



## **ECONOMIC AND POLICY ANALYSIS**

### **INTRODUCTION**

1. The Economic and Policy Analysis Group (EPAG), in co-operation with the Economics Group, provide the following services to BPEX:

- Market intelligence, market forecasting and policy analysis. This will be enhanced
- A government relations programme aimed at creating awareness of the pig industry and of BPEX's strategic priorities, and at minimising the regulatory impact on the industry. This will be extended

#### **Progress on the 200-08 Plan**

- Accuracy of levy and supplies forecasts within agreed targets
- Monthly market commentary series circulated through the website.
- InterPig network established and expanded to enable the annual production of the EU Cost of Production report.
- Programme of parliamentary briefings delivered to schedule. There was prominent involvement at the government and parliamentary barbecue in July 2007. The David Black Awards took place on 31 October 2007. Feedback survey on the overall effectiveness of BPEX communications will be conducted in early 2008.

#### **Summary of Delivery of the 2008-09 Plan**

#### **Market and policy analysis and forecasting**

##### **Key activities of the team will be:**

- Collate relevant UK, EU and global qualitative and quantitative data, and make this available in appropriate formats to assist the pig industry in making informed business decisions. This will be enhanced in 2008/09 by the Economics Services department and require the extra investment of £85k.
- Provide UK and English pig market forecasts to anticipate future market conditions and so facilitate industry business planning. This will include levy forecasting to assist financial planning and management
- Provide pig and other relevant market commentary to the industry through the BPEX website, and interpret the pig market situation and outlook to a range of industry audiences in order to aid organisational and business planning
- Manage the InterPig network that leads to the publication of the "Pig Cost of Production in Selected EU Countries" report.
- Manage the BPEX industry data contract with Agrosoft Ltd and ensure dissemination of national data to the industry. This will be provided under the terms of a new contract which is currently being negotiated which is planned to result in savings of £50k.
- Provide legislative and policy analysis that identifies emerging threats and opportunities and helps industry representative organisations act accordingly.

- Organise and manage the Outlook conference, which provides a platform for discussing pig industry issues and presenting EPAG's pig market forecasts

## 2. **Government Relations**

- Policy monitoring to ensure awareness of relevant government and parliamentary developments that ensures effective BPEX and industry responses and subsequent guidance to industry.
- Communications to parliamentarians, government and its agencies to ensure BPEX priorities and concerns are understood by key political audiences.
- Organise and manage the David Black Awards to communicate BPEX priorities by celebrating the achievements of leading industry operators.
- Organise and manage the Westminster barbecue to communicate BPEX priorities with government ministers, official, parliamentarians and industry stakeholders
- Establish and manage a new parliamentary all-party group on English pigs. This will require additional invest of £40k

### **Key Activities for 2008-09**

- Continuation of core market and policy analysis, and government relations activity including a Westminster barbecue event and David Black Award.
- Collation and presentation of a substantial body of additional market information for presentation in appropriate formats
- Proposed establishment of a parliamentary all party group on English pigs

### **Outcomes and Targets**

3. The outcome will be a well-informed industry with access to all the relevant market information and forecasts that enables good business planning. I will also result in effective communications with policy makers in the UK and in EU on matters of relevance to the English pig industry.
4. Departmental outcomes, targets and measurement will be presented in an updated 'performance wheel' once the plan is agreed. Individual targets will be set for individual projects.

### **Risks**

The two principal risks in the delivery of this business plan are:

<b>Risk</b>	<b>Probability (low, medium, high)</b>	<b>Control</b>
Inaccurate levy income forecasts	Medium	Robust database – 'quality control' through the sounding board of the EPAG Forecasting Forum
BPEX messages and priorities not received and understood by external audiences	Medium	Surveys of MPs and others

## Budget

The proposed budget for 2008/09, inclusive of staff costs, is:

### Budget Summary

	Economic and Policy Analysis
Levy spend, of which:	
Projects	108
People and Overheads	217
% of net levy spend	4%
Total levy spend	325
Non levy spending	-
Total spending	325