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Economics and Planning Division,
Department of Agriculture, Food and the Marine,
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Kildare Street,
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14.01.15

Re: 2025 Agri-Food Strategy Public Consultation Questionnaire

Dear Sir/Madam,

An Taisce would like to make the following comments in response to the 2025 Agri-Food Strategy Public Consultation Questionnaire.

An Taisce has participated in public consultations on FH2020 from its inception and would appreciate notification of further consultations arising from this process.

Yours sincerely,

Eoin Heaney
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2025 Agri-Food Strategy Public Consultation Questionnaire

Join Us

An Taisce, the National Trust for Ireland, is a membership-based charitable organisation committed to enhancing our quality of life, heritage and environment.

www.antaisce.org/membership

1.0 Has Food Harvest 2020 delivered on its vision for the Agri-Food Sector in Ireland?

1.1 Are we on course to deliver on the strategy envisaged in Food Harvest 2020?

No. FH2020 offered a vision based on three pillars – smart, green, and growth. The failure of FH2020 to achieve any progress in minimising cumulative damage to both the Irish environment and the global carbon budget topples the ‘green’ pillar. Without this pillar the strategy loses viability.

It is important to note that agriculture was responsible in 2012 for one third (32.1%) of Ireland’s total climate emissions. This is much higher than our transport, energy or industrial sectors. The EPA projects an increase of 12% in agricultural emissions by 2020 as a direct result of Food Harvest 2020, so things are set to get worse, not better, based on current policy. This presents a huge challenge and calls into question the entire expansionist methodology of Food Harvest 2020.

In this context, the 2020 target of increasing milk production by 50% - following the end of milk quotas in 2015 - is of particular significance as it will result in an exponential growth in greenhouse gas emissions. If this course of action is maintained, Ireland is set to incur heavy fines from the EU for failing to meet its already agreed emissions reduction targets for 2020.

An Taisce believes that the strategy underpinning Food Harvest 2020 is counter to the scientific reality of and obligations to address climate change. Further, it creates challenges for the implementation of the existing environmental legal framework under Irish and EU law, and takes unnecessary risks in the global market place by focusing too much on a drive towards mass production.

A rational, alternate approach would see a refocusing on high value niche products and a shift away from over-reliance on the beef and dairy sector. Serious thought needs to be given to an import substitution policy for horticulture, which would diversify the agri-food sector as a whole and properly engage the issue of food security for the island of Ireland.

1.2 How can the strategy for the agri-food sector be improved for the next decade?

Beef and dairy intensification is simply unsustainable. The agri-food sector needs to diversify away from its over reliance on the beef and dairy sectors which are vulnerable to external commodity price shocks and whose environmental footprint is already expanding concurrent with targeted growth rates. This is setting Ireland on a collision course with the EU over breaches of agreed greenhouse gas emission levels.

Cutting greenhouse gas emissions from agriculture requires cuts in livestock numbers. A simple truth of livestock emissions is that more livestock produce more emissions despite claims to the contrary by the Minister for Agriculture.

An Taisce advocates looking towards not only lower volume, high quality beef and dairy output, but also a renewed focus on horticulture and organic produce. Ireland imports an unacceptable amount of fresh produce to the value of €850 million per annum. This issue needs to be addressed in order for FH2020 to take the issue of domestic food security seriously.

1.3 Are there emerging market opportunities that should be considered as part of a new strategy for the sector to 2025?

Expansionist market drives need to take into account all the externalities of production to be fairly costed. Unless action is taken now, after 2021, very large EU fines are likely to be incurred by Ireland due to excess emissions in the period to 2020. Will the livestock industry up to 2025 be paying for the excess emissions caused by FH2020 or will the fines incurred as a result of exponential growth in livestock be passed on to the Irish taxpayer?

As noted above, an import substitution policy in favour of rebalancing Ireland's reliance on imported horticulture, in particular fresh produce, has the potential to generate jobs, stimulate local rural economies, and contribute to Ireland's food security while diversifying the agri sector as a whole.

Further market opportunities which should be explored include the low volume, high value organic market, particularly in the UK and mainland Europe.

1.4 What should be the scale of our ambition for the sector?

An Taisce believes the Food Harvest 2020 programme to be an over scaled, supply driven undertaking which is already having a quantifiably adverse effect on the environment in the form of increased greenhouse gas emissions. Rather than focusing on exponential volume growth, a low-volume, high-quality, high-margin value-added produce model must be considered as an alternative.

