membership engagement
- Be a leader in food sustainability
- To drive sustainability improvement
- To increase market access and value for Origin Green members

The Origin Green programme has seen Ireland recognised as a leader in food sustainability. The delivery of these four objectives will ensure it continues to evolve and expand and maintain its first mover advantage.

The strategy was published at the start of 2019.

Origin Green at the UN

In the summer of 2018, the Government invited Bord Bia to bring the story of Origin Green to the United Nations in New York as part of Ireland's bid to secure a seat on the United Nations Security Council. The bid campaign was led by the An Taoiseach, Leo Varadkar TD, accompanied by the Tánaiste, Simon Coveney TD, along with special guests Mary Robinson and Bono. The Origin Green display was erected on the lawns of the UN and showcased the work that the Irish food industry is doing through the Origin Green programme, aligned to the United Nations Sustainable Development Goals. This colourful Origin Green display grabbed the attention of many United Nations ambassadors attending the event, spreading the message of Origin Green to new influential audiences.

STRATEGIC INSIGHT & PLANNING

Whether prompted by changes in the marketplace, competitive

pressures or simply the desire to create something bigger and better, food and drink businesses are now constantly refining and redefining how they operate and what they produce. Bord Bia's Strategic Insight & Planning team undertake to ensure that consumer, market and trade insight remains central to marketing and innovation strategies for Irish food and drink businesses. Bord Bia works with Irish food and drink companies providing access to global intelligence, specialist category and market knowledge and experience, and professional research and facilitating skills from clear and imaginative marketing thinkers.

The Thinking House

The Bord Bia Centre of Consumer Insight has been fully functioning as a centre of insight excellence for the past two years. Branded to the industry as the Bord Bia Thinking House, the vision and purpose of this centre of excellence is to elevate Ireland as a 21st century contemporary food-producing nation that commercialises food production in line with genuine consumer needs.

The Thinking House aims to ensure that the branding and innovation chains across the food and drink industry in Ireland will start with the consumer and end with the consumer. It is a space for collaboration, integration and interaction - a campus that breaks down silos and connects stakeholders - a forum for translating what industry wants to the research community and vice versa - sustainable, scalable products built on consumer need.

Innovation

Bespoke client insight and innovation projects

One of Bord Bia's longest running programmes accounts for two-thirds of our innovation work. This bespoke work covers client projects that are project managed by the insight team. These projects can

either be fully executed in-house or executed with the services of external agencies. Each project warrants its own bespoke approach depending on the nature of the objectives, which can include consumer and category insight, branding and NPD support to facilitate innovation. Methodologies can span both quantitative and qualitative and projects can be conducted in domestic and international markets. In 2018 Bord Bia worked with just under 50 client companies across eight markets (Ireland, N. Ireland, England, Germany, France, Spain, US and China).

Inspiration expeditions

Inspiration Expeditions are cross sectoral food and drink safaris that aim to facilitate the stimulation and the creation of new innovative ideas for client companies. This initiative involves provocative market immersion visits that look into the local food culture and visible consumer trends. They offer new experiences that can help stimulate fresh thinking. The initiative brings the client company out of their everyday environment and through the employment of different innovation techniques and tasks, encourages lateral thinking. In 2018 Bord Bia visited the US cities of Seattle, Washington and Portland, Oregon in October with 10 client companies.

Cultural insight – trade market opportunities and visits

Understanding markets and local cultures ahead of trade visits is essential. In 2018 Bord Bia created local market reports that focused on market landscapes, sectoral knowledge and local consumer trends and behaviours. Studies were conducted for visits to Canada, Mexico, Japan, Malaysia and Indonesia.

Shopper insight

Studies were conducted in Ireland and shared with industry for beef,

frozen food, butter, cheese and beef. Each explored shopper behaviour in the category with qualitative and quantitative research.

High Potential Navigator

This innovation centric project was established to deepen and protect relationships with the UK, our largest trading partner. Over the course of 2018 Bord Bia supported six exporters by identifying high-potential innovation opportunities in their sectors and helped them navigate the innovation process across ideation, concept development and commercialisation. Working closely with Sainsbury's the companies were able to present their products, pitch for new listings and launch successfully.

Concept iteration and validation platform

This bespoke Bord Bia innovation tool, known as *BI:TES*, enables companies to test and iterate new product ideas rapidly to facilitate quick-fire incremental step-by-step concept improvements based on consumer feedback. Bord Bia has developed a platform through which

we can deploy short feedback forms rapidly. This solution has been rolled out regionally through the Bord Bia network in response to client demand and is now available globally. During 2018 a total of 13 client companies participated in the programme.

Consumer Taste n'Tell

This programme provides a quantitative measurement of product performance and concept appeal with Irish consumers so as to optimise commercial success. The risk of innovation is reduced not just through the screening and evaluation of new product concepts but also benchmarking them against competitors. Five companies participated in the programme during 2018 spanning categories such as chocolate, cream, coffee, milk and convenience food.

Foresight and trends

Leveraging market and consumer trends can encourage companies to create a more forward looking, outward looking and consumer centric mind-set amongst decision makers in their organisations. Bord

Bia provides future-focused category and industry knowledge that enables client companies adopt a longer term and more strategically focused outlook.

Consumer Lifestyle Trends

Bord Bia's largest consumer programme was refreshed in 2018. The programme takes a global approach to consumer trends as research is conducted in 21 markets around the world, talking to 28,000 consumers. A network of StreetScapers who are culturally connected individuals in key cities around the world are also leveraged. They provide examples of in-market trends, products, brand campaigns and foodservice developments. This programme is fundamental to innovation and branding work as it ensures that new products and brands are created against actual consumer behaviour that will last for the medium and long term. The 2018 programme was launched at an Insight Session in September and published to the CLT microsite. Approximately 100 client representatives attended the event which involved a walk-through of





each trend with physical and visual examples to bring it to life. Since the launch, 10 client companies have been visited to embed the learnings into their business. Trend toolkits have been developed that will help companies utilise the programme more effectively.

Packaging trends

Bord Bia undertook a trends project to understand the global trends that influence packaging and format, with particular emphasis on sustainability and the role of technology, materials and design. The study incorporated perspectives from some leading product designers and influencers and provided inspiring food and drink examples from around the world. Two Insight Sessions took place and were attended by a large number of companies from across all food and drink sectors.

Culinary trends

The Culinary Inspiration programme investigates high level culinary trends across the globe, exploring cooking techniques, process, ingredients, combinations and trends with the best chefs in the world. The study

was disseminated across four Insight Sessions and magazines. The programme was taken a step further as 10 client companies participated in one on one workshops to embed the learnings and implement change with their NPD and innovation teams.

The future of protein

Research was completed in five markets; China, Germany, US, UK and Ireland. Key objectives focused on achieving clarity on the emerging consumer needs in these key markets and to understand what lies ahead in terms of trends. The study was disseminated at an Insight Session, attended by 100+ client companies. An in-depth Protein Playbook provided client companies with five platforms from which they could action innovation or product development. The study was also debriefed workshop style one-to-one with five client companies to help map out future opportunity areas and to provide direction on innovation.

Understanding dietary lifestyles

The study explored current consumer typologies, motivations and needs to consumer diets such as vegetarianism,

veganism and flexitarianism. It involved qualitative and quantitative research across five markets; the US, UK, Sweden, Germany and Ireland with a view to identifying opportunities for the food, drink and horticulture industries. The study was disseminated at an Insight Session which was attended by 50+ client company representatives.

Future of the kitchen

This future-focused study sought to explore the macro forces in play that are helping to shape the future of the kitchen. Bord Bia explored some of the latest technological innovations that are tapping into consumer food behaviours. Thought leadership was provided by a range of speakers, including Stylus, Miele and a smart appliance start-up company called Drop.

Original Research

Original Research provides market and consumer insight to enable companies to have a deeper understanding of topics and make informed commercial decisions. Each year Bord Bia commission bespoke insight projects which focus on

specific areas whether it be consumer life stages, meal occasions or food categories. The 2018 studies, some of which are outlined below, are disseminated at a sector level via our Insight Sessions and on a one-to-one basis with a company and they are also available online under the Publications section on the Bord Bia website.

Understanding snacking with a focus on health and wellness

This Ireland and UK focused research explored current attitudes to snacking, looking at the where, when, why and how individuals snack. In January the findings were debriefed to the industry at a Trends Day Insight Session. The event was heavily subscribed and attended by in excess of 110 client representatives.

Sports nutrition

This study was an in-depth look at the performance nutrition category in Ireland, UK, Germany and the US. The study presented nine key thematic territories under which client companies could explore potential areas for future development. It was debriefed to client companies in February at an Insights Session that also featured the Protein Playbook.

Understanding the global sustainability agenda

The overall objective of this study was to understand customer and consumer awareness, attitudes and purchasing behaviour around sustainability. The study was global in nature with research being conducted across 11 markets which enabled Bord Bia to demonstrate comparisons between each market within the objectives. Taking a dual approach, the methodology included qualitative research among trade customers and quantitative consumer research. The results were used to inform the strategy for Origin Green and also fed into the Food Brand Ireland framework model.

Food Brand Ireland

Food Brand Ireland is a global brand understanding study that seeks to understand consumers' views of Ireland as an origin and the development of potential messaging platforms for Food Brand Ireland. A brand framework model has been developed that will help to underpin Bord Bia's marketing and communications strategy for the next 3-5 years. Qualitative and quantitative research was conducted across 11 markets reaching over 11,000 international consumers.

Home market tracking

The Bord Bia Quality Mark and species communication campaigns in Ireland are evaluated by Coyne Research, our agency partner. The tracking nature to the research enables Bord Bia to evaluate the awareness, understanding and impact of each campaign so as to measure its performance. These campaigns aim to drive awareness and purchasing of Quality Mark products.

Understanding the bakery market ROI & GB

The project objective was to drive growth through improved understanding of the changing bakery consumer and shopper. The scope included the future scoping the category and retail landscape, expert interviews with the trade, focus groups with Irish consumers and a nationally representative survey in both markets so as to segment bakery consumers and quantify behaviours. It was disseminated in June at an Insight Session and followed up with individual client companies on a one-to-one basis with in-depth analysis.

Whitefish study

Following on from a similar study in 2009, a new study to better understand the whitefish category in Ireland was undertaken. The study included qualitative and quantitative research to understand the category, consumer and the messaging

territories that we could leverage to drive purchase and consumption

Consumer cheese in China

The study sought to understand local consumer behaviour within the cheese category, to understand their perceptions of brands and origins and to profile the different cheese consumers. The key objective was to identify the opportunities for Irish cheese producers and larger dairy producers.

Pork in China

This market landscape study analysed the pigmeat category within the Chinese market. It looked at regional variance in market dynamics including competitive set, buyers, standards and demands.

SEA and Mexico dairy ingredients

This study explored opportunities for dairy ingredient providers in four priority markets. It included buyer interviews and secondary data that helped to assess the competitive set, buyers' needs and wants, size of prize and market dynamics in each country. Its purpose was to equip our companies with greater understanding and insight and help in lead generation.

Consumer panel data

Each year Bord Bia purchases consumer panel data for four core areas of industry including fresh produce/horticulture, fresh meat for the Irish market, mushrooms in Great Britain, and 16 prepared food categories. This panel data provides an ongoing understanding of performance within the categories, consumer behaviour both in terms of attitudes and trends but also in purchase behaviour. This panel data is critical to ensure that client companies continue to stay informed and up to date with the latest market landscape and changes to help them make informed decisions based on real data and insight.

Production census

Each year the Department of Agriculture, Food and the Marine carries out an annual production census and Bord Bia assists them with the analysis of this data and the compilation of the final report. In 2018 the Orchard and Apple Census was published and the report is available on the Bord Bia website. This information provides the size of the horticulture sectors, trends in production and insight on how the sectors are performing.

Potato yield analysis

Each year analysis on the annual potato yield is carried out. It provides an independent assessment from which the annual potato production figure is calculated. This provides the key industry stakeholders such as the Department of Agriculture, Food and the Marine, Teagasc, IFA and IPF with an accurate picture on the volume of potatoes that will be on the market in the coming season. This information helps producers/packers to plan an orderly supply of product onto the market across the season.

Horticulture retail market audits

There are three retail audits carried out annually and these occur during the key production seasons for Irish grown produce. The key objective of the data is to identify the origin of produce on the retail shelf and to monitor the use of the Bord Bia Quality Mark on produce.

Bloom tracker study

The aim of this national survey was to monitor a series of key measures on awareness, attendance and the impact of Bloom 2018. The research builds on the results from annual surveys on Bloom from 2010 onwards. The survey for Bloom was conducted on B&A's National Barometer survey, which delivers a nationally representative sample of 1,001 interviews. The results of the survey were disseminated internally and fed into the strategic review of Bloom.

Branding

This programme provides branding expertise and assistance to Irish food, drink and horticulture companies so as to enable commercial growth. Bord Bia also provides a forum for the exchange of knowledge and experience in branding practice.

