Sent on behalf of the Digital Grain Passport Leadership Group

### Three weeks left to respond to the Combinable Crops Digital Passport Consultation

Cereals and oilseeds producers are being urged to have their say on the business case for implementing a digital passport for combinable crops, before a consultation on the proposals closes **on Friday, 2 February 2024**.

Since 20 November 2023, industry bodies have been holding webinars and open meetings and discussing the business case with individual businesses. These meetings have been hugely valuable in gaining feedback and understand the wider industry perspective.

The Digital Passport Leadership Group will continue communicating with trade association members and the wider industry to ensure all have an opportunity to take part in the consultation.

A spokesperson for the Leadership Group said: "The consultation is a vital process in helping to refine and improve the business case, whilst answering a raft of industry questions.

"This consultation is to ensure that the business case proposed is robust and comprehensive. There have been several events across the country where passport users have taken opportunity to feed in their thoughts and ask questions. This has been beneficial in establishing views on the business case and highlighting gaps that need to be addressed.

"The consultation runs until 2<sup>nd</sup> February, and we encourage all passport users to use that time to input into the process and give their thoughts on the business case."

So far in the consultation questions have focused on: cost and connectivity; how the passport works when out of range to connect to the web; and system ownership. Detail on these aspects is set out in notes below.

Once the consultation is complete, the industry Leadership Group will review all feedback and decide on a way forward. If the group feels industry response is positive, they will look to fund the project through several means. One of which will be to approach the AHDB Cereals and Oilseeds Sector Council for levy funding.

All information on how to engage and who to contact at trade associations can be found at ahdb.org.uk/digital-passport. This webpage, hosted on behalf of the industry working group, contains the full business case, as well as a comprehensive list of frequently asked questions which link directly to the relevant business case section.

For those who are not part of a trade association, AHDB is hosting a feedback form on the same webpages to allow all feedback to be collated for the leadership group.

## Key consultation questions:

#### Costs

Q. What is the cost of the system?

A. The annual running cost of the Digital Passport is currently estimated at £396k. Over a tenyear period, this cost of close to £4m will be outweighed by projected industry wide saving of £6m (see table below).

#### **Digital Passport - Headline Costs and Savings**

Savings		Set-up Costs		Annual Running Costs	
		Technology build cost	£500k	Amortised build cost (10 years)	£50k
Annual savings	£672k	Industry Implementation	£872k	Staff, legal, data storage etc	£346k
Total savings (phased over 10 years)	£6m	Total Set up Cost	£1.4m	Total net cost (10 years)	£3.9m

# Connectivity

Q. How will the system operate on farms and delivery points with no connection?

A. In simple terms the data will be entered offline and then upload to the system as soon as connection is recovered. Drivers will leave the collection point with a passport saved to their device/smartphone which will automatically upload to the digital passport database when the

device finds data signal. Where there is no connectivity at intake, passports will be transferred from drivers' devices to intake devices offline. As a last resort, the telephone help desk service can process passports for exceptions.

#### System ownership, data, and decision-making governance

Q. How will the system be managed and who owns the data in it?

A. Each business will own and retain control of the data they enter in the DP system. Data management will be overseen by a Data Governance Group made up of representatives of all users. In addition to industry representatives, data specialists will be invited to join the group.

This group will have complete oversight of all aspects relating to data including what data is required to be shared via the digital passport, system security standards, GDPR, data quality and transparency and ensuring that data is fed back to growers in real-time as defined in the business case.

A consortium will be set up comprising the key parties represented on the current Leadership Group, plus AHDB. This is the same model (with different parties) which has worked successfully for the AHDB Recommended Lists for many years. Under this model, AHDB would be the legal entity owning the digital passport system and database on behalf of the consortium and industry.

#### Notes for editors:

- The business case sets out how the Digital Passport (Combinable Crops) system would operate, replacing the existing paper passport, which has been in use for more than 30 years. The electronic passport will, as now, be initiated by farmers with input from hauliers, before being transmitted to receivers.
- Switching to a single, industry wide digital passport as set out in the consultation is expected to: improve data integrity and security; provide scope for real-time assurance checks; reduce costs across the supply chain; and increase confidence and credibility to growers, buyers' customers, stakeholders, and regulators.

- The industry Leadership Group is chaired by AHDB Board member, Stephen Briggs. It meets weekly, and comprises:
  - Merchants and animal feed business represented by the Agricultural Industries Confederation (AIC)
  - Farmers represented by the National Farmers Union (NFU) and NFU Scotland
  - Receivers represented by UK Flour Millers, the Maltsters Association and Seed Crushers and Oilseed Processors.
- For more information, visit <u>https://ahdb.org.uk/digital-passport</u> The full business case can be found <u>here</u> with a comprehensive list of frequently asked questions available <u>here</u>

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