



An Roinn Talmhaíochta,  
Bia agus Mara  
Department of Agriculture,  
Food and the Marine

# Agri-Food Strategy to 2030

## Public Consultation



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# 1 Introduction

The agri-food sector<sup>1</sup> is Ireland's most important indigenous industry, playing a vital role in Ireland's economy. In 2018 Irish food and drink was exported to over 180 markets worldwide. Exports in 2018 were valued at €13.7 billion representing 10% of total Irish merchandise exports. Overall, the sector contributed 7.7% of modified GNI<sup>2</sup> in 2017 and plays a crucial role in ensuring that the economy has a diversified enterprise base.

The sector employs approximately 172,800 people, representing 7.7% of total employment. Outside Dublin and the mid-east region, the agri-food sector provides between 10% and 14% of total employment highlighting the regional importance of the sector. Beyond direct employment, the agri-food and fisheries sector is a source of income for the wider rural and local economy, with estimates for output multipliers ranging from around 2.5 for the beef sector to around 2 for the dairy sector and food processing; this contrasts with an average output multiplier of 1.4 for the rest of the economy and 1.2 for foreign owned firms. Usually sectors which have fewer leakages will have a higher multiplier and these are sectors more embedded into the national economy.

Much of the strength of the sector is underpinned by our temperate climate and rich seas and soils, which in turn support productive grasslands, forests and fisheries. Our grasslands for example cover almost two thirds of our national land mass (compared to an EU average of one fifth), and with 90% of our utilisable agricultural area under grassland or other forage, this provides our agricultural sector, and livestock systems in particular, with a significant comparative advantage in a global context. Our temperate climate and soil quality, allied with a high degree of expertise and human capital have also lead to relatively productive cropping systems. Meanwhile, the seas around our 7,500km coastline contain some of the most productive and biologically diverse areas in EU waters, thus underpinning a sector worth €1.5 billion to the economy. Our forestry stock, around three quarters of which is less than 30 years of age, underpins approximately 12,000 jobs and contributes up to €2.3 bn to Ireland's GDP.

A further fundamental pillar on which the sector is built is food safety and food authenticity. The success of the sector is absolutely dependent on its record and reputation for food safety and food authenticity. From controls on imports and exports to regulations and standards on storage and transport, primary production of food and feed on farms, processing and manufacture of food and feed and their distribution and sale, Ireland is recognised as having the highest standards of food safety controls.

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<sup>1</sup> It should be noted that 'agri-food' encompasses everything from primary agriculture (including horticulture) to food and beverage production, and from fisheries and fish processing to forestry and forestry outputs.

<sup>2</sup> Gross National Income is GDP plus any income paid into the country by other countries for items such as interest and dividends less similar payments paid out to other countries, while GDP is the total market value of all goods and services produced by domestic residents.

The Irish agri-food sector, encompassing land and sea, is thus playing an important role in delivering on food security & nutrition and energy & the natural environment, providing employment and income at every stage of the supply chain, and maintaining and enhancing rural and coastal development.

### *Agri-Food Strategies*

Crucial to the environmental, economic and social development of the sector has been the presence of ten year industry-led strategies. Since their inception, [Agri-Food 2010](#), [Agri-Vision 2015](#), [Food Harvest 2020](#) and the current [Food Wise 2025](#) have ensured that the agri-food sector has a coherent, industry-led vision and strategy to underpin its development. Food Wise built on a successful lineage of strategies by setting a vision of thriving primary producers and agri-food businesses at the heart of vibrant rural and coastal communities across the country, and had a strategy built upon five cross-cutting themes – environmental sustainability, human capital, competitiveness, market development and innovation. While Food Wise has been instrumental in providing a framework and statement of intent for the industry, like all strategic plans for the future, it must evolve and respond to a rapidly changing context both within and outside the sector.