The scope of ambition for the sector must be within EU emissions targets already agreed to by Ireland.

2.0 Sustainability / Climate Change

2.1: How can Ireland build on existing policies and standards to promote more sustainable agriculture, forestry and fisheries and to meet our national, EU and international commitments in these areas?

Ireland needs to set strong annual targets for agriculture within its long term carbon budget. This is commensurate with the country's Copenhagen Accord commitment to cut emissions in line with science and equity and cannot be achieved in the presence of beef and dairy intensification.

How do we reconcile these actions with the need to optimise food production, economic growth and job creation ?

Ireland needs to plot a rapid course away from livestock agriculture and towards indigenous horticulture through large scale research and development by Teagasc. Food Harvest 2020 is regrettably lacking in any vision to enhance Ireland's food security or current dangerous dependence on the import of grain, animal feed and high green house gas generating fertilizer. There is no serious evaluation of the potential of increased fruit and vegetable production to replace the current unsustainable level of imports at €850m per annum.

In tandem, Ireland needs to ensure that sustainably managed carbon sequestration in peatlands and forestry is a focus for investment. A society wide commitment for urgent climate change mitigation is now warranted and agriculture (representing 32% of all Irish emissions) must play its part.

2.2 In the context of the development of the agri-food sector to 2025, what specific actions should be taken by farmers/fishermen, processors and the State on:

Greenhouse gas emissions and sequestration

The State should, as a matter of urgency, assess in a scientific way all available options in Ireland in terms of shifting production away from beef and dairy, and towards much less GHG intensive produce. Only in this way will Ireland be able to achieve absolute emission reductions from the agricultural sector.

Teagasc - which should be spearheading such considerations - simply rejected them out of hand in its submission on the Climate Bill (see section 3.4: http://www.teagasc.ie/publications/2011/61/61_ClimateBillSubmission.pdf), on the basis that "Teagasc contends that an 'absolute emissions' metric is inappropriate for the agricultural sector", instead considering "emissions intensity" the appropriate metric.

Ignoring climate science will not make climate change disappear. In this regard, we strongly recommend the following analysis: <http://www.thinkorswim.ie/index.php/milking-the-climate-system-irish-style/>

In terms of sequestration, the State should urgently take steps to bring all peatland extraction and drainage to an end, and should bring forward a large scale restoration programme. This would massively improve the sequestration capacity of peatlands, and will reduce the carbon source effects of those peatlands which cannot be returned to carbon sinks.

On the forestry side, the State should avoid an analysis which regards increasing afforestation as necessarily a good thing. The ever-increasing planting of non-native monoculture forestry - in some case on peatlands - is unsustainable. The full carbon balance of such planting must be considered (e.g. planting trees on bogs will not necessarily result in a net improvement in emissions terms, even if the trees sequester some carbon).

Air, water and soil quality

The State should push for an EU Soils Directive, and should fully implement its obligations under the EU Water Framework Directive and Marine Strategy Framework Directive.

Biodiversity

The State should take steps to fully implement the Birds and Habitats Directives in Ireland, including the obligation to protect the wider countryside. To date, implementation has been patchy and piecemeal. Moreover, the Department of Agriculture has not given its wholehearted support for nature conservation obligations, which it appears to regard as something for other government departments to deal with.

This is evidenced most clearly by the Department of Agriculture's unilateral decision to reallocate > EUR400m away from Natura 2000 sites in the 2007-2013 CAP period, without the knowledge of the National Parks and Wildlife Service. Our brief thoughts in this area are set out here: <http://www.irishexaminer.com/farming/profile/eu-funds-must-be-used-to-protect-environment-261774.html>

Bioenergy development

The EU's Renewable Energy Directive provides that Member States must (collectively) generate 20% of their energy from renewable sources by 2020. For transport the figure is set at 10%. On the surface this may seem to be a positive development. However, the policy is raising food prices, driving land grabs, and due to Indirect Land Use Change (ILUC) may in fact be leading to increased greenhouse gas emissions.

The root of the problem is that fuel crops are by default classified as renewable. The use of bio-ethanol and bio-diesel is by far the easiest and cheapest way for Member States to increase the renewable fuels in their fuel for transport mix. Instead of using agricultural bi-products, farmers are being displaced in many developing countries by companies

producing First Generation Land Based Biofuels for European cars. This means that such farmers are being denied access to the land on which they rely for food. Farmers in this situation often resort to converting adjacent uncultivated land for agricultural use, causing increased greenhouse gas emissions and biodiversity loss.