Bespoke client branding services

The branding services programme is central to the deliverance of consumer centric brand strategies, brand rejuvenations and new brand identities. The programme enables Bord Bia to work with specialist branding and design agencies both domestically and internationally. These agencies execute the visual manifestation of a brand identity based on our upfront brand strategy work. The execution is typically packaging and design based, however in 2018 other touch points such as websites, point of sale material, visitor centres and other places where a brand is visible were involved. Over 23 medium to large client companies across all categories including meat, alcohol, dairy, bakery, jams and sauces, etc. availed of the service.

Brand Forum

Facilitating networking, connections and learning, the Brand Forum programme is open to all client companies and is heavily subscribed. This year the quarterly events covered topics such as insight driven brand strategies, marketing in a changing environment, and taking a local brand international, all with exceptional guest speakers. Five workshops were held with the aim of sharing best practice and improving brand performances. These included food photography and styling, exploiting the power of packaging, and the digital shopper. In quarter four the recipe video service was conducted with 10 client companies.

Brand Forum – Health Check

Each year Bord Bia runs a dedicated Brand Health Check which is a

large quantitative study open to members of the Brand Forum. In 2018, 43 categories were covered and helped brand owners track their brand awareness, performance and understanding within their category against five competitor brands. The study can also gauge consumer attitudes to their brand and understand the opportunity of improving brand interaction or trialling.

SuperBrands

The programme is open to small companies with an annual turnover of less than €5m and is designed to help them compete with larger more established brands on shelf. A brand specialist works with these companies on improving their brand strategy and positioning before enlisting the services of a creative agency to help develop new or refreshed identities and packaging. Bord Bia then engages in a consumer insight stage during which consumers in Ireland and the UK are contacted so as to gauge reactions and performance of the brand work. During 2018, 15 client companies participated from all categories across the industry.

Library and information services

The library at The Thinking House in Bord Bia maintains a world-class library which helps Irish food and drink companies make better, more informed strategic decisions. The agri-food industry can request professional tailored groundwork searches from a team of qualified librarians, who provide access to consumer and market insights needed to successfully compete in the domestic and global markets. During 2018, Bord Bia's library team managed more than 4,800 such searches on behalf of the industry, the insight team and sector and market staff within Bord Bia.

To date, 320 clients have visited the Bord Bia Library at The Thinking House and a steady increase in requests to visit the library has been noted. Many visitors to the library



are repeat visitors, demonstrating the value of this resource to clients.

The Food Alert, is a weekly newsletter sent out to 678 subscribers, offering a unique Bord Bia perspective on the latest developments and trends in the food and drink industry across the world, while providing up to date market information. Insight from Bord Bia's FoodAlert is regularly captured in national and international media.

2018 saw the design and roll out of a dedicated Information Literacy Programme - Knowing How to Best Use Information, to sector and market specialists and Global Graduates across the organisation. The objectives of this programme were: to equip Bord Bia's staff with the key set of skills needed to locate, evaluate and use information effectively in order to aid better decision making, make insight-led recommendations and manage their current awareness keeping up to date with current industry trends and developments. In conjunction with this programme the library team innovated with new information literacy videos on evaluating and referencing

information and advanced search skills.

The theme for Library Ireland Week 2018 was librarians transforming lives. The library team at Bord Bia held their annual event to mark this occasion and demonstrated 'knowing how to critically evaluate information' can help to tell the truth of a thing. A presentation from global research specialists Mintel, 'five lessons in information brands need to know' also featured on the day. In addition to this event each librarian participated in a staff exchange with other libraries across Ireland to act as a catalyst for sharing practice, continuing professional development and fresh thinking. These initiatives help Bord Bia to deliver on its strategic priority to be an insight-led organisation.

MARKETING AND COMMUNICATION

Trade fairs/exhibitions/events

The Marketing Events Department managed a total of 50 events across all industry sectors and promotional platforms. Origin Green/Ireland

pavilions featured at 25 international trade fairs and exhibitions with an aggregate audience of over 1,256,000 buyers/visitors.

In line with the organisation's strategy for developing and maintaining routes to market, Bord Bia participated and supported the food industry at key flagship trade fairs such as Seafood Expo Global, Brussels and SIAL Paris, as well as sector specific trade fairs such as ISM (confectionery), Biofach (organic), PLMA (private label), Prowein (alcoholic beverages), Internorga Germany (foodservice), Free From Food, Stockholm. There was a significant focus of trade fairs in Asia with Foodex Japan, SIAL China, CIMIE Beijing and CIIIE Shanghai (Meat), China Fisheries and Seafood Expo, Qingdao, Seafood Expo Hong Kong and Japan International Seafood, Tokyo.

Other regions included Gulfood and Gulfood Manufacturing in the Middle East and Seafood Expo North America.

Bord Bia's Marketplace International in Dublin welcomed 580 buyers from 52 countries. All the supplier companies were verified members of

the Origin Green programme.

Over 4,000 pre-arranged meetings between buyers and food producers took place with an estimated €7.7m export business secured since the event.

At Bloom activities involved the installation of the Bord Bia Food Village, the Origin Green Experiential and Information feature and the overall food experience for over 110,000 visitors. Over 200 UK and Irish trade buyers were hosted at a business breakfast and had opportunity to meet food and drink producers at the event.

Other trade events organised by Bord Bia during the year included Brexit Industry Briefings, stakeholder events such as the Meat Markets Seminar, Small Business Seminar, Poultry and Egg Conference, Foodservice Seminar, Organic Awards and Origin Green Farmer Awards.

Other key stakeholder projects included participation at the National Ploughing Championships, Beef 2018, Sheep 2018, the GRSB Round Table for Sustainable Beef, and

support of the Government's launch of Ireland's campaign for a seat on the United Nation's Security Council 2021-2022. Bord Bia participated at the New York launch with the presentation of a 3D feature to highlight the alignment of the Origin Green programme with nine of the 17 United Nations Sustainable Development Goals.

Bord Bia collaborated with BIM at Seafest in July; a three-day event in Galway where the team organised and ran a demonstration of seafood cookery and fish mongering.

Four minister-led trade missions were supported during 2018. The first was a livestock trade mission to Turkey which coincided with Agro-Expo, Turkey's largest Agriculture and Livestock Exhibition. The second, to the US and Canada took place in February/March and commenced at the Annual Meat Conference Exhibition in Nashville culminating with an Origin Green seminar and trade breakfast in Toronto, Canada. This was followed by a mission to China in May to coincide with the SIAL China trade fair. The final trade

mission of the year took place in October/November. The delegation travelled to Indonesia and Malaysia and the mission incorporated Bord Bia market briefings for Irish companies and business seminars for trade customers.

Sponsorship

During 2018, Bord Bia sponsored 'Neven's Irish Food Trails' on RTE 1 aimed at increasing consumer understanding of the Bord Bia Quality Mark. Over the seven-week series, Neven Maguire visited different food producers around Ireland and demonstrated how to cook a range of recipes. The 2018 series attracted 214,000 viewers on average per episode.

Award sponsorships in 2018 included the food and drink category of the Small Firms Association and the Irish Exporters Association, as well as the Supreme Champion category and the Best Artisan Producer category at the Blás na hEireann awards.

A number of agri-food related events and conferences provided Bord Bia with opportunities to showcase the



best of Irish food and drink products and to highlight the Origin Green sustainability programme to national and international audiences. These included the Agri Benchmark Beef & Sheep Conference, TouRRoir 2018, International Federation of Agricultural Journalists Congress and the Food on the Edge Symposium.

Marketing finance

In 2018 Bord Bia invited applications under two marketing grants programmes, the Marketing Assistance Programme (MAP) and the Step Change Programme (SCP). The MAP was open to Irish food, drink and horticulture producers with a turnover in the range €100,000 to €3.5m. The SCP, under which up to €50,000 was available towards a significant new activity or project involving a major step change or departure for the company, was open to Irish food, drink and horticulture producers which have a turnover in the range €100,000 to €10m. These marketing grants provide food enterprises with assistance towards their marketing activities.

During 2018, 160 companies in the farmhouse cheese, beverages, chilled dairy, confectionery, bakery, prepared meals, charcuterie, seafood and horticulture sectors were approved a total of €799,000 under the MAP, with a further four companies approved a total of €165,000 under the SCP.

Grants totalling €1,225,411 were paid to 173 companies during the year across three programmes, the MAP, the SCP and grants approved in 2017 under the Market Intensification Programme.

Farmer engagement/ communication:

The dedication of Ireland's Origin Green farmers to producing quality food in a sustainable way is critical to the success of Bord Bia's mandate to market and promote Irish food and drink. This relationship also enables Bord Bia to feed back to farmers the

key requirements of the marketplace.

The independently audited Origin Green programme, which embodies the food production values of Irish farmers has earned the trust of premium food buyers and its success is critical to increasing the continued growth of the industry.

In 2018 Bord Bia continued to provide market intelligence to farmers through direct engagement at farmer meetings, Beef Day, Sheep Day, Dairy Day, the Ploughing Championships and farm walks in association with Teagasc.

In addition Bord Bia introduced an online e-learning tool to support beef and sheep farmers prepare for their farm audits and the Quality Assurance Scheme Helpdesk commenced a service at farmer meetings to provide one-to-one advice on the audit procedure.

Bord Bia celebrated the success of producers who are farming sustainably at its second Origin Green Farmer Awards which honoured sustainable production in the beef, dairy and horticulture sectors.

Origin Green

The Origin Green International Media Strategy for 2018 was designed to further build awareness and deepen engagement among trade customers in European and International markets through umbrella Origin Green and dairy campaign activity. Target markets in Europe included the UK, France, Germany, Netherlands, Belgium and the Nordics. International target markets included the USA, UAE and Japan. The campaign focused on both online and traditional marketing activity. Origin Green was featured editorially in targeted trade and broadsheet publications in key European and international markets with a combined circulation total of 1.6m. Paid digital activity generated over 21m online impressions.

The consumer dairy campaign in China aims to increase awareness of

Ireland as a country in Europe that produces high quality, sustainable, dairy products. The target audience for the campaign is highly educated mothers 27-35 years with young children who had previously used/ were aware of infant milk formula. The aim is to educate them on the nutritional benefits of sustainable Irish dairy products, with a view to differentiating Irish dairy from its competitors. The 2018 campaign reached 60m Chinese consumers through online competitions and streamed events with key opinion leaders.

The Origin Green campaign in Ireland aimed to increase the public's awareness and understanding of Origin Green and to communicate the sustainability initiatives of Origin Green members. Activities include TV advertising, supported by press advertising, social media and online search activities. An independent evaluation indicated that 26% of Irish adults are aware of Origin Green in 2018. In addition, 77% of Irish adults increasingly trust and respect the Irish food industry and its players for producing food sustainably (an increase of 3% since 2017).

Home market

The Bord Bia Quality Mark marketing programme is part of the strategic priority 'supported by strong brand communications in the digital age'. The overall aim is to increase Irish shopper loyalty to and purchasing of food with the Quality Mark. This is achieved by outlining how the quality standards and independent auditing behind the mark enable shoppers to trust and therefore enjoy the food they consume more. These messages were integrated throughout all generic activities on the Quality Mark and across the marketing programmes for lamb, pork and bacon and eggs.

Targeting the 30-60 year old female grocery shopper, generic activities included sponsorship of the RTE TV programme, 'Neven's Irish Food Trails' with Neven Maguire, promotion of

meat with the Quality Mark at Bloom and monitoring of the proportion of meat products with the mark across retailers.

Increasing frequency of consumption of the range of quality assured meats and eggs was achieved primarily through TV advertising, PR activities and the development and circulation of new digital content. In all, 12 campaigns took place in 2018 including 21 weeks of TV advertising. In addition, the 'Just Ask' campaign also continued to encourage restaurants to highlight the origin and suppliers of meat on their menus for customers.

The Bord Bia Quality Mark continues to be regarded by shoppers as the dominant source of assurance on food quality, safety and origin in the domestic market. Some 89% of Irish grocery shoppers are aware of the mark and of these, 65% say that they would be more likely to buy a meat product displaying the Quality Mark.

The increased consumer demand for meat with the Quality Mark has in turn resulted in retailers maintaining and increasing the proportion of shelf space with quality assured meat.

In 2018, the percentage of SKUs of meat carrying the Quality Mark increased by 2% to 77% across retailers.

2018 was the final year of a three year shellfish strategy in the domestic market with the focus on mussels. The main objective was to grow the volume of Irish mussels purchased in retail outlets. This was achieved by targeting 30 – 50 year old higher income female shoppers through outdoor and radio advertising, PR and digital activities. In all, 33% of consumers said that they are eating more mussels in 2018 than a year previously.

TASTE Council

The TASTE Council is an independent voluntary body representing the artisan and speciality sector for which Bord Bia provides a secretariat role.

Schools nationwide registered to take part in the 'The Future is Food' Transition Year Unit developed by the Taste Council in association with Bord Bia. It helps students to broaden their knowledge and understanding of the food industry and particularly the artisanal and speciality food sectors. The programme includes 20 one-lesson plans focusing on topics such as entrepreneurship, food origin and Bord Bia's Origin Green sustainability programme as well as research, new product development and marketing. Additional resources are supplied digitally for use in the classroom. In 2018, 262 schools implemented the programme across the school year.