While the themes of Food Wise are likely to remain relevant in the next strategy, there are areas that require enhanced focus, such as the whole concept of sustainability, whether environmental, economic or social. Environmental sustainability, in particular the contribution which agriculture and forestry can make to climate action and biodiversity will be critically important. Also of significant and growing relevance are the areas of ‘One Health’<sup>3</sup> & ‘One Welfare’<sup>4</sup>, while other emerging themes such as the bioeconomy and digital and disruptive technologies also need to be considered and incorporated into any strategic foresight for the sector. It is also becoming increasingly clear that the agri-food sector needs to be aware of, and adapt to, changing societal norms and expectations so that it can continue to be supported by the public in its activities. In conjunction with ‘issues of today’ such as reform of the CAP and Brexit, there is clearly much to consider in devising an ambition and pathway for the future direction of the Irish agri-food sector (for more on these emerging challenges and trends, see Appendix I of this paper).

The Department of Agriculture, Food and the Marine (DAFM) has begun the process for developing the next ten year strategy and a public consultation forms an essential part of this process. This consultation document is framed to ascertain the views of all stakeholders on the direction of the sector to 2030 and what strategic actions are required to ensure it lives up to its potential, as well as societal expectations. A national stakeholder consultation event will be held in the autumn to further discuss these issues. A high level committee will be established by the

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<sup>3</sup>The ‘One Health’ concept is a worldwide strategy for expanding interdisciplinary collaborations and communications in all aspects of health care for humans, animals and the environment

<sup>4</sup>The ‘One Welfare’ concept emphasises the link between animal welfare, human wellbeing and the environment. It fosters interdisciplinary collaboration to improve human and animal welfare internationally. ‘One Welfare’ extends the approach of (and partially overlaps) the One Health theme.

Minister, tasked with developing the agri-food strategy to 2030. It is anticipated this process will be complete and the new strategy launched in mid-2020. Given the uncertain policy backdrop that is likely to remain during this period in areas such as reform of the Common Agricultural Policy, Brexit and international trade, the process and outcome will need to take account of these and any developments which might arise if and when they become more crystallised during that period.

## 1.1 About this consultation

This consultation is composed of two elements – an [online survey](#) and a series of questions in this consultation document. These questions are framed around seeking the views of the public in relation to the vision for the Irish agri-food sector to 2030 and the environmental, economic and social dimensions of the sector during that period.

Given that the sector is faced with a series of challenges and emerging trends which are expected to influence its development in the coming decade, these have been set out in summary form and can be found in Appendix I of this document. In addition, a background paper on the economic overview of the agri-food sector is being published which may be of use in better understanding its broad structure and performance. Cognisance should also be taken of significant national plans and strategies that are likely to affect the agri-food sector in the period covered by the strategy, including but not limited to: [Project Ireland 2040](#), the national [Climate Action Plan 2019](#), [Future Jobs Ireland](#), the [Action Plan for Rural Development](#), the trade strategy [Ireland Connected](#), [Global Ireland – Ireland’s Global Footprint to 2025](#), [The National Policy Statement on the Bioeconomy](#) and [Harnessing our Ocean Wealth](#).

A number of other public consultations are taking place this year on some policy areas of relevance to the development of the 2030 Strategy, including the [Draft National Air Pollution Control Programme](#), the [2019 Nitrates Derogation Review](#), and the [Draft Agriculture, Forest and Seafood Climate Change Sectoral Adaptation Plan](#). For this reason, this consultation document for the development of the 2030 agri-food Strategy has tried in so far as possible not to duplicate the questions posed in those consultations. In addition, it is intended that the outcomes of related consultations will be taken into account in the development of the Strategy.

Respondents can choose which of the questions in the consultation document they respond to. All submissions are welcome and will be considered in developing the Strategy.

The document and the online survey are open until the **1<sup>st</sup> October 2019**.