An Taisce, along with a consortium of European NGOs, has been lobbying to have the Renewable Energy Directive amended with the introduction of a cap on First Generation Land Based Biofuels of 5% and mandatory ILUC accounting. Such a proposal was prepared by the European Commission, and was spearheaded by Corinne Lepage, a French MEP. However, the proposal was weakened in the European Parliament to include a 7% cap and watered down ILUC accounting, and was subsequently rejected by the Council of the European Union (i.e. the Member States) in December 2013. The proposal was rejected by a slim majority and will be before the European Parliament again in spring 2015. Although the deal has been watered down significantly, An Taisce believes it would represent an improvement and curb the current harm that is being done.

Sustainable fisheries and aquaculture

Fisheries and aquaculture policy must be evidence-based and based on the best available science. The EU having recently negotiated an historic CFP deal, it is now incumbent on the State and the industry to embrace the agreed reforms, and to avoid falling back on old patterns of annual political horse trading over quotas, ignoring scientific advice (e.g. <http://www.irishtimes.com/news/ireland/irish-news/ireland-resists-radical-cuts-in-key-fish-quotas-1.2040191>).

In terms of aquaculture, An Taisce's views are set out in full here: <http://www.antaisce.org/issues/fish-farms-aquaculture>.

3.0 Global market context including opportunities for FDI

3.1 What major changes/challenges are likely to emerge in the global market for food and drink in the period to 2025?

Major changes in the global food and drink market will be reflected in the situation for Irish farmers.

Challenges for Irish farmers going towards 2025

Some of the major challenges for farmers are increased volatility in raw ingredient and produce costs both in terms of input costs for the farmer and in terms of the price that can be achieved for his/her produce.

Farmers in Ireland are moving increasingly to selling their product on the forward markets, this is certainly true of arable farmers and will increasingly be the way forward for beef and dairy farmers. In addition the price paid by dairy companies for liquid milk and by the

meat processors for primary meat produce is determined by the world market price for the commodities they produce from these raw materials for onward selling.

The result of this volatility will be to consistently reduce the number of small to medium sized farmers. Increased volatility will lead to small farmers being unable to sustain a number of successive poor agricultural product price years. Even in good years some of these farmers will be caught out by forward contracts that they commit to, eliminating the bonus or restock year that buoyant agricultural prices provide.

Environmental damage

As climate change progresses the trend to wetter summers, increased rainfall predominantly in the west and centre of the country will increase. So will the quantity of the pesticides required even before considering an increase in their price per unit.

Destructive nature of volume production to our uniqueness

The trend, therefore, as we head nearer 2025 will be for larger super farms and a focus on feed lot farming. The increased volatility in world agricultural commodity /food ingredient prices will necessitate this in order to dampen the dynamic effect of the volatility of agricultural prices and ever increasing farm input costs through scale. In other words economies of scale will be the only way for farming to survive. This leads effectively to the development of these super farms into cost to grow and stated margin contracts where they sell their agricultural outputs either directly to the multinational food processing companies or on the futures market. But in turn who are these farms competing with, larger farms somewhere else in the world.

Ireland's current agri-food policy as indicated by Harvest 2020 is to compete on world markets based on quality, sustainability and a clean environment. Ironically the development and consolidation of farms into super farms and the ever increasing demand for increased volume in output will eliminate the latter two unique selling points. Based on the lack of environmental measures to protect the country arising from increased production under FH2020, any further increase in volume terms logically will lead to an accelerated decline, particularly in water quality which will have directly associated negative impacts on biodiversity and soil quality. At that stage we will have eliminated our unique selling points and we will just be trying to sell as much agricultural product as we can on the world market with the rest of the world producers. The latter who may claim that their systems of production are sustainable, particularly in the absence of defined standards for sustainability and the promotion of looser frameworks or mere guidelines, (instead of agreed rigorous standards), suited to dominant global food multinationals.

Further huge challenges arise in trying to meet our greenhouse gas emission targets which are outlined earlier in our submission.

These targets can only be met with better farm management, a stop to ever increasing volume production and a clear plan to move the industry to higher value added which decouples agriculture from environmental damage in any form.