MARKETS

In 2018, Bord Bia continued to focus on building its services for client companies across its international network of 13 overseas locations – eight across Europe and five in international markets. A particular focus has been to support client companies with additional resources on the ground in international markets, with new market specialists hired for the Shanghai, Dubai, London, Singapore and Dusseldorf offices. This will continue in 2019, with new offices in Japan (Tokyo) and Nigeria (Lagos). While the focus of activity undertaken tends to vary depending on the stage of development of Irish exports, the overarching objective is to be pivotal to the delivery of sustainable export growth by driving the awareness, reputation and market readiness of Irish food and drink suppliers across the globe. Throughout 2018, Bord Bia provided in-market and business development insights, building a rich network of customer partnerships to position our client companies for sustainable export success.

The Market Prioritisation project which began in 2017 continued in 2018, moving from the identification of 15 priority markets for the meat, dairy, seafood, beverages and prepared consumer foods sector, to doing deep dives on a

smaller number of markets for each sector. By year end, these had been completed and used to inform the sector strategies on meat, dairy and prepared consumer foods. The dynamics of each market were examined and potential routes to market investigated for Irish exports. These insights will guide Bord Bia activities in relation to route to market supports for client companies in the selected markets in 2019 and beyond.

In addition to the implementation of programmes and projects, Bord Bia's markets personnel undertook the following during 2018:

- Supported trade missions to Turkey, US and Canada, China, Indonesia and Malaysia.
- 1,241 buyer meetings and presentations
- 539 responses to individual buyer requests
- Recruited 570 buyers worldwide for Marketplace International
- 1,028 business planning meetings with Irish client companies
- Hosted incoming inspection and technical knowledge transfer visits from China, United States, Korea, Japan and Mexico.
- Represented the industry in 58 market-access meetings with veterinary and regulatory authorities in high-potential markets.

A COLLABORATIVE APPROACH

Bord Bia continues to work in partnership with key government departments, agencies and associations in the development and implementation of support for the food and drink industry. These include the Department of Agriculture, Food and the Marine, Teagasc, BIM, Department of Foreign Affairs and Trade, Enterprise Ireland, Failte Ireland (and Tourism Ireland), Food Safety Authority of Ireland and the Environmental Protection Agency, among others.

OUR GOVERNANCE



GOVERNANCE STATEMENT AND BOARD MEMBERS' REPORT

CORPORATE GOVERNANCE

Bord Bia was established under the Bord Bia Act 1994 and operates in accordance with the provisions of the Bord Bia Acts 1994 to 2004 and under the aegis of the Minister for Agriculture, Food and the Marine.

BOARD STRUCTURES

Bord Bia comprises the Board, five Subsidiary Boards, the Chief Executive and the Executive, which provide a range of services to implement Board policy and programmes. The Board provides the appropriate balance of skills and experience to support the strategy of Bord Bia. The Board comprises a Chair and up to fourteen ordinary members appointed by the Minister for Agriculture, Food and the Marine. All new Board members receive financial and other information about Bord Bia, and the role of the Board and the Board committees. The roles of the Chair and Chief Executive are separate.

There are five Subsidiary Boards (Consumer Foods, Dairy, Horticulture, Meat & Livestock and Quality Assurance) comprising a Chair and up to twelve ordinary members, who are appointed by the Board with the consent of the Minister for Agriculture, Food and the Marine. The Chair of each Subsidiary Board is a member of the Board.

BOARD RESPONSIBILITIES

Section 21 of An Bord Bia Act

1994 requires the Board to "keep in such form and in respect of such accounting periods as may be approved by the Minister, with the consent of the Minister for Public Expenditure and Reform, all proper and usual accounts of monies received or expended by it, including a Statement of Income and Expenditure and Retained Revenue Reserves, a Statement of Comprehensive Income, a Statement of Cash Flow and a Statement of Financial Position and, in particular, shall keep in such form as aforesaid all such special accounts as the Minister may, or at the request of the Minister for Public Expenditure and Reform shall, from time to time direct and the Board shall ensure that separate accounts shall be kept and presented to the Board by any Subsidiary Board that may be established by the Board under this Act and these accounts shall be incorporated in the general statement of account of the Board."

In preparing the financial statements the Board is required to:

1. Select suitable accounting policies and then apply them consistently;
2. Make judgements and estimates that are reasonable and prudent;
3. Prepare the financial statements on a going concern basis unless it is inappropriate to presume that Bord Bia will continue in existence for the foreseeable future; and,
4. State whether applicable accounting standards have been complied with, subject to any

material departures disclosed and explained in the financial statements.

The Board is responsible for keeping adequate accounting records, which disclose, with reasonable accuracy at any time, the financial position of Bord Bia. The Board is also responsible for safeguarding assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

The Board meets regularly, normally seven times a year, and is responsible for the proper management of Bord Bia. It takes the major strategic decisions and retains full and effective control while allowing executive management sufficient flexibility to run the business efficiently and effectively within a centralised reporting framework. Standing agenda items at Board meetings include minutes of previous meeting, matters arising, finance report, Chief Executive's report, corporate governance and risk management and any other business. The Chair addresses any conflicts of interest members may have with the agenda at the start of each meeting.

The Board carries out an ongoing assessment of principal risks and has established a context for identifying, analysing, evaluating, treating and monitoring risk. Principal risks identified include the risk of not appropriately prioritising work plans for the achievement of objectives; not achieving industry commitments to

the development and implementation of Origin Green; reputational risks associated with the misuse of Bord Bia's main brands and marks; reputational risks associated with food quality and safety; risks to quality assurance schemes funding and various industry sources of funding. Risk is mitigated through a process of review of the risk map at each Board meeting and industry consultations are facilitated through the Subsidiary Board structure. The use of Bord Bia's brands and marks are monitored on an ongoing basis to ensure authorised usage.

The Board complies with the relevant aspects of the Public Spending Code and matters reserved for the Board for decision, and not delegated to management, include approval of, inter alia, significant acquisitions, major investments, major disposals, major contracts, annual budgets and strategic plans, annual reports and financial statements, staffing, delegated authority levels, treasury and risk policy. Approval of the Minister for Agriculture, Food and the Marine is required for material acquisition or disposal of land, buildings or other material assets. Approval of the Minister for Agriculture, Food and the Marine, together with the consent of the Minister for Public Expenditure and Reform is required for any intended action which would extend or change significantly the nature, scope or scale of the activities of Bord Bia.

Within the context of the Food Wise 2025 strategy document for the development of the agri-food sector, the Bord Bia Strategic Plan 'Making a World of Difference' sets out the actions proposed during the period of the strategy, 2016 – 2018 and the annual budgets for Bord Bia are aligned to the strategy. The Board approves annual budgets and the evaluations of actual performance against budget. This Annual Report provides a comprehensive review of the activities of Bord Bia during the year.

The Board considers that the financial statements present a true and fair view of Bord Bia's financial performance and its financial position at the end of the year.

GOVERNANCE

The Board is committed to maintaining the highest standards of Corporate Governance and Best Practice and has adopted the Code of Practice for the Governance of State Bodies and the provisions of the Code are being implemented. The Board has adopted Terms of Reference which sets out the legislative framework; general and particular functions; membership; fiduciary duties; authority; role of the secretary; reporting responsibilities; scheduling of meetings; procedures for decisions between Board meetings and for dealing with conflicts of interest; and, a formal schedule of matters specifically reserved to the Board for decision. The Board reviews the Terms of Reference of the Board, Subsidiary Boards and Committees on an annual basis. During 2018, the Board held two meetings without the executive present. For the purposes of applying the Code of Practice for the Governance of State Bodies, Bord Bia is regarded as a non-commercial State Body.

The Chair:

- Leads the Board and ensures its effectiveness and high standards of integrity and probity regarding culture, values, and behaviours for Bord Bia and for the tone of discussions at Board level.
- Together with the CEO ensures the effective management of the Board's agenda providing adequate time for discussion and deliberation. A culture of openness facilitates effective dialogue and contributions from both the executive, who attend all or part of Board meetings, and Board members.
- Ensures relevant reports and papers, finance, CEO report, reports from Subsidiary Boards

and Committees and detailed updates on the progress and implementation of the annual budget and strategic plan, where appropriate, are circulated in a timely manner to Board members.

- In consultation with the Secretary ensures all relevant governance information is made available to the Board and its Committees and that there are good information flows between the Board, Subsidiary Boards and Committees in addition to facilitating induction, mentoring and assisting with ongoing professional development.
- Ensures there is a clear division of responsibilities between leading and managing the Board and the executive responsible for running Bord Bia.
- Keeps the Minister for Agriculture, Food and the Marine advised of matters arising in respect of Bord Bia.
- Submits a Comprehensive report to the Minister in accordance with the Code of Practice for the Governance of State Bodies.

The Board undertook a self-assessment evaluation of its own performance during the year and that of its Audit & Risk Committee and weaknesses identified are addressed. Each Board member was asked to individually score the assessment, answers were considered by the Chair and presented to the Board where a number of actions, none of which were material, were identified to improve the performance of the Board. There was no external evaluation of the Board carried out during 2018 and in accordance with the Code of Practice for the Governance of State Bodies such an evaluation will be carried out within the required period.

The Board provides strategic guidance, monitors the activities and effectiveness of management and monitors compliance on an ongoing basis ensuring relevant legislation, regulations and guidelines are complied with.

An Oversight Agreement for Bord Bia has been completed and implemented by the Department of Agriculture, Food and the Marine during the year.

BOARD MEMBERS AND INDEPENDENCE

All Board members have access to advice and services of the Secretary/ Director Corporate Services who is responsible to the Board for ensuring that Board procedures are followed, and applicable rules and regulations are complied with.

Bord Bia's professional advisors are available for consultation by Board members as required. Individual Board members may take independent professional advice if necessary.

COMPOSITION OF BOARD

Details of members of the Board of Bord Bia are set out on page 67.

BOARD MEMBERS AND MEETING ATTENDANCE

There were seven Board meetings held during 2018 and the details of each member's attendance, is set out below.

Board Member	Board Meetings Attended
M. Carey	1 out of 1
R. Doyle	6 out of 7
F. Hayes	7 out of 7
J. Healy	5 out of 7
R. Holland	1 out of 3
J. Horgan	6 out of 7
C. Keeling	4 out of 7
T. Keohane	7 out of 7
P. McCormack	7 out of 7
S. McPhillips	7 out of 7
D. MacSweeney	6 out of 6
T. Moran	6 out of 7
R. O'Rourke	6 out of 7
B. Sweeney	3 out of 3
P. Whelan	4 out of 7

BOARD MEMBERS FEES AND EXPENSES

A schedule of the fees and travel and subsistence expenses paid to Board members in respect of attendance at Board meetings in 2018 is set out below.

Board Member	Board Fees	Travel & Subsistence Expenses
M. Carey*	€0	€0
R. Doyle	€11,970	€861
F. Hayes*	€0	€0
J. Healy	€11,970	€2,084
R. Holland*	€0	€291
J. Horgan*	€0	€0
C. Keeling*	€0	€168
T. Keohane	€11,970	€0
P. McCormack	€12,396	€1,973
S. McPhillips	€0	€0
D. MacSweeney	€17,119	€2,339
T. Moran	€11,970	€121
R. O'Rourke	€11,970	€0
B. Sweeney	€5,444	€0
P. Whelan	€11,970	€1,446

Under the one person one salary principle, no fees were payable to S. McPhillips, Assistant Secretary General, Department of Agriculture, Food and the Marine.

* Indicates those Board members who have waived part or all of the fee payable, as a Board member in 2018.

Board Members received no other payments in respect of their membership of the Board in 2018.

Amounts paid to Subsidiary Board members for travel and subsistence expenses in 2018 amounted to €20,331. No fees were paid to Subsidiary Board members in 2018 in relation to attendance at Subsidiary Board meetings.

THE ROLES OF THE CHAIR AND THE CHIEF EXECUTIVE

The Chair leads the Board in the determination of its strategy and in the achievement of its objectives. The Chair is responsible for organising the

business of the Board, ensuring its effectiveness and setting its agenda. The Chair facilitates the effective contribution of all Board members and constructive relations between the executive and Board members, and ensures that Board members receive relevant, accurate and timely information.

The Chief Executive has direct charge of Bord Bia on a day-to-day basis and is accountable to the Board for Bord Bia's financial and operational performance.

BOARD COMMITTEES

The Audit & Risk Committee, which currently comprises four members of the Board, F. Hayes, R. Doyle, S. McPhillips and R. O'Rourke and one external member, R. Nolan, with a financial background, met on four occasions during 2018.

The Audit & Risk Committee is responsible for maintaining an appropriate relationship with the

external auditors and for reviewing Bord Bia's internal audit resources, internal controls and the audit process. It aids the Board in seeking to ensure that the financial and non-financial information presents a balanced assessment of Bord Bia's position. The Internal Auditor and the External Auditor have full and unrestricted access to the Audit & Risk Committee. Briefing sessions are held to apprise members of the Audit & Risk Committee and the Board of relevant and recent developments in Corporate Governance issues.