In order to aid the process of responding to this public consultation, a separate ‘Response Form’ is available for respondents to complete and this should be submitted by e-mail if possible, or in writing to:

**E-mail submissions:** [2030strategy@agriculture.gov.ie](mailto:2030strategy@agriculture.gov.ie)

**Postal submissions:**

Agri-Food 2030 Strategy Public Consultation  
Department of Agriculture, Food and the Marine,  
Economics & Planning Division  
Agriculture House,  
Kildare Street,  
Dublin D02 WK12

The online survey can be found here:

<https://www.surveymonkey.com/r/Agri-Food2030Consultation>

***Freedom of Information***

**In the interests of transparency, DAFM intends to publish on its website all submissions received in response to this consultation and the identity of the party making the submission, including their affiliation. Any submission containing confidential, private or commercially sensitive information or material should therefore clearly identify that information or material and specify the reasons for its sensitivity. All submissions received will be subject to the provisions of the Freedom of Information (FOI) Act 2014 and may be released or published on foot of third party applications or otherwise.**

**By responding to the consultation, respondents consent to their name and affiliation being published online with the submission. The Department will redact all other personal data prior to publication.**

***Privacy Statement***

**The Department of Agriculture, Food and the Marine is committed to protecting and respecting your privacy and employs appropriate technical and organisational measures to protect your information from unauthorised access. The Department will not process your personal data for any purpose other than that for which they were collected. Personal data may be exchanged with other Government Departments, local authorities, agencies under the aegis of the Department, or other public bodies, in certain circumstances where this is provided for by law.**

**The Department will only retain your personal data for as long as it is necessary for the purposes for which they were collected and subsequently processed. When the business need to retain this information has expired, it will be examined with a view to destroying**

**the personal data as soon as possible, and in line with Department policy. Further information on Data Protection can be found on our website [here](#)**

## 2 Food Wise 2025

Ireland has benefited from taking a long-term view of strategy development through the series of rolling 10 year strategies for the development of the sector, agreed by all stakeholders and driven by Government. Launched in 2015, Food Wise 2025 set out a vision of ambitious but sustainable growth for the sector over the next decade, with key cross cutting themes of improving sustainability, developing human capital, and promoting innovation, competitiveness and market development. It included more than 400 detailed recommendations, spread across the cross-cutting themes; as well as specific recommendations for key sectors within the industry. The Food Wise Committee suggested that ambitious growth projections for the value of the sector were achievable if the recommendations were implemented – for example projecting an increase of 85% in the total value of exports to €19 billion, and an increase of 23,000 in direct and indirect employment, by 2025.

A policy or strategy is only as good as its implementation and Food Wise has seen a very active implementation process. The High Level Implementation Committee is chaired by the Minister for Agriculture, Food and the Marine, involving senior officials from relevant Government Departments and State agencies. The Committee has met up to seven times annually to drive progress, as well as engaging with stakeholders on key sectoral issues.

In the context of evaluating the effectiveness and performance of Food Wise 2025 and in looking ahead to the new strategy, the following questions are posed:

### Question 1

**How important has Food Wise 2025 and previous strategies been in providing strategic direction for the agri-food sector? How do you think it could be improved in the new strategy?**

### Question 2

**Do you think that the five cross-cutting themes (environmental sustainability, human capital, competitiveness, innovation and market development) should continue to feature in the next strategy? Are there alternative approaches or themes that you would suggest?**

### Question 3

**What do you think should be the absolute priority for the agri-food sector strategy to 2030?**

### 3 Strategic Context –Issues, Challenges & Trends

The issues, challenges, opportunities and trends for the agri-food sector currently and in the period to 2030 include (in no particular order):

- The National and Global Economic Outlook
- Environmental Sustainability
- United Nations Sustainable Development Goals
- Bioeconomy opportunities
- Global Demographic Trends
- Dietary Shifts
- Consumer & Societal Demands and Expectations
- Markets and Trade Environment, including Brexit
- Regulatory and Policy Environment, including the EU’s Common Agricultural Policy and Common Fisheries Policy
- Risk and Volatility Management
- Digital / Disruptive Technologies
- Labour Supply and Demand

Some background to these is set out in more detail in Appendix I.