3.2 How could Ireland be better placed to compete in the global market over the next decade?

If Ireland is to fulfil its obligations to reduce greenhouse gas emissions and recognise the deep limitations of the cumulative carbon budget that can be dumped into the atmosphere, we must alter our approach to selling our agricultural produce on the world market. We must depart from volume selling and move to niche markets. Any sales of agricultural produce on world markets must take account of its full carbon footprint in looking at its full impact on greenhouse gas emissions.

Niche world markets

Unique market position of Irish agricultural produce

We are somewhat unique in how non Irish people regard Ireland as an unspoilt, untainted country. A place where people regard our food and agricultural products as clean, healthy, environmentally good and essentially good for them. This is not surprising as we never had an industrial revolution, so the land with a few notable exceptions is free of heavy metals and other manmade carcinogens. It also helps that the colour of our countryside is green, a colour mankind generally accepts as suggesting health. While our lands are green all year round, Europe burns and will burn in ever hotter summers. So we have a selling point that is unique and that is capable of enduring. We don't have to educate the customer that our produce is good they intrinsically believe this, we are way ahead! So we should capitalise on this, protect it and build on this. Not squander it trying to produce ever larger volumes of milk, beef and arable crops. Because when 2020 comes there will be another agri-food policy plan for 2030 with ever higher targets and so on leading to ever further destruction of our unique selling point.

At this moment in time we are trying to have our cake and eat it and when the polling and marketing companies tell us in 2025 that people believe that we are just mass producers of food with no special qualities at best, (or that other's with much larger marketing budgets have managed to convince their customers that their agricultural production systems are far more sustainable than ours), it will be too late to reverse that move in how Irish produce is viewed on the world stage.

Climate Change

It is accepted that Climate change is occurring as a result of mankind's activities. We are bound to a closed system where in order to prevent us going over the 2 degree Celsius increase in average temperatures, we must accept that emissions from agriculture and all other areas of society must be finite and reduced from current levels.

In order to protect our environment and our farmers we must get "more from less". While annual sales of Irish food and drink products are announced in € values this quickly changes to increased volumes of output of production when it comes to planning for

successive years. Harvest 2020 speaks about increasing dairy output by 50%, but what about value?

More from less

Rather than ever increasing volumes of production we must move into premium products and premium brands. In this way we will achieve the higher € value per kilogram of output – “more from less”. Achieving this transformation is not easy it requires dedication and investment and leadership to ensure that a policy is sustained. Cashel Blue cheese is an example of a high quality product that is also a high quality brand. Strategic investment is critical here so that the necessary decoupling of value growth from negative environmental impact can be achieved so that the future of agri-food and farmers are protected.

Organic produce, properly regulated is a further niche high quality product. While generally Ireland has not seen fit to build and invest significantly in this area it is a sizable international market segment. The global value of organic and natural foods in 2012 was €55billion.

The reasons for buying organic food and produce varies but 55% of English consumers do so for health reasons while just under 50% cite environmental factors for their purchases.

Origin Green

Bord Bia and the Department of Agriculture have made formal steps to recognise the Brand awareness of the image of Irish food and agricultural produce with their new brand Origin Green. Unfortunately this is tuned to be used to sell ever increasing volumes of Irish produce regardless of damage to the brand and the environment. Origin Green should be recalibrated to focus on only the highest standards with full downstream accountability of all outputs including waste from the agricultural process. It should clearly identify the implications of waste from agricultural production on the local and greater environment. It must determine and identify how these implications and results will be dealt with. Only when it recognises that we operate in a closed system will it live up to its full potential.

These are just two examples of achieving higher prices for less produce. Developing now and investing in a radical plan to move agricultural produce away from the mass volume market where we will never win is crucial. Without this plan we will not have sustainable agriculture and sustainable farms.

3.3 Should Ireland seek to better identify and target high value niche markets, and if so how?

The Department of Agriculture has a total budget of €1,251 million in 2015. The main organisation charged with promoting Irish produced food and drink is Bord Bia. To achieve a radical refocus of the sale of Irish produce involves a large sustained investment. This

investment is required to support and develop the companies and to give them access to the appropriate markets.

This investment by the Government could be funded for example by a levy on existing producers of Irish food and drink products where they use the term "made in Ireland". Existing producers are effectively using the brand of Ireland's innate quality when they use Irish ingredients.

This levy could be based on output of € sales of products. The levy would be set annually to ensure that the transformation program of Irish Agriculture would be appropriately funded.