The Remuneration and Pensions Committee, which currently comprises four members of the Board, D. MacSweeney, F. Hayes, S. McPhillips and T. Moran, met on one occasion during 2018. The Remuneration and Pensions Committee determines on behalf of the Board the appointment, remuneration and assessment of the performance of, and succession planning for, the Chief Executive; and significant amendments to the pension benefits of the Chief Executive and staff.

The Strategy Committee, which currently comprises five members of the Board, D. MacSweeney, C. Keeling, T. Keohane, T. Moran and S. McPhillips, met on six occasions during 2018. The Strategy Committee plays an important role in providing observations and recommendations concerning strategic issues facing Bord Bia and contributes to our strategic planning process and the development of strategy.

During the year the Bord Bia Statement of Strategy 2019 – 2021 was developed and the new strategy statement, which is aligned to Food Wise 2025, builds on the achievements of the last and will revolve around four strategic priorities:

- Driving success and growth in the market
- Insight to power growth
- Building reputation for growth
- Leading through people

The Bord Bia Statement of Strategy 2019 – 2021 was launched on 9th January 2019.

ETHICS IN PUBLIC OFFICE

The provisions of the Ethics in Public Office Act 1995 and the Standards in Public Office Act 2001 have been implemented. Board members and staff members holding designated positions furnish statements of interests on appointment and each year to the Secretary.

FREEDOM OF INFORMATION

Bord Bia is a prescribed organisation under the Freedom Of Information Act 2014. The Freedom of Information Act establishes three statutory rights:

- A legal right for each person to access information held by public bodies;
- A legal right for each person to have official information held by a public body, relating to him/herself, amended where it is incomplete, incorrect, or misleading;
- A legal right to obtain reasons for decisions affecting oneself taken by a public body.

In addition to the requirements of the Freedom of Information Acts, the Data Protection Acts 1988 and 2003 also apply to Bord Bia. The Data Protection Acts protect the privacy of individuals whose personal data is being processed. Personal data is information relating to a living individual who can be identified from the data itself or in conjunction with other information held.

EQUALITY

Bord Bia is committed to ensuring equality of opportunity and that no staff member or applicant for employment receives less favourable treatment than any other on grounds of gender, marital status, family status, sexual orientation,

religious beliefs, age, disability, race and membership of the Traveller community. Personnel and staff development programmes are structured accordingly.

Bord Bia endeavours to assist staff in relation to career and personal needs and operates appropriate policies covering such areas as professional development, study leave, flexible working and career breaks. Bord Bia is also committed to implementing government policy in relation to the employment of disabled people in the public sector. Specific additional provisions were made for disabled visitors in the construction of Bord Bia's Food Centre. There is a policy on sexual harassment in operation to support and protect the dignity of each person.

PROTECTED DISCLOSURES ACT, 2014

There were no protected disclosures made to Bord Bia during 2018.

SAFETY, HEALTH AND WELFARE AT WORK

Bord Bia is implementing the provisions of Safety, Health & Welfare at Work legislation, including the preparation and operation of a Safety Statement embracing all matters affecting safety, health and welfare of staff and visitors to Bord Bia's premises.

SERVICE CHARTER

Bord Bia's Service Charter sets out its commitment to the Principles of Quality Customer Service for Customers and Clients of the Public Sector. The Charter is supported by an Action Plan and appropriate internal procedures to give practical effect to this commitment.

ENERGY, EFFICIENCY AND CONSERVATION

Bord Bia is committed to making every effort possible to be energy efficient and to operating appropriate

conservation and recycling measures. Light and heat, supplied by electricity, are the main areas of energy use in Bord Bia. Annual energy usage has been reduced significantly since commencing a review of energy usage. Usage within Bord Bia's main office is as follows:

	2018
mWh of electricity	165

(Base year 2009: 379 mWh)

The Thinking House had electricity usage of 41mWh during the year.

Electrical usage is monitored along with the identification of wastage, inefficiencies and cost effective initiatives to further improve our energy performance.

PROMPT PAYMENTS

In accordance with the provisions of the Prompt Payment of Accounts Act 1997, as amended by the European Communities (Late Payment in Commercial Transactions) Regulations 2002, Bord Bia is committed to ensuring that all suppliers are paid promptly. During 2018, 97% of payments were made within 15 days.

EUROPEAN UNION FUNDING

Bord Bia administers a number of marketing and promotion campaigns eligible for co-funding by the European Union including those for Beef & Lamb, Potatoes, Lamb, and Seafood.

OFFICIAL LANGUAGES ACT 2003

Bord Bia comes under the remit of the Official Languages Act 2003 to provide a statutory framework for the delivery of services through the Irish language. In accordance with Section 10 of the Act, this Annual Report is published in Irish and English.

CONSULTANCY COSTS

Consultancy Costs include the cost of external advice to management and exclude outsourced 'business as usual' functions.

	2018 €'000	2017 €'000
Legal	145	46
Tax and Financial Advisory	82	48
Public relations / Marketing	1	-
Pensions and Human Resources	380	150
Business Improvement	93	0
Total consultancy costs	701	244
Consultancy cost Capitalised	-	-
Consultancy costs charged to Income and Expenditure and Retained Revenue Reserves	701	244
Total	701	244

LEGAL COSTS AND SETTLEMENTS

The table below provides a breakdown of amounts recognised as expenditure in the reporting period in relation to legal costs, settlements and conciliation and arbitration proceedings. The below figures include expenditure incurred in relation to general legal advice received by Bord Bia which is disclosed in Consultancy costs above.

	2018 €'000	2017 €'000
Legal Fees – Legal Proceedings	145	46
Conciliation and Arbitration Payments	-	-
Settlements	-	-
Total	145	46

TRAVEL AND SUBSISTENCE EXPENDITURE

Travel and subsistence expenditure is categorised as follows:

	2018 €'000	2017 €'000
Domestic		
-Board	30	29
-Employees	268	219
International		
-Board	-	-
-Employees	665	711
Total	963	959

HOSPITALITY

The Income and Expenditure account includes the following hospitality Expenditure:

	2018 €'000	2017 €'000
Staff hospitality	3	3
Client hospitality	-	-
Total	3	3

STATEMENT OF COMPLIANCE

The Board has adopted the Code of Practice for the Governance of State Bodies 2016 and has put procedures in place to ensure compliance with the Code. Bord Bia was in full compliance with the Code of Practice for the Governance of State Bodies during 2018.

Dan MacSweeney

Chair
1 October 2019

Tara McCarthy

Chief Executive
1 October 2019

ORGANISATION STRUCTURE

Bord Bia is comprised of the Board, five Subsidiary Boards, the Chief Executive and the Executive, which provide a range of services required to implement Board policy and programmes.

The Board is comprised of a Chair and 14 ordinary members appointed by the Minister for Agriculture, Food and the Marine. There are five Subsidiary Boards (Meat and Livestock, Consumer Foods, Dairy, Quality Assurance and Horticulture) comprised of a Chair and 12 ordinary members, who are appointed by the Board with the consent of the

Minister. The Chair of each Subsidiary Board is a member of the Board.

The following Board Committees are in place: Audit & Risk Committee, Remuneration and Pensions Committee and Strategy Committee.

The Executive is comprised of staff based in the Board's head office and overseas.

General Information

Head Office:

Clanwilliam Court, Lower Mount Street, Dublin 2.

Auditors:

Comptroller and Auditor General

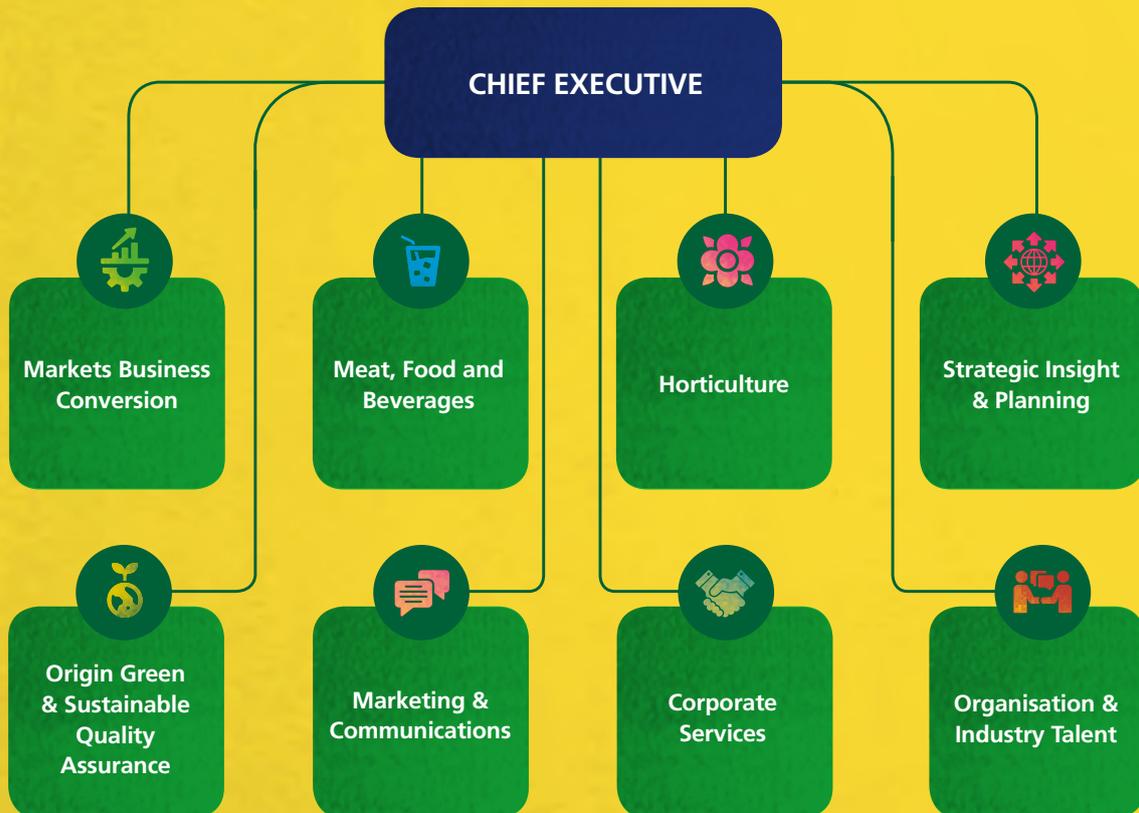
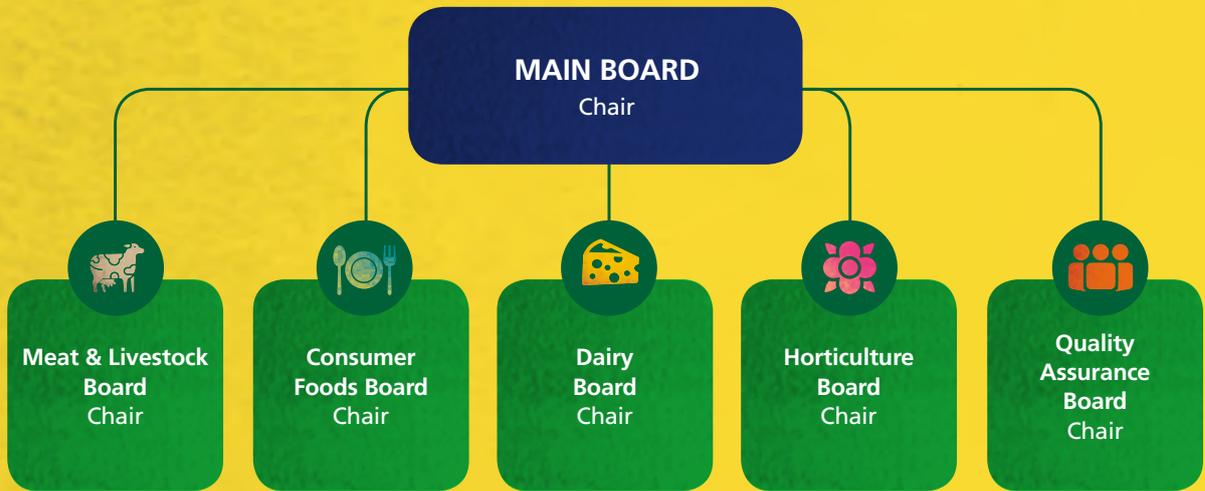
Bankers:

Allied Irish Banks

Solicitors:

Philip Lee Solicitors





STAFF STRUCTURE

Chief Executive	Tara McCarthy
Meat, Food and Beverages	Padraig Brennan
Marketing & Communications	Una Fitzgibbon
Markets Business Conversion	Ailish Forde
Strategic Insights and Planning	Helen King
Corporate Services	Frank Lynch
Origin Green & Sustainable Quality Assurance	Vacant
Organisation and Industry Talent	Michael Murphy
Horticulture	Mike Neary

OVERSEAS OFFICES

Amsterdam	Laura Crowley/ Roisin O'Sullivan
Dubai	Claudia Saumell
Dusseldorf	Vacant
Lagos	Ese Okpomo
London	Donal Denvir
Madrid	Cecilia Ruiz
Milan	Nicolas Ranninger
Moscow	Alla Barinova
New York	Henry Horkan
Paris	Finnian O'Luasa
Shanghai	James O'Donnell
Singapore	Ciaran Gallagher
Stockholm	Linda Madigan
Tokyo	Joe Moore
Warsaw	Judith Clinton

Human Resource activities during 2018 have responded to fulfil a recruitment drive to recruit 29 staff across consumer insight, marketing and communication, and business

development. In addition, the Human Resource activity has recently been expanded to support industry talent development programmes as well as providing support to

management and staff through change and in meeting the challenges of the marketplace. This is carried out through a series of internal development and external industry talent programmes which:

- Provide best in class range of human resource services and innovative internship and development programmes with leading universities.
- Enable organisational design and structural change plans.
- Establish appropriate talent management structures and performance management systems to effectively deliver the strategic priorities of the organisation.
- Provide workforce planning and human resource management for Ireland and our overseas office infrastructure.
- Deliver best in class leadership, talent development and coaching development programmes.
- Engaging staff communications, motivational and workplace wellbeing initiatives.