In the context of these issues, challenges and trends, the following questions are posed:

#### **Question 4**

**Do you agree that these are the most important challenges and emerging trends for Irish agri-food in the period to 2030? Are there others that should be considered?**

#### **Question 5**

**What do you think could be done to improve resilience to risks across the sector, from ‘farm to fork’?**

## 4 Vision

Having a vision for the Irish agri-food sector will be an important part of the new strategy. This will frame the approach to the strategy and provide a clear direction for all, both within and outside the sector, on the ambition to 2030. In this context, the following questions are posed:

### **Question 6**

**What do you think the vision for the sector to 2030 should be?**

### **Question 7**

**What do you think will be the most important contribution(s) of farmers/fishermen and the food industry to Irish society in the period 2020 to 2030?**

### **Question 8**

**What do you think would be the key words that you would wish to associate with the agriculture, fishing, forestry and food sector in 2030?**

## 5 Environmental Dimensions

The agriculture and food sector is faced with a myriad of environmental challenges, from climate change to water and air quality and biodiversity. For example, our unique land use cover and high degree of livestock farming, but also the absence of a large manufacturing or heavy industry, have resulted in the agriculture sector accounting for one third of greenhouse gas emissions in the total economy. While Ireland has a low carbon footprint per unit of production, reducing the sector's total emissions and contributing to the Government's Climate Action Plan will be to the fore in the next ten year strategy for the agri-food sector.

In this context, the following questions are posed:

### Question 9

**What can be done to improve the extent and rate of uptake of practices that improve water and air quality, mitigate greenhouse gas emissions and protect biodiversity? What are the barriers to uptake of those practices?**

### Question 10

**How can circular agriculture, the blue economy and the bioeconomy be integrated into the next strategy to build new value chain opportunities?**

## 6 Economic Dimensions

Given that the agri-food sector accounts for almost 8% of employment and 10% of merchandisable exports, it clearly plays an important role in the Irish economy, particularly in rural and coastal areas. It is important that policies for the agri-food sector are fully integrated with economy wide policy approaches. Jobs and growth are priorities for any economy and the agri-food sector can contribute very effectively to these. The sector also plays a vital role in ensuring a diversified enterprise base within our economy and in balanced regional development by providing employment opportunities in rural areas.

On the other hand, only one third of farms are classified as economically viable, while another third are sustainable and the final third are vulnerable. Within this, dairy farm systems have a substantially higher average income and economic return to land than any other system.

From a food industry perspective, the sector contributes over 60,000 jobs and has a turnover of around €21 billion with Gross Value Added in the region of €6.5 billion.

In this context, the following questions are posed:

### Question 11

**What do you think the drivers and barriers will be for improving the economic viability and performance of farms, fishing businesses and agri-food businesses in the period to 2030?**

### Question 12

**Innovation is now widely recognised as a key driver of long-term growth and sustainable development. What type of approaches and processes could assist the Irish agri-food innovation system to address economic and societal challenges and facilitate increased networking, collaboration and investment in sustainable growth areas?**

### Question 13

**What actions need to be taken to ensure that Irish agri-food captures more value in both our domestic and export markets?**

### Question 14

**Are there any other learnings or best-practice examples in other economic sectors or other countries that could be applied to improve the competitiveness and innovation of the Irish agri-food sector?**

## 7 Social Dimensions

The social impacts of farming are important in maintaining employment and social wellbeing in the broader rural community, thus underpinning quality of life and contributing to other economic sectors such as tourism. However, there is a slow rate of generational renewal in farming, despite a wide range of policies and financial incentives to support earlier farm transfer and partnership arrangements. In addition, consumer and broader societal expectations both here in Ireland and abroad relating to trust and confidence in food production systems, ethical considerations, and other similar 'social' concerns have become an important consideration in ensuring a thriving and sustainable agri-food sector.

In this context, the following questions are posed:

### Question 15

**What measures need to be taken in the period to 2030 to improve the social sustainability of Irish farms?**

### Question 16

**Given the relatively slow progress being made in generational renewal on farms, what type of policies could be implemented to speed this up?**

### Question 17

**Businesses are increasingly being measured by society not only on their economic performance but also on their corporate and social performance. What should the Irish agri-food industry be doing to address this? What key words would you wish to associate with a socially responsible agri-food sector?**

### Question 18

**Societal concerns around ethical and sustainable practices, including animal welfare and the use of medicines and other inputs, as well as broader food and feed safety and authenticity concerns, have been growing in prominence and some have connected this with a social licence to farm/fish. How do you think the next strategy should address this to further enhance our credentials in these areas?**