3.4 Should we encourage increased international investment (FDI, Joint Ventures) in our agri-food industry and/or develop strategic alliances with partners in rapidly growing markets?

Only with the above considerations regarding niche markets as opposed to mass production in mind.

4.0 Competitiveness & Innovation

4.1 What can be done to improve the competitiveness of the agri-food sector over the next decade? Are there examples of best practice from abroad that could be adopted in Ireland?

4.2 What measures should be adopted at farm level to improve competitiveness?

4.3 What measures should be adopted at industry level to improve competitiveness?

These questions assume a 'business as usual' high greenhouse gas emissions agricultural industry is tenable. However, even existing government policy says it is not. The present Government is committed to agriculture being Carbon Neutral by 2050, meaning all emissions will be offset by carbon sequestration through peatlands and afforestation. Given this objective FH2020 charts a direct course to failure by failing to cut emissions year on year.

It is pointless talking about the competitiveness of the agri-food sector over the next decade and not addressing the effects agricultural emissions will have on the natural environment. Whether action is taken internally or not to address this, external factors will still have an effect.

External Factors

The development of Irish agriculture will be tied to policy decisions taken internationally as well as market developments. We need only to look back over the effect international commodity prices have had on Irish agriculture over the past five years to see how great an impact this has.

Furthermore, climate change is already having a direct impact on agricultural productivity. The main impact of climate change is extreme changes in weather patterns, the extent to which will place restrictions on the development of Irish agriculture over the next decade. Global markets are incredibly susceptible to price volatility, one of the main causes of which is changes in weather patterns.

The expansion of the dairy sector will depend on whether demand or supply becomes the most dominant factor in the global market and GHG emissions from dairy activities comprise a considerable share of total agricultural emissions. The link between food security and combating climate change may merit alternative approaches to the global governance of agricultural GHG's not unlike Australia's Carbon Farming Initiative cited by the UN as a good example.

To be competitive on a course to carbon neutrality is very different from being competitive in an environment without constraints on weather.

4.4 What emerging / existing technologies might significantly impact on the agri-food sector in the years ahead?

4.5 How can we maximise job creation within a competitive agri-food sector over the next ten years?

4.6 What areas should we prioritise to encourage increased innovation in the agri-food sector?

Given the nature of agricultural emissions, there is a limit to the reductions that can be achieved. Irish agricultural emissions must be reduced by between 42% and 49% in the period to 2050. Achieving improved performance and technology adaption is important but Irish agriculture cannot deliver on this level of reduction while at the same time increasing output.

5.0 Risks

5.1 What do you consider the most critical risks facing the Irish agri-food sector and rank in order (1=highest risk, etc)?

It is notable that the climate and environmental risks are not part of the question, only risks for producers. An Taisce believes that if FH2020 continues on its existing trajectory, the following critical risks will need to be planned for:

1. Environmental damage to water, biodiversity and soil with risks to citizen health and food security.
2. Cost implications for Ireland of EU fines post 2020.
3. Long term climate damage to Irish citizens and Irish farmers by adding to climate risk.
4. Short term commodity price shock on the dairy sector in particular as well as the - debt burden risk for primary producers being pushed into expanding in an uncertain market.
5. Medium term damage to global food security, global health and global society contributed to by excess Irish agricultural emissions.
6. Climate damage to developing nations and future Irish generations, reducing the carbon budget available for their development.
7. The longer term outcome of mass agri-food production is a domestic market dominated by a handful of large agri-businesses which can exert downward pressure on commodity prices for primary producers.

The Department should refer to An Taisce's submission to the National Risk Assessment 2014 last summer for further details on risks climate change give rise to: <http://www.antaisce.org/sites/antaisce.org/files/20140614-gov-nra.pdf>. Climate change is a risk *sui generis* - a category of risk without precedent in human history, one that acts as a threat multiplier in all areas of public policy including investment, property value, economic wellbeing, social protection, public health and national security.

5.2 What measures should be taken to mitigate or better manage potential market and economic risks?

If Ireland is to take the climate threat seriously, a carbon levy on domestic agricultural production and food imports should be considered to drive strong mitigation and prevent

carbon leakage. Without this measure any boasts of 'better carbon footprint' are empty ones.

Further ideas are discussed above including a diversification of the sector and a policy of import substitution.

5.3 How can we best manage risks to food safety, animal and plant health?

A re-evaluation of the scale and viability of the entire FH2020 programme is required to effectively manage risks at all levels.