In order for Bord Bia to deliver on its strategic ambition, best practice human resource strategies and processes are adopted to attract, retain and develop staff. There continues to be a focus on continually ensuring clarity around the linkage between strategy and role contribution. During the year, Bord Bia refined its values to include we are connected, we champion sustainability, we are grounded, we are courageous, we are driven and we are impactful. Being an open, authentic and agile organisation ensures each individual can themselves be leaders of change and be responsive to the fast changing environment in which we live today.

BORD BIA BOARD

CHAIR

Dan MacSweeney

Former Chief Executive, Carbery Group
Appointed 1st March 2018

MEMBERS

Lorraine Allen

Managing Director, Brand Innovation Ireland
Appointed 22nd January 2019

Niall Browne

Chief Executive, Dawn Meats
Appointed 9th January 2019

Michael Cronin

Agrifood Consultant
Appointed 22nd January 2019

Rachel Doyle

Director, Arboretum Garden Centre
Appointed 16th June 2018

David Harvey

Chief Executive, Peninsula Television
Appointed 30th January 2019

Joe Healy

President Irish Farmers' Association
Appointed 25th March 2018

Caroline Keeling

Chief Executive, Keelings Fruit Growers/Importers
Appointed 11th December 2016

Tony Keohane

Former Chairman, Tesco Ireland
Appointed 16th June 2018

Pat McCormack

President, Irish Creamery Milk Suppliers' Association
Appointed 13th May 2019

Tom Moran

Former Secretary General, Department of Agriculture, Food & the Marine
Appointed 16th June 2018

Pat Murphy

President and CEO Primary Dairy & Agribusiness, Kerry Group plc
Appointed 28th May 2019

Sinead McPhillips

Assistant Secretary General, Department of Agriculture, Food & the Marine
Appointed 13th February 2018

Raymond O'Rourke

Food & Consumer Lawyer
Appointed 16th June 2018

Patrick Whelan

Whelan's Butchers
Appointed 16th June 2018

Chief Executive

Tara McCarthy

Secretary/Director

Frank Lynch

Changes during 2018

Appointed 13th February:

Sinead McPhillips

Resigned 1st March:

Chair, Michael Carey,
The Company of Food.

Appointed 1st March:

Dan MacSweeney, Chair.

Term of Office Expired

24th March:

Joe Healy

(re-appointed 25th March)

Term of Office Expired

15th June:

Rachel Doyle

(re-appointed 16th June)

Rhona Holland,

Marketing Director Global Intelligence, Pepsi Co

Tony Keohane

(re-appointed 16th June)

Tom Moran

(re-appointed 16th June)

Raymond O'Rourke

(re-appointed 16th June)

Brody Sweeney,

Food Entrepreneur

Patrick Whelan

(re-appointed 16th June)

Term of Office Expired

6th December:

John Horgan,

Managing Director, Kepak Group

Changes during 2019

Appointed 9th January:

Niall Browne

Appointed 22nd January:

Lorraine Allen

Michael Cronin

Appointed 30th January:

David Harvey

Term of Office Expired

11th April:

Frank Hayes,

Director Corporate Services,
Kerry Group plc.

Term of Office Expired

12th May:

Pat McCormack

(re-appointed 13th May)

Appointed 28th May:

Pat Murphy

BORD BIA - CONSUMER FOODS BOARD

CHAIR

Caroline Keeling
Chief Executive, Keelings Fruit
Growers/Importers

MEMBERS

Pat Connors
Sales & Processing Director,
Marine Harvest

Alison Cowzer
Co-Founder
East Coast Bakehouse

Bernard Coyle
Chairman, Mr Crumb

Margaret Daly
Deputy CEO
Errigal Bay

Rosemary Garth
Director, Communications and
Corporate Affairs
Irish Distillers

Colin Gordon
Former Chief Executive,
Glanbia Consumer Foods

Larry Murrin
Managing Director,
Dawn Farm Foods

Paula Mee
Consultant Dietitian

Catherine Neilson
Director of Strategy,
Kerry Foods

John Noonan
Sales & Marketing Director,
E. Flahavan & Sons

Pat Rigney
Managing Director,
Fastnet Brands Co. Ltd.

Simon Walker
Chief Executive
Kepak Convenience Foods

Changes during 2018

Appointed 28th September:
Caroline Keeling (Chair)

**Term of Office Expired
30th November:**

Triona Byrne, Former Finance
Director, Aran Candy Ltd

Larry Murrin

John Noonan

Joe O'Flynn, Senior Partner, Agrifood
Business Partners

Eddie Power, Managing Director,
Green Isle Foods

Changes during 2019

Re-appointed 6th February:

Larry Murrin

John Noonan

Appointed 6th February:

Alison Cowzer

Simon Walker

Appointed 29th May:

Margaret Daly

Rosemary Garth

Paula Mee

BORD BIA - MEAT AND LIVESTOCK BOARD

CHAIR

Tony Keohane

Former Chairman, Tesco Ireland

MEMBERS

Andy Boylan

Chairman, National Poultry Committee, Irish Farmers' Association.

Vincent Carton

Carton Brothers

Sean Dennehy

Chairman, National Sheep Committee, Irish Farmers' Association

Jim Hanley

Chief Executive, Rosderra Irish Meats

Tom Hogan

Chairman, National Pigs & Pigmeat Committee, Irish Farmers' Association

Martin Kane

Managing Director, ABP Ireland.

Brendan Mallon

Associated Craft Butchers of Ireland

Des Morrison

Irish Creamery Milk Suppliers' Association

Kevin Quinn

Quinn International Livestock

Angus Woods

Chairman, National Livestock Committee, Irish Farmers' Association

Changes during 2018

Resigned 26th January 2018:

John Lynskey, Former Chairman, National Sheep Committee, Irish Farmers' Association

Nigel Renaghan

Former Chairman, National Poultry Committee, Irish Farmers' Association.

Appointed 21st February 2018:

Andy Boylan
Sean Dennehy
Tom Hogan (re-appointed)

Re-appointed 8th March:

Brendan Mallon

Terms of office Expired

25th March:

Finbarr McDonnell,
Managing Director,
ABP

Paddy Walsh

Dawn Meats
(re-appointed 14th June)

Appointed 14th June 2018:

Martin Kane

Terms of office Expired

30th November:

Michael Guinan, Irish Creamery Milk Suppliers' Association

Changes during 2019

Appointed 6th February:

Des Morrison

Resigned 25th May:

Paddy Walsh
Dawn Meats

BORD BIA - DAIRY BOARD

CHAIR

Tom Moran

Former Secretary General,
Department of Agriculture, Food &
the Marine

MEMBERS

Bernard Condon

Managing Director, Global Ingredients
Division, Ornuia.

Noel Corcoran

Sales & Marketing Director, Carbery
Food Ingredients

Marc Healy

VP of Global Sales, Kerry Group plc.

Lorcan McCabe

Irish Creamery Milk Suppliers
Association

William Meagher

Tipperary Co-Operative Creamery Ltd.

Sean Molloy

Director of Strategy & Supplier
Relations, Glanbia

John O’Gorman

Chairman, Dairygold Co-operative
Society

Tom Phelan

National Dairy Council Chairman, Irish
Farmers’ Association

Dr Pat Shiels

General Manager, Agri Division,
Lakeland Dairies

Changes during 2018

Resigned 18th January:

James Lynch, Vice Chairman,
Dairygold Co-operative Society

Resigned 28th February:

Catherine Lascurettes, National
Dairy & Liquid Milk Executive
Secretary, Irish Farmers’ Association

Appointed 28th March:

John O’Gorman
Tom Phelan

Resigned 3rd May:

Pat McCormack, President, Irish
Creamery Milk Suppliers Association

Appointed 14th June:

Lorcan McCabe

Re-Appointed 15th June:

Sean Molloy
John O’Gorman

Resigned 31st August:

Padraig Sayers, Vice President,
Ingredients & Flavours, Kerry Group
plc

Resigned 6th September:

John Jordan, CEO EMEA, Ornuia
Foods.

Appointed 28th September:

Bernard Condon
Marc Healy

BORD BIA - QUALITY ASSURANCE BOARD

CHAIR

Raymond O'Rourke
Food & Consumer Lawyer

MEMBERS

Ray Bowe
Food Safety & Quality Manager,
Musgrave Retail Partners

Denis Carroll
Irish Creamery Milk Suppliers'
Association

John Cunningham
Ex-Dairygold Food Products

Maria Dunne
Meat & Meat Policy Division,
Department of Agriculture, Food &
the Marine

Dermott Jewell
Policy & Council Adviser, Consumers'
Association of Ireland.

John Mohan
Chairman, The Egg Association

Paul Nolan
Group Development Manager, Dawn
Group

Liam O'Flaherty
Dairygold Co-operative Society

Joyce Roche
Director & Technical Manager, Codd
Mushrooms

Dr Declan Troy
Head of Centre, National Food
Centre, Teagasc

Angus Woods
Chairman, National Livestock
Committee, Irish Farmers' Association

Changes during 2018

Re-appointed 21st February:

John Mohan
Dr Declan Troy

BORD BIA - HORTICULTURE BOARD

CHAIR

Rachel Doyle

Director, Arboretum Garden Centre

MEMBERS

Paul Brophy

Paul Brophy Produce

Eddie Doyle

Doyle Produce

Matt Foley

Kilbush Nurseries

Karen Kerrigan

Kerrigan's Mushrooms

Jane McCorkell

Landscape Architect & Horticultural
Consultant

Celine Murrin

University College, Dublin

Áine O'Neill

Sillis Green Veg

Brian O'Reilly

Mushroom Grower

Eoin Reid

Fernhill Garden Centre

Margot Slattery

Country President, Sodexo Ireland

Padraig Tully

Tully Nurseries

Changes during 2019

**Terms of office Expired 25th
January:**

Brian O'Reilly

(re-appointed 29th May)

Eoin Reid

(re-appointed 29th May)

Changes during 2018

Appointed 13th July:

Rachel Doyle (Chair)

OUR ACCOUNTS



REPORT OF THE COMPTROLLER AND AUDITOR GENERAL



Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

Report for presentation to the Houses of the Oireachtas

An Bord Bia

Opinion on the financial statements

I have audited the financial statements of An Bord Bia for the year ended 31 December 2018 as required under the provisions of section 21 of the An Bord Bia Act 1994. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of An Bord Bia at 31 December 2018 and of its income and expenditure for 2018 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

Basis of opinion

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of An Bord Bia and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Report on information other than the financial statements, and on other matters

An Bord Bia has presented certain other information together with the financial statements. This comprises an annual report, a governance statement and Board members' report and a statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

Seamus McCarthy
Comptroller and Auditor General

2 October 2019

REPORT OF THE COMPTROLLER AND AUDITOR GENERAL

Appendix to the report

Responsibilities of Board members

The governance statement and Board members' report sets out the Board members' responsibilities for

- the preparation of financial statements in the form prescribed under section 21 of the An Bord Bia Act 1994
- ensuring that the financial statements give a true and fair view in accordance with FRS102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- implementing such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Comptroller and Auditor General

I am required under section 21 of the An Bord Bia Act 1994 to audit the financial statements of An Bord Bia and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the concern basis of accounting and, based on the evidence obtained, on whether a material uncertainty related to events or conditions that may cast significant doubt on An Bord Bia's ability to continue as a concern, if I conclude that a material uncertainty exists required to draw attention in my report to the disclosures in the financial statements or, if disclosures are inadequate, to modify my opinion. Conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause An Bord Bia to cease to continue as a concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements required under the ISAs to read the other information presented with the financial statements, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact.

Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify a material instance where public money has not been applied for the purposes intended or where transactions did not conform with the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

STATEMENT ON INTERNAL CONTROL

SCOPE OF RESPONSIBILITY

On behalf of the Board of Bord Bia, I acknowledge our responsibility, as described in the Corporate Statement, for ensuring that an effective system of internal control is maintained and operated.

PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system can provide reasonable, but not absolute, assurance that assets are safeguarded, transactions are authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely period.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in Bord Bia for the year ended 31 December 2018 and up to the date of approval of the financial statements.

CAPACITY TO HANDLE RISK

The Board has taken steps to ensure an appropriate control environment is in place by:

- Clearly defining management responsibilities and powers.
- Establishing formal procedures for monitoring the activities and safeguarding the assets of the organisation.
- Developing a culture of accountability across all levels of the organisation.

RISK AND CONTROL FRAMEWORK

The Board has established processes to identify and evaluate business risks by:

- Identifying the nature, extent and financial implication of risk facing the body, including the extent and categories of risk which it regards as acceptable.
- Assessing the likelihood of identified risks occurring.
- Working closely with Government, engaging with stakeholders in the food and drink industry and with various Agencies to ensure that there is a clear understanding of Bord Bia's goals and support for the Board's strategies to achieve those goals.
- Establishing procedures to ensure that the schemes and programmes administered by the body are in accordance with the legislation governing their operation and that appropriate risk management systems are in place.

The Board can conclude that the processes in place to identify and evaluate business risks were operating effectively and as intended during the period.

The system of internal control is based on a framework of regular management information, administration procedures including segregation of duties, authorisation limits and a system of delegation and accountability. In particular it includes:

- A comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board.
- Regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts.
- Setting targets to measure financial and other performance.

- Adherence to the relevant aspects of the Public Spending Code.
- Clearly defined capital investment control processes.
- Formal project management disciplines.

Bord Bia has an outsourced internal audit function, which operates in accordance with the Code of Practice for the Governance of State Bodies and which reports directly to the Audit & Risk Committee. The work of internal audit is informed by analysis of the risk to which the body is exposed and annual internal audit plans are based on this analysis. The analysis of risk and the Internal Audit plan are endorsed by the Audit & Risk Committee and reported to the Board. The risk register is reviewed at each Audit & Risk Committee meeting and at each Board meeting.

The Audit & Risk Committee meets on a regular basis throughout the year to review and confirm the ongoing adequacy and effectiveness of the system of internal control.

ONGOING MONITORING AND REVIEW

The Board's monitoring and review of the effectiveness of the system of internal control is informed by the work of the Internal Auditor, the Audit & Risk Committee which oversees the work of the internal auditor, the executive managers within Bord Bia who have responsibility for the development and maintenance of the internal control framework and by the work of the Comptroller and Auditor General in his annual audit.

The Financial Statements have been prepared in accordance with the Code of Practice for the Governance of State Bodies 2016.

STATEMENT ON INTERNAL CONTROL

PROCUREMENT

The quality assurance process, as per the Public Spending Code, was carried out for the audit period.

This provided confirmation that the body is in compliance with current procurement rules as set out by the Office of Government Procurement, and the requirements of the Public Spending Code.

REVIEW OF EFFECTIVENESS

I confirm that in the year ended 31st December 2018, the Board conducted a review of the effectiveness of the system of internal control. The review was conducted in October 2018.

INTERNAL CONTROL ISSUES

There were no material weaknesses in internal control, or breaches in control, material losses, or frauds reported in relation to 2018 that require disclosure in the financial statements.

On behalf of the Board

Dan MacSweeney

Chair
1 October 2019

Statement of Income and Expenditure and Retained Revenue Reserves

for the financial year ended 31 December

	NOTES	2018 €'000	2017 €'000
Income			
Oireachtas Grants	2 (a)	40,383	40,775
Oireachtas - Other Funding:			
Food Dude National Roll Out	2 (b)	3,855	3,047
Quality Assurance Schemes Special Funding	2 (c)	6,485	6,261
Food Promotions Special Funding	2 (d)	4,173	2,538
Statutory Levy	2 (e)	5,935	5,920
Project and Other Income	2 (f)	9,255	8,815
Net deferred funding for Retirement Benefits	11(a) i	3,662	4,679
		73,748	72,035
Transfer from / (to) the Capital Account	3	(44)	(34)
Total Income		73,792	72,001
Expenditure			
Marketing and Promotional Expenditure	5 (a)	43,761	43,165
Food Dudes National Roll Out		3,896	3,047
Quality Assurance Schemes		6,476	6,227
Marketing Finance	5 (b)	1,225	1,514
Pay and Retirement Benefit Costs	6	13,721	13,851
Operating Expenditure	4	4,049	2,980
Total Expenditure		73,128	70,784
Operating Surplus		664	1,217
Interest Receivable		0	0
Interest Payable		0	0
Net surplus for the financial year before Retirement Benefit Contribution to the Exchequer		664	1,217
Retirement Benefit Contribution to the Exchequer		(1,392)	(730)
Net (deficit) / surplus for the financial year after Retirement Benefit Contribution to the Exchequer		(728)	487
Retained Revenue Reserves at 1 January		1,443	956
Retained Revenue Reserves at 31 December		715	1,443

All income and expenditure for the year relates to continuing activities at the reporting date.

The Statement of Cash Flows and Notes 1 to 16 form part of these financial statements.

Dan MacSweeney
Chair
1 October 2019

Tara McCarthy
Chief Executive
1 October 2019

Statement of Comprehensive Income

for the financial year ended 31 December

		2018	2017
	NOTES	€'000	€'000
Net (deficit) / Surplus for the year		(728)	487
Actuarial Gain on Retirement Benefit Scheme Liabilities	11(a)iii	3,215	111
Adjustment to Deferred Retirement Benefit Funding	11(a)iii	(3,215)	(111)
Total Comprehensive (Expenditure) / Income for the year		(728)	487

The Statement of Cash Flows and Notes 1 to 16 form part of these financial statements.

Dan MacSweeney
Chair
1 October 2019

Tara McCarthy
Chief Executive
1 October 2019

Statement of Financial Position

as at 31 December

	NOTES	2018 €'000	2017 €'000
ASSETS EMPLOYED			
Fixed Assets			
Property, Plant and Equipment	7	615	659
Current Assets			
Inventories		3	3
Trade and Other Receivables	8	5,989	5,412
Cash and Other Equivalents		6,348	8,889
		12,340	14,304
Current Liabilities : Amounts falling due within one year			
Trade and Other Payables	9	10,774	12,110
Net Current Assets		1,566	2,194
Total Assets less current liabilities		2,181	2,853
Long Term Liabilities: amounts falling due after more than one year			
Provision for Liabilities and Charges	12	851	751
Retirement Benefit Liabilities	11	(65,406)	(65,920)
Deferred Retirement Benefit Funding	11	65,406	65,920
		-	-
Total Assets less Liabilities		1,330	2,102
FINANCED BY			
Capital and reserves			
Capital account	3	615	659
Statement of Income and Expenditure and Retained Revenue Reserves		715	1,443
		1,330	2,102

Dan MacSweeney

Chair
1 October 2019

Tara McCarthy

Chief Executive
1 October 2019

Statement of Cash Flows

for the financial year ended 31 December

	2018	2017
	€'000	€'000
Cash flows from Operating Activities		
(Deficit) / Surplus for the financial year	(728)	487
Adjustments for:		
Depreciation of Tangible Assets	290	274
Capital Account Transfer	(44)	34
Interest Received	0	0
Decrease / (Increase) in Inventories	0	1
(Increase) in trade and other receivables	(577)	(1,185)
(Decrease) / Increase in trade and other payables	(1,336)	3,490
Increase in other provisions	100	87
Net Cash (Outflow) / Inflow from Operating Activities	2,295	3,188
Cash flows from investing activities		
Purchases of property plant and equipment	(251)	(308)
Interest Received	0	0
Loss on disposal of fixed asset	5	0
Net Cash from investing activities	(246)	(308)
Net (Decrease) / Increase in Cash and Cash Equivalents	(2,541)	2,880
Cash and Cash Equivalents at 1 January	8,889	6,009
Cash and Cash Equivalents at 31 December	6,348	8,889

The Statement of Cash Flows and Notes 1 to 17 form part of these financial statements.

Dan MacSweeney

Chair
1 October 2019

Tara McCarthy

Chief Executive
1 October 2019

Notes forming part of the Financial Statements

for the financial year ended 31 December

1. ACCOUNTING POLICIES

(a) Basis of preparation:

The financial statements for year ended 31 December 2018 have been prepared in accordance with Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland (“FRS 102”), and with the An Bord Bia Act, 1994. The financial statements have been prepared on the historical cost convention. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to An Bord Bia’s financial statements.

The financial statements are presented in Euro (€), the functional currency.

(b) Critical accounting judgments and estimates

Preparation of the financial statements requires management to make critical accounting judgements, assumptions and estimates. The items in the financial statements where these judgments and estimates have been made include:

- Income from domestic levies is based on the estimated number of slaughtered livestock;
- Provisions for doubtful trade receivables;
- Provisions for retirement benefit liabilities, which are based on actuarial calculations ;
- Provisions for depreciation;
- Provisions for impairment of Property, Plant and Equipment; and

- Provisions for building dilapidations.

(c) Income

Income shown in the financial statements under Oireachtas Grants represents the actual receipts from this source in the period.

Income from the Quality Assurance Schemes Special Funding, the Food Dudes National Roll-Out and Food Promotions Special Funding is released to revenue in line with expenditure and any balances due to or from Bord Bia are included in Trade and Other Receivables and Trade and Other Payables as appropriate.

Income arising from the Statutory Levy is accounted for on the accruals basis.

(d) Principal accounting policies

(1) Property, plant and equipment

Property, plant and equipment are funded from Oireachtas grants and are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, over their expected useful lives, using the straight-line method. The normal rates applicable are:

Leasehold improvement	10%
Furniture and fittings	12.5%
Computer equipment	33.3%
Office equipment	20%

(2) Impairment of Property, Plant and Equipment

At each reporting date Property, Plant and Equipment are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible

impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the Statement of Income and Expenditure and Retained Revenue Reserves.

(3) Inventory

Inventory is measured using the First In, First Out (FIFO) method.

(4) Trade and Other Receivables

Short term receivables are measured at transaction price, less any provisions for doubtful debts. Known bad debts are written off.

(5) Trade and Other Payables

Short term payables are measured at the transaction price.

(6) Provisions for Liabilities and Charges

Provisions are recognised when An Bord Bia has a present obligation (legal or constructive) as a result of a past event, which it is probable that the organisation will be required to settle, and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision for such obligations is the best estimate of the consideration required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate

Notes forming part of the Financial Statements

for the financial year ended 31 December

where appropriate. The unwinding of the discount is recognised as a finance cost in the Statement of Income and Expenditure and Retained Revenue Reserves in the period it arises.

(e) Employee benefits

Retirement Benefits

There are three Superannuation Schemes in operation within Bord Bia.

The Bord Bia main scheme is an unfunded scheme since 31st December 2009. Prior to 1st January 2010 employer and employee contributions were paid into a fund. Under the terms of the Financial Measures (Miscellaneous Provisions) Act, 2009, the assets of the scheme were transferred to the National Pension Reserve Fund with effect from 31st December 2009. The scheme continues in being for existing members. From 1st January 2010, Bord Bia became responsible for the administration of the retirement benefit payments to pensioners on behalf of the Exchequer. Under the new arrangement the funding contribution will continue in being and is payable to the Department of Agriculture, Food and the Marine after taking account of retirement benefits paid. The Department will provide funding where the retirement benefits paid exceed the funding and employer contributions.

With regard to employees of the former Bord Glas, a non-contributory defined benefit retirement benefit scheme and a contributory spouses and children's scheme are operated on an administrative basis pending the authorisation of the schemes by the Minister for Public Expenditure and Reform. Under the provisions of An Bord Bia (Amendment) Act, 2004, all staff of the former Bord Glas were

transferred to Bord Bia with effect from 1st July 2004.

The new Single Public Service Pension Scheme ("Single Scheme") commenced with effect from 1 January 2013. All new entrants to pensionable public service employment on or after 1 January 2013 are, in general, members of the Single Scheme. The rules of the Single Scheme are set down in the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

Retirement benefit costs reflect retirement benefits earned by employees in the year. An amount corresponding to the retirement benefit charge is recognised as income to the extent that it is recoverable, and offset by Grants received in the year to discharge retirement benefit payments for the Bord Glas scheme and any deficit in funding arising on the Bord Bia scheme.

Actuarial gains or losses arising on scheme liabilities are reflected in the Statement of Comprehensive Income and a corresponding adjustment is recognised in the amount recoverable from the Department of Agriculture, Food and the Marine.

Retirement Benefit Liabilities represent the present value of future retirement benefit payments earned by staff to date. Deferred Retirement Benefit Funding represents the corresponding asset to be recovered in future periods from the Department of Agriculture, Food and the Marine.

Short-term benefits

Short-term benefits such as holiday pay are recognised as an expense in the year, and benefits that are

accrued at year-end are included in the 'Trade and Other Payables' figure in the Statement of Financial Position.