## Appendix I

### The National & Global Economic Outlook

The domestic economy is performing well, with growth of 3.9% expected this year and a labour market that is almost at full-employment. The unemployment rate (4.4%) has fallen by over 11 percentage points since 2012 and the highest quarterly level of exports was recorded in the fourth quarter of 2018 at €100 billion. Looking ahead, GDP growth of 3.3% is forecast for 2020 and the economy is then expected to converge towards its 'potential' rate of growth of around 2.25% per annum over the medium term. However, this is predicated on a number of assumptions, including a transition period between the EU and the UK following its departure from the union for a period, with a free trade agreement operating thereafter.

Global economic activity is slowing, with a sharp fall observed towards the end of last year and the beginning of 2019, mainly due to a downturn in global manufacturing and trade. Global GDP growth is expected to slow from 3.5% in 2018 to 3.2% in 2019 while in 2020, the global economy is forecast to recover somewhat with annual GDP growth of 3.4%. Beyond short-term cyclical challenges such as geo-political tensions and vulnerabilities in emerging economies, it is considered that more fundamental challenges lie ahead in the medium term. The previously shared consensus on progressive economic integration is being challenged and some of the building blocks that have underpinned the international trade architecture are under pressure. Most importantly from an Irish perspective, the possibility of a no-deal Brexit in the autumn presents an enormous challenge. The Governments Summer Economic Statement 2019 reports that the impact of a disorderly Brexit would be to reduce the level of growth by 3 percentage points (below what it would otherwise be) in the first year following exit, and to reduce the level of GDP by almost 3.5 percentage points after 5 years, rising to 5 percentage points (relative to baseline) over the longer term. Other structural challenges include an ageing population, the rising importance of automation and, crucially, the need to transition to a low carbon economy.

### Environmental Sustainability

Ireland's agri-food sector has a strong reputation internationally for environmental sustainability. Notwithstanding this, food production can be a source of water and air pollution and GHG emissions, and some agricultural practices can lead to biodiversity loss. Climate change is projected to negatively affect agricultural production in many countries and disrupt global agricultural markets in the absence of proper adaptation responses. Given that global food production accounts for 24% of the worlds CO<sub>2</sub> emissions, and in Ireland agriculture accounts for 33% of emissions, the task facing the sector to mitigate this is challenging. For example, even though forest cover is at its highest level in over 350 years, Ireland still has the 3<sup>rd</sup> lowest area of landmass under forest in Europe. The next National Forestry Programme has already been given ambitious planting targets under national Climate Action Plan 2019 and it is clear that new approaches will be needed to meet these. In addition, agriculture accounts for 99% of ammonia emissions and is considered one of the main threats to habitats, species and biodiversity loss. Agriculture, along with domestic wastewater discharge, is also one of the primary reasons for not meeting water quality objectives.

While agriculture and food production is not the only pressure on the environment, it is a significant one and so it will be expected to adopt more efficient and sustainable practices,

including potentially examining diversifying agricultural and land use systems, to improve its contribution to overall environmental sustainability and to meet regulatory, market and societal expectations in this regard. There is a recognition among stakeholders that the natural environment and agriculture are co-dependent on each other and this relationship must be enhanced.

### **Sustainable Development Goals**

The UN Sustainable Development Goals (SDGs) set out a vision and provide a blueprint for a safer, fairer, more prosperous and sustainable world by 2030. Given that the challenges for the food system are a crucial aspect of the broader challenges facing humanity as a whole, it follows that of the 17 SDGs, nearly all link either directly or indirectly to the global food system. Food security is linked to SDG2 (zero hunger) and SDG3 (good health and well-being). Livelihoods and rural development are reflected in SDG1 (no poverty), SDG6 (decent work and economic growth), and SDG10 (reduced inequalities). Sustainable resource use and climate change mitigation are contained within SDG12 (responsible consumption and production), SDG13 (climate action), SDG14 (life below water) and SDG15 (life on land). SDG 17 recognises in particular that a successful sustainable development agenda requires partnerships between governments, the private sector and civil society. These inclusive partnerships are built upon principles and values, a shared vision and shared goals. Other SDGs will also be important to meeting the challenges facing the food system, including those relating to education, institutions and gender equality.

