



1. Agri-Food Sector and the Economy

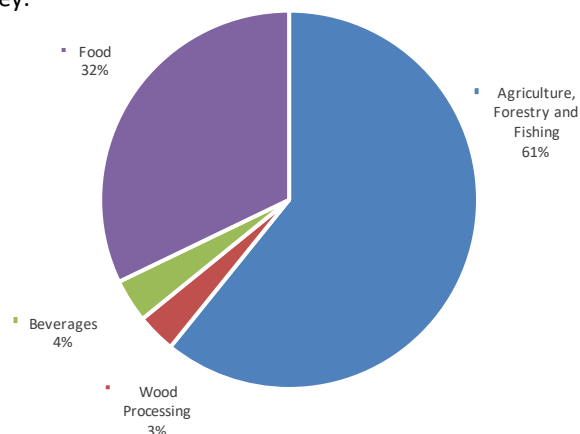
Key Indicators for Agri- Food Sectors	
	% of Total
% of GNI* (Modified Gross National Income) (2017)	7.7%
% of Employment (2018)	7.7%
% value of total exports (2018)	10.0%

According to the 2016 Census of Industrial Production the Food and Beverages Sector accounts for:

12% of all Industry Turnover
(12% of all Manufacturing Industry Turnover)

Employment

Employment in the agri-food sector on average accounted for approximately 173,000 jobs, or 7.7% of total employment in 2018, according to the CSO Labour Force Survey.



Source: CSO, [Labour Force Survey, 2018](#)

Expenditure

Total public expenditure by Department of Agriculture, Food and the Marine was over €3 billion in 2018.

Payments to farmers totalled almost €1.8 billion including Single Farm Payment, Rural Development and Forestry Payments.

Expenditure on Irish Agriculture, 2018	
(Period 1 January to 31 December 2018)	€m
EAGGF Guarantee direct expenditure	€ 1,222
Voted Expenditure (excluding Administration)	€ 1,546
Administration	€ 237
Total Voted Expenditure	€1,783
Total DAFM Expenditure	€3,005

2. Farm Income and Structures

Estimates of Aggregate Agricultural Output, Input and Income.

The CSO's final estimate of operating surplus in agriculture in 2018 shows an annual decrease