(f) Foreign currency translation

In preparing the financial statements, transactions in currencies other than the functional currency ("foreign currencies") are recognised at the spot rate at the dates of the transactions or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the period in which they arise.

(g) Leased Assets

Rentals in respect of operating leases are charged to the Statement of Income and Expenditure and Retained Revenue Reserves as incurred.

(h) Capital Account

The capital grant element of Oireachtas grants received by Bord Bia is credited to the Capital Account as set out in note 3, and is transferred to the Statement of Income and Expenditure and Retained Revenue Reserves over the expected useful lives of the assets to which it relates, in line with depreciation.

(i) Taxation

Provision has been made in respect of all VAT, withholding tax and payroll liabilities.

Notes forming part of the Financial Statements

for the financial year ended 31 December

2. OPERATING INCOME

- (a) Oireachtas grants of €40,383,000 were drawn down from the Department of Agriculture, Food and the Marine under Vote Agriculture (Sub-head C.6).
- (b) Amounts included under the heading of Food Dudes - National Roll-Out totalling €3,855,000 arise in respect of funding made available by the Department of Agriculture, Food and the Marine (Sub-head C.4.3) to cover the costs of the roll-out of the Food Dude healthy eating programme on a national basis.
- (c) Amounts included under the heading of the Quality Assurance Scheme Special Fund totalling €6,485,000 arise in respect of funding made available by the Department of Agriculture, Food and the Marine (Sub-head C.3.9) to cover the costs of independent on-farm inspections and associated certification processes under the Bord Bia Quality Assurance Scheme.
- (d) Amounts included under Food Promotions Special Funding arise in respect of funding made available by the Department of Agriculture, Food and the Marine (Sub-heads C.4.3) in respect of the following programmes:

	2018	2017
	€'000	€'000
Promotions		
Beef & Lamb Asia	1,033	821
Organics	150	232
Potato	214	224
Lamb	228	205
Biofach Organic Meat & Consumer Foods Fair	51	61
Biofach Organic Seafood Fair	40	30
Mushroom	437	-
Trade Fairs		
Seafood Expo Global (SEG)	392	377
Boston Seafood	185	208
China Fisheries	187	180
Seafood Tokyo	75	104
Conxemar	72	79
PLMA	27	-
Biofach	38	-
Seafood Expo Hong Kong	70	-
Speciality & Fine Food Fair	-	17
Other		
Fish consumer promotion	542	-
Feet on the Street	143	-
Consumer and International Trade Research	253	-
Emerging Market Promotions	36	-
	4,173	2,538

- (e) An Bord Bia Act, 1994, provides for payment to the Board of a levy per head on slaughtered or exported livestock. Under section 37 of the Act, the rates were set at €1.90 per head for cattle, 25c per head for sheep and 35c per head for pigs. In 2018, all levies were accounted for on an accruals basis.
- (f) Project and other income includes industry contributions to joint promotions, trade fairs, information services and seminar and conference fees.

Notes forming part of the Financial Statements

for the financial year ended 31 December

3. CAPITAL ACCOUNT

The Capital account represents the cumulative grants received that have been transferred from the Statement of Income and Expenditure and Retained Revenue Reserves.

The Reserves represent the cumulative surplus of income over expenditure.

	2018	2017
	€'000	€'000
Capital Account Balance at 1 January	659	625
Amount capitalised in respect of purchased fixed assets	251	308
Amounts released on disposal of fixed assets	(5)	-
Amortisation in line with asset depreciation	(290)	(274)
Net transfer (to) / from the Statement of Income and Expenditure and Retained Revenue Reserves.	(44)	34
Balance at 31 December	615	659

4. OPERATING EXPENDITURE

The net surplus is stated after charging:

	2018	2017
	€'000	€'000
Depreciation of property plant and equipment	290	274
Rent and Rates	1,580	1,654
Auditors Remuneration	27	25
General Business Expenses	2,152	1,027
Total	4,049	2,980

5. MARKETING AND PROMOTIONAL EXPENDITURE

(a) Analysis by the Statement of Strategy Strategic Pillars

	2018	2017
	€'000	€'000
Consumer Insight	5,042	7,498
People Talent Infrastructure	4,010	3,048
Origin Green	2,904	2,918
Routes to Market	11,856	10,061
Brand Communications	17,656	18,529
Support Services	2,293	1,111
Total	43,761	43,165

(b) Marketing Finance

In 2018 grants totalling €725,000 (€657,000 in 2017) were made under the Marketing Assistance Programme. Grants totalling €115,000 (€249,000 in 2017) were made under the Step Change Programme and €385,000 (€608,000 in 2017) was made available under the Market Intensification Programme in 2018.

Notes forming part of the Financial Statements

for the financial year ended 31 December

6. REMUNERATION

	2018	2017
	€'000	€'000
Staff costs during the financial year were as follows:	8,947	8,195
Staff short-term benefits	1,112	977
Employer's contribution to social welfare	-	-
Termination benefits	3,662	4,679
Retirement benefit costs	13,721	13,851

	2018	2017
	€'000	€'000
Split of Employee Costs		
Marketing and promotion	12,077	12,178
Administration	1,644	1,673
	13,721	13,851

	2018	2017
	Number	Number
Split of Employee Numbers (Whole time equivalents)		
Marketing and promotion	113	97
Administration	22	17
	135	114

	2018	2017
	€'000	€'000
Split of Staff short-term benefits		
Salary	8,930	8,165
Overtime	3	7
Allowances	14	23
	8,947	8,195

	2018	2017
	€'000	€'000
Termination Benefits		
Termination benefits charged to the statement of income and expenditure	-	-

Notes forming part of the Financial Statements

for the financial year ended 31 December

In accordance with Department of Public Expenditure and Reform circular 13/2014 the following outlines the employee benefits greater than €60,000 in 2018. Note the following are before any deduction related to the public sector pension levy.

Employee benefits	Number of Employees	
	2018	2017
€60,000 to €69,999	13	16
€70,000 to €79,999	9	25
€80,000 to €89,999	24	13
€90,000 to €99,999	7	2
€100,000 to €109,999	3	8
€110,000 to €119,999	4	-
€120,000 to €129,999	-	-
€130,000 to €139,999	-	-
€140,000 to €150,000	-	-
€150,000 to €160,000	1	1

The remuneration of the Chief Executive included in the above pay costs is as follows:	2018	2017
	€	€
Aidan Cotter	-	10,736
Tara McCarthy	157,543	141,163
Total remuneration	157,543	151,899

In addition, the Chief Executive is a member of the Bord Bia Superannuation Scheme and has retirement benefit entitlements which do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

Key Management Personnel included in the above pay costs is as follow:	2018	2017
	€'000	€'000
Salary	590	532
Allowances	-	-
Termination benefits	-	-
Health insurance	-	-
	590	532

Key management personnel compensation includes employee benefits paid to the senior members of the management team at Grade 1 level. CEO remuneration and Board Member Remuneration is disclosed separately in notes 6 and the Governance Statement and Board Members Report respectively. In addition, key management personnel are members of the Bord Bia Superannuation Scheme and have retirement benefit entitlements which do not extend beyond the standard entitlements in the model public sector defined benefit superannuation scheme.

The total number of employees (including part-time persons) at 31 December 2018 was 135 (2017: 114). The cost of certain part-time employees amounting to € 112,915 (2017: €67,084) is included in Marketing and Promotional expenditure.

A total pension levy amount of € 403,592 (2017: € 377,918) was paid over to the Department of Agriculture, Food and the Marine during 2018.

Notes forming part of the Financial Statements

for the financial year ended 31 December

7. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Furniture and Fittings	Computer Equipment	Office Equipment	Total
Cost	€'000	€'000	€'000	€'000	€'000
At 1 January 2017	2,157	609	787	280	3,833
Additions	137	21	82	11	251
Disposals	-	-	(13)	-	(13)
At 31 December 2018	2,294	630	856	291	4,071
Depreciation					
At 1 January 2018	1,751	488	752	183	3,174
Charged for the financial year	187	28	44	31	290
Disposals	-	-	(8)	-	(8)
At 31 December 2018	1,938	516	788	214	3,456
Net book amount at 31 December 2018	356	114	68	77	615
Net book amount at 31 December 2017	406	120	37	96	659

* The 2018 depreciation charge on Leasehold Improvements in the Dublin Office is calculated based on the remaining useful life of the asset, in this instance the remaining period of the lease. Leasehold improvements in overseas offices are depreciated at the normal rate.

8. TRADE AND OTHER RECEIVABLES

	2018	2017
	€'000	€'000
Trade Receivables	3,482	3,761
Less Provision for bad debts	(770)	(675)
	2,712	3,086
Prepayments and Accrued Income	3,277	2,326
	5,989	5,412

Notes forming part of the Financial Statements

for the financial year ended 31 December

9. TRADE AND OTHER PAYABLES

	2018	2017
	€'000	€'000
<i>Amounts falling due within one year</i>		
Trade Payables	3,691	5,311
Exchequer retirement benefit contribution	-	-
Taxation and Social welfare (note 10)	1,213	2,213
Accruals*	5,604	4,194
Deferred income	266	392
	10,774	12,110

Trade payables are to be settled at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

* Includes Holiday pay accrual of €135,000 (€119,000 in 2017). Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year end are included in the Trade and Other Payables figure in the Statement of Financial Position.

10. TAXATION AND SOCIAL WELFARE

	2018	2017
	€'000	€'000
<i>Amounts falling due within one year</i>		
VAT	73	605
Withholding Tax	763	1,238
Payroll taxes	272	307
PRSI	105	63
	1,213	2,213

Section 227 of the Taxes Consolidation Act, 1997, provides an exemption from tax for income of non-commercial state bodies. An Bord Bia is liable to employer taxes in Ireland and complies with related withholding, reporting and payment obligations as appropriate.

Notes forming part of the Financial Statements

for the financial year ended 31 December

11. RETIREMENT BENEFIT COSTS

2018
€'000

2017
€'000

a i) Analysis of total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves.

Service cost	2,749	2,753
Employee contributions	(360)	(339)
Current service cost	2,389	2,414
Interest cost	1,273	1,169
Plan introductions, changes, curtailments and settlements *	-	1,096
Total	3,662	4,679

* The 2017 Plan introductions, changes, curtailments and settlements figure of €1,096,000 relates to the increase in the Defined Benefit Obligation (DBO) as a result of a transfer of service into the Scheme for members, and the re-linking of accrued benefit to salary for members on return to active status.

a ii) Contribution to the Exchequer

In accordance with the Financial Measures (Miscellaneous Provisions) Act 2009 and the arrangements set out in the accounting policies, contributions payable to the Exchequer and retirement benefits paid on behalf of the Exchequer amounted in total to €1,392,000 in the year (2017: €729,677).

There was a nil liability due at 31 December 2018 (2017: nil) in respect of employer contributions payable to the Exchequer after offsetting retirement benefits payable under the Bord Bia scheme.

2018
€'000

2017
€'000

a iii) Analysis of amount recognised in Statement of Comprehensive Income

Total remeasurement effects recognised	3,215	111
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b i) Present value of scheme obligations

Present value of scheme obligations at beginning of year	65,920	62,082
Service Cost	2,749	2,753
Interest cost	1,273	1,169
Plan introductions, changes, curtailments and settlements	-	1,096
Actuarial loss / (gain)	(3,215)	(111)
Benefits paid	(1,321)	(1,069)
Present value of scheme obligations at end of year	65,406	65,920

Notes forming part of the Financial Statements

for the financial year ended 31 December

11. RETIREMENT BENEFIT COSTS (CONT'D)

b ii) Deferred Funding Asset

Under the terms of the Financial Measures (Miscellaneous Provisions) Act 2009, the assets of the Bord Bia Superannuation Schemes were transferred to the National Pension Reserve Fund with effect from 31 December 2009. The retirement benefit schemes associated with these funds continue in force for existing members with no impact on their benefits or associated provision for members. The Department of Agriculture, Food and the Marine will provide funding where the retirement benefits paid exceed contributions. An Bord Bia has adapted the treatment and disclosures required by the accounting standard, Financial Reporting Standard 102 (Section 28) to reflect the arrangements in operation. While the funding arrangement operates on a net pay over basis with the Department, An Bord Bia is satisfied that the nature of the arrangement is akin to a full reimbursement of the retirement benefit liability when those liabilities fall due for payment and therefore recognises its right to the reimbursement as a separate asset in the amount equal to the liability at the year end.

An Bord Bia also recognises an asset corresponding to the unfunded liability for retirement benefits on the Bord Glas scheme on the basis of a number of assumptions and past events, including the statutory basis for the establishment of the superannuation schemes and the policy and practice currently in place in relation to funding public services retirement benefits, including the annual estimates process.

A deferred funding asset of €65.406 million equal to the retirement benefit liability is recognised at 31 December 2018 (2017: €65.920 million). The deferred funding asset at the year end was determined after taking into account net deferred funding for retirement benefits in the year of €3.662 million and adjustments arising from the actuarial gain of €3.215 million and from retirement benefits payable under the Bord Bia scheme of €1.321 million which were offset against the contribution payable to the Exchequer.