### **Bioeconomy Opportunities**

Promotion and development of the bioeconomy are considered crucial to the sustainable growth of the agri-food sector and national economy. Making the transition towards a circular, low carbon and resource-efficient bioeconomy will require more research and innovation right across the agri-food sector in resource-efficient production and distribution systems, value-chains based on new and more efficient use of wastes (e.g., food waste), residues and by-products, as well as new business models that maintain and enhance natural capital. Circular agriculture, food, forestry and fisheries, and the bioeconomy, will play an important role in Irelands move to a more sustainable economy and environment and will have broad support of society, markets and consumers.

### **Global Demographic Trends**

The needs of a growing and more affluent global population for food and raw materials will drive the demand for agricultural commodities over the next ten years. The global food system is expected to provide safe and nutritious food to a population that will likely grow from 7.5 billion people today, to nearly 10 billion by 2050. Global utilisation is expected to be shaped in particular by the population-driven food demand in Sub Saharan Africa, income-driven demand for higher value and more processed foods in emerging economies and changing consumption patterns resulting from a steadily increasing health, environmental and sustainability awareness in advanced economies.

Despite a positive overall economic outlook for the world, income growth and distribution is expected to continue to remain uneven across and within countries, which affects projected demand growth. With 55% of the global population currently residing in urban areas, a figure that is expected to grow to 60% over the next decade, urbanisation is another important influencing factor on demand for food, particularly for higher-calorie food. Migration to urban areas tends to open new income opportunities as well as changing lifestyle to one which is potentially more time constrained and also exposed to new foods and new ways of eating foods.

### **Dietary Shifts**

In high-income countries, growing awareness of health and sustainability issues is increasingly shaping consumer decisions. This effect has contributed to the rising popularity of lean meats, such as poultry. There is also an increasing trend towards diets where meat intake is reduced in favour of plant-based sources of protein, i.e. flexitarian diets, or even where meat is removed entirely, i.e. vegetarian or vegan diets. In the longer term, the future may involve substituting meat produced through conventional farming means with food produced in a completely new way – ‘meat analogues’. These are plant-based and cultured products that aim to be equivalent substitutes for animal-derived meat. There are also a range of other shifting consumer and dietary preferences such as increasing consumption of certain organic foods in certain markets, demand for fortified and functional foods, ‘grab-and-go’ food, amongst others. Livestock-based food producers in particular will have to position themselves to compete with these new and emerging influences.

### **Consumer & Societal Demands and Expectations**

While trust in Irish agriculture and food is generally high, particularly when compared to many other important agricultural countries, there are emerging issues which could put this high level of trust in jeopardy. For example, the use of antimicrobials and their role in drug resistance is increasingly of concern to consumers. Equally, animal welfare is receiving more and more attention, such as in the areas of production intensity, animal transport and live animal export, and particular animal husbandry practices. Consumer trust also extends to the critically important area of food safety and food authenticity, with every infringement in these areas further denting consumer confidence and trust in the food chain. Our food safety and production standards are key to consumer confidence in Irish food and drink products both at home and abroad. While the possibility of food contamination or an outbreak of food-borne human illness clearly represents a risk to the health of citizens, a food safety incident of Irish origin or a major disease outbreak in farmed animals in Ireland could also jeopardise international trade in Irish food.

### **Markets and Trade Environment, including Brexit**

Trade in agriculture and food is critically important to Ireland given that we export 80-90% of our livestock-based output. The nature of trade is changing in that while multilateral rules are still negotiated and overseen by the World Trade Organisation, there has been a plethora of regional and bilateral trade agreements globally. The EU, for example, has secured agreements

with important export destinations such as Canada, Japan, Vietnam, Singapore and Mexico. It has also recently secured political agreement for a trade deal with the Mercosur countries which will pose some significant competitive challenges, for the beef sector in particular. Obtaining a balance between offensive and defensive interests in trade agreements remains challenging. In addition to unforeseen political shocks, trade tensions, and other issues such as exchange rate fluctuations and increased tariff and non-tariff barriers can have an important bearing on agricultural and food markets and trade.