	2018	2017
	€'000	€'000
b iii) Net Deferred Funding for Retirement Benefits recognised in the Statement of Income and Expenditure and Retained Revenue Reserves		
Funding recoverable in respect of current year retirement benefit costs	3,662	4,679
Oireachtas Grants applied to retirement benefit payments (An Bord Glas Scheme)		
	3,662	4,679

c) Description of schemes and actuarial assumptions

The Board operates three defined benefit superannuation schemes for certain eligible employees.

1) The Bord Bia main scheme, for which the approval of the Minister for Agriculture, Food and the Marine and the Minister for Public Expenditure and Reform has been received. Until 31 December 2009, the contributions of employees and Bord Bia were paid into a fund managed by the trustees. As detailed under note 11b ii) above, the assets of the scheme were transferred to the National Pension Reserve Fund with effect from 31 December 2009.

2) The former Bord Glas scheme. This consists of a non-contributory defined benefit retirement benefit scheme and a contributory spouses and children's scheme which is operated on an administrative basis pending the authorisation of the schemes by the Minister for Public Expenditure and Reform.

3) The Single Public Service Pension Scheme. The rules of the Single Scheme are set down in the Public Service Pensions (Single Scheme and Other Provisions) Act 2012.

An Bord Bia meets the cost of current retirements. These are paid out of current income. Contributions received by An Bord Bia from members of the contributory unfunded schemes outlined above are used to part fund ongoing retirement benefit liabilities.

An actuarial valuation of the Bord Bia Superannuation Schemes was carried out as at 31 December 2018 for the purpose of preparing this FRS102 disclosure. The liabilities and costs have been assessed using the projected unit method.

Notes forming part of the Financial Statements

for the financial year ended 31 December

Financial assumptions

The principal actuarial assumptions used to calculate the retirement benefit obligations under FRS102 were as follows:

	31/12/2018	31/12/2017
Discount Rate	1.90%	1.95%
Inflation Rate	1.75%	1.90%
Salary increases	4.00%	4.15%
Retirement benefit increases for in payment benefits	3.50% / 1.75%	3.65% / 1.90%
Retirement benefit increases for deferred benefits	3.50% / 1.75%	3.65% / 1.90%
Plan membership census date	31/12/2018	31/12/2017

The following amounts were measured in accordance with the requirements of FRS102.

Demographic assumptions

The mortality table is 88% of ILT15 (Males) for males and 91% of ILT15 (Females) for females, with the 2013 CSO mortality improvements applying from 2010. Representative rates are shown below.

The expected lifetime of a participant who is age 65 and the expected lifetime (from age 65) of a participant who will be age 65 in 25 years are shown in years below based on the above mortality tables.

Age	Males	Females
65	21.4	23.9
65 in 25 years	24.3	26.4

d) History of defined benefit obligations, assets and experienced gains and losses

	2018	2017	2016	2015	2014
	€'000	€'000	€'000	€'000	€'000
Defined benefit obligations	65,406	65,920	62,082	52,583	52,053
Fair value of scheme assets	-	-	-	-	-
Deficit on Superannuation Schemes	(65,406)	(65,920)	(62,082)	(52,583)	(52,053)
Experience adjustments on scheme obligations	3,215	111	(6,784)	2,043	(8,854)
Experience adjustments on scheme assets	-	-	-	-	-

Notes forming part of the Financial Statements

for the financial year ended 31 December

12. PROVISION FOR LIABILITIES AND CHARGES

	Dilapidations	VAT	Total
	€'000	€'000	€'000
At 1 January 2018	751	-	751
Additions	100	-	100
At 31 December 2018	851	-	851

The provision for dilapidations comprises the estimated cost of reinstatement of leasehold properties in accordance with obligations under operating leases.

13. COMMITMENTS

Funding

In terms of the Marketing Finance Programmes operated by Bord Bia management have committed to €718,000 (2017: €1,314,000) payments within the next 12 months. There are no specific performance-related conditions attached to these commitments other than that the intended beneficiaries had to have incurred the expenditure before submitting their claims. These commitments are in turn funded through the Oireachtas grant income.

	2018	2017
	€'000	€'000
At 1 January 2018	1,314	1,514
(Reductions) / Additions	(596)	(200)
At 31 December	718	1,314

	2018	2017
	€'000	€'000
<i>Operating leases</i>		
The future minimum operating lease payments are as follows:		
Within one year	1,211	1,197
Between one and five years	1,732	2,602
Beyond five years	102	193

An Bord Bia occupies premises at Clanwilliam Court, Lower Mount Street, Dublin 2 under a rental agreement. This agreement which commenced in 2010 will expire in 2021. The total charges including rent, rates and other accommodation costs for these premises in 2018 was €1,051,000. In addition, Bord Bia occupies thirteen other properties in various locations internationally. The rent paid on these premises in 2018 was €529,000.

Notes forming part of the Financial Statements

for the financial year ended 31 December

14. BOARD MEMBERS - DISCLOSURE OF TRANSACTIONS

In the normal course of business the Board may approve grants and may also enter into other contractual arrangements with undertakings in which Bord Bia Board Members are employed or otherwise interested. The Board adopted procedures in accordance with the guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Board Members and these procedures have been adhered to by the Board during the year.

No grants were approved or paid during the year to companies with which Board Members are associated.

15. OBJECTIVES OF AN BORD BIA

The objectives of Bord Bia are summarised in our Mission statement - "To drive, through market insight, and, in partnership with industry, the commercial success of a world-class food, drink and horticulture industry." This is fully articulated in our corporate strategy as outlined in the annual report.

16. APPROVAL OF FINANCIAL STATEMENTS

The Board approved the financial statements on 1 October 2019.

Marketing Assistance Grant Payments

Company Name	Payment €	Company Name	Payment €	Company Name	Payment €
12 Acres Brewing Company	1,996	Freeform Foods (Bia Ganbreise)	4,000	O'Coileain Foods	3,224
Adare Farm	5,000	Galway Hooker Brewery	18,000	O'Neill Foods Ltd	20,733
Alan Kelly Golf Road Nurseries	4,000	Gannett Fishmongers	1,398	PaddyO's Cereals	1,113
Allied Irish Growers - West Cork Bulbs	2,970	Genovese Foods Ltd	6,493	Pandora Bell	3,000
Allihies Seafood Ltd	735	Glendalough Distillery	10,000	Panelto Foods	20,000
Amour Nurseries	253	Glenilen Farm Ltd	9,186	Pasta Concepts Ltd	12,000
An Sean Teach Ltd	3,000	Goatsbridge Fish Processors Ltd	10,000	Piranha Beverages Ltd	3,215
AP Fine Foods Ltd	30,000	Gold Circle Mushrooms Ltd	25,000	Poachers Premium Beverages	4,000
Ballineen Fine Foods	10,996	Golden Bake Ltd	20,000	Ponticelli Coffee	6,000
Ballykelly Farms	4,500	Goodness Grains Gluten Free Bakery	23,694	Quarrymount Free Range Meats	2,000
Ballymaloe Country Relish - Hyde Ltd	5,545	Gran Clarkes D&S Gourmet Food	3,000	Radical Fruit Co.Ltd	1,098
Ballyvolane House Spirits	3,500	Green Earth Organics Ltd	5,000	Rascals Brewing Co.Ltd	4,000
Barry John Gourmet Sausages	2,500	Green Saffron Spices	7,000	Redbank Food Co Seavest	231
Bean and Goose	1,749	G's Gourmet Jam Ltd	3,136	Regale Biscuit Co.	1,004
Beechill Bulbs	2,993	Harvest Moon Foods Ltd	3,000	RibWorld	13,076
Beechlawn Organic Farm Ltd	5,000	Hassetts Bakers & Confectioners	8,000	Riceshill Farm Ltd	2,000
Bells Isle Seafoods Ltd	7,727	Hazelbrook Confectionery Ltd	12,458	Rockfield Dairy Ltd	3,000
Benoits Chocolate Factory	4,000	Healy's Honey Ltd	9,728	Rose Manufacturing Ltd	7,000
Big Red Kitchen	7,000	Hibernia Distillers Ltd	6,000	Ryans Farm	510
Blacks of Kinsale	4,000	Highbank Orchards	3,000	Sadie's Kitchen Ltd	3,447
Bluebell Falls	4,500	Honeyvale Foods Ltd - Oakpark Foods	20,000	Salad Ways Ltd	4,000
Boutique Bake Ltd	6,509	Hope Beer	5,000	Sam's Cookies Ltd	8,000
Bowl a Granola	1,500	Hugh Maguire Ltd	2,450	Sean Loughnane (Galway) Ltd	20,000
Boylan Fruits	2,202	Inagh Farmhouse Cheese Ltd	10,000	Secret Recipe	6,000
Breffni Mushrooms	7,277	Ina's Kitchen Desserts	15,000	Seerys-Heatherfield Ltd	20,000
Brehon Brewhouse Ltd	8,000	Irish Premium Oysters	8,000	Shalvey Poultry	17,483
Burren Smokehouse Ltd	9,961	Island Seafoods Ltd	10,000	Shannon Estuary Oysters	5,000
Caherbeg Free Range Pork	3,000	Jack & Eddies Ltd	7,000	Sillis Green Veg Ltd	29,510
Cahill Farm Cheese Ltd	8,000	Jane Russell's Original Irish	3,999	Silver Pail Dairy	19,060
Carlingford Oyster Co	1,731	JOD Foods - Old Irish Creamery Cheese	15,000	Slaney Farms Produce	7,000
Carol Kinsella Chocolates	695	John Hickey & Sons Hickeys Bakery	2,561	Solaris Botanicals Ltd	6,500
Carrigaline Farmhouse Cheese Ltd	11,170	Kelly's Nursery Ltd	7,000	Springfield Nurseries	2,748
Cashel Fine Food Ltd	6,000	Kelly's of Newport	4,000	Stonewell Cider	5,000
Castlecor Potatoes	4,000	Killarney Brewing Co.Ltd	3,476	Sunnyside Fruit Ltd	3,000
Celtic Pure Ltd	19,843	Killeen Farmhouse Cheese	1,261	The Chocolate Garden of Ireland	18,000
Chia Bia	3,475	Kilmoon Cross Nurseries	1,527	The Cultured Food Company	1,405
Clanwood Farm	2,000	Kinsale Bay Food Company	3,319	The Food Store	2,000
Con Traas Ltd	1,327	Knockanore Farmhouse Cheese	8,000	The Foods of Athenry	12,000
Connemara Ingredients Ltd	4,000	Kush Seafarms Ltd	8,000	The Good Snack Co	2,687
Connemara Seafoods Frozen Ltd	10,682	Lily O'Briens	20,000	The Little Milk Company	12,000
Connemara Seafoods Ltd	10,000	Lir Chocolates Ltd	20,000	The Real Olive Company	3,500
Coolattin Cheddar	738	Lismore Food Company Ltd	5,000	The Tipperary Cheese Co	2,858
Cooleeney Farmhouse Cheese	10,000	LongWays Cider Company	2,816	The White Hag Brewing Co.	7,000
Coolhull Farm Ltd	19,312	Lovin Catering	1,000	Trudies Catering Kitchen Ltd	7,000
Corleggy Cheese	2,765	Mags Bakehouse	5,000	Walsh's Bakehouse	7,165
Couverture Desserts Ltd	11,000	Mannings Bakery Ltd	10,600	Waterford Oysters	3,510
Crossogue Preserves	3,000	Maria Lucia Bakes	4,000	Wexford Home Preserves	9,779
Delicious Gluten Free Bakery	6,000	Michael Kelly Shellfish	4,000	Wicklow Farmhouse Cheese	20,000
Doran Nurseries	3,500	Milleens Cheese	1,779	Wild About Food Ltd	3,500
Drover Foods	13,800	Mossfield Organic Cheese	3,000	Wild Atlantic Shellfish Ltd	7,000
Dungarvan Brewing Company	5,000	Mr Middleton Garden Shop	4,000	Wild Irish Seaweeds Ltd	5,000
Durrus Cheese	3,470	Mr.Crumb	12,257	Woodstown Bay Shellfish Ltd	7,000
E.Flahavan & Sons Ltd	20,000	Murphys Ice Cream Ltd	3,000	Yawl Bay Seafood Ltd	2,709
Finnegans Farm	3,000	Naturally Cordial Ltd	5,500	Young Nurseries	9,599
Fitzeally Foods Ltd	6,000	Newgrange Gold Ltd	6,000	Zanna Cookhouse	3,500
Fitzgerald Nurseries Ltd	10,000	Nightpark Nursery	4,029		
Flexi Nutrition Ltd	5,026	Nobo Ltd	3,843		
Food Discovery Ltd - Food 360	1,792	Normandy Ireland Exports Ltd	5,000		
Four Seasons Nurseries	2,000	Nua Naturals	10,000		
				Total	1,225,411

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Growing the success of Irish food & horticulture

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Irish Food Board