One important political and economic shock that will have a significant bearing on Ireland and the agri-food and fisheries sector in particular is the departure of the UK from the EU, if a no-Deal Brexit happens this autumn. Until such time as the future trading relationship between the UK and the EU is agreed, it is difficult to predict the extent of the impact of Brexit on the sector. However, it is evident that efforts in relation to market diversification will continue to be highly relevant.

### **Regulatory and Policy Environment (including the CAP & CFP)**

Regulations and policies will need to keep pace with changes in societal expectations around food safety, food authenticity, environmental sustainability, animal welfare, anti-microbial resistance and a range of other issues. The EU Common Agricultural Policy (CAP) is currently undergoing reform for the period 2021-2027. The general objectives are to; foster a smart, resilient and diversified agricultural sector ensuring food security; to bolster environmental care and climate action and to contribute to the environmental and climate related objectives of the Union; and to strengthen the socio-economic fabric of rural areas. The new CAP will set out rules on; support for CAP Strategic Plans; on the financing, management and monitoring of the common agricultural policy; and rules establishing a common organisation of the markets in agricultural products. Evidently, there is also a large number of other national and European regulations impacting on the sector which are too numerous to identify individually, but they would include, for example, the Habitats Directive, the Water Framework Directive, the Birds and Habitats Directive, the Official Controls Regulation, amongst others.

Meanwhile, most of the fisheries stocks within our waters come under the remit of the Common Fisheries Policy which was most recently reformed in 2014 and will be reviewed again in 2022. This policy aims to ensure that fishing and aquaculture are environmentally, economically and socially sustainable and that they provide a source of healthy sustainably food for EU citizens.

### **Risk and Volatility Management**

The agricultural sector has always been exposed to volatility. Swings in product and input prices tend to be larger in agriculture than in other sectors. This is partly due to the reliance of production on natural conditions and weather influences, and partly to the specificities of agricultural commodity markets that can lead to sharp reactions to changes in supply. Disease outbreaks and adverse weather events, such as floods and droughts, also contribute to supply volatility and can negatively impact producer incomes, markets, trade and consumers. These are expected to become more frequent as a result of climate change.

Risk management tools are essential to enable farmers to anticipate, avoid and react to shocks – whether ‘normal variations’ in production, prices or weather, infrequent but severe events beyond farmers or markets capacity to cope, or in between these.

### **Digital / Disruptive Technologies**

A new technological revolution is taking place in agriculture and food with the development of a wide range of innovations promising to substantially change the way we grow and distribute food. These include using satellite data to monitor crop growth, land quality, water resources, or other environmental outcomes; combining sensors, automated farm machinery and advanced analytics software to fine-tune and automate agricultural production; machine learning to automate advisory services and using digital technology to connect farmers in new ways; and experimenting with blockchain technology and other innovative data management systems to improve efficiency and transparency of agri-food value chains.

Together, all of these developments hold the promise of achieving more resilient, productive and sustainable agriculture and food systems and enabling comprehensive farm-to-fork traceability. However, there are features of agri-food that make digital technologies both interesting and challenging, for example adoption at farm level, their ultimate impact on profitability, and issues around data ownership, access, use and quality.

### **Labour Supply and Demand**

The labour market in Ireland continues to tighten. The unemployment rate at 4.4% (May 2019) is now the lowest since January 2005, thus posing a labour supply challenge across the economy, including in the agri-food sector. In parallel, job opportunities and wage rates are higher in other sub-sectors of the economy. A further compounding factor for the agri-food labour market is that employers report staff that came from some of the countries that joined the EU on 1<sup>st</sup> May 2014 have been returning to their home countries as the economies there have improved significantly. Sectors such as dairy farms, horticultural farms, meat processors, wood processors and others are reporting significant difficulties in attracting and retaining labour and this has immediate and longer term implications for the overall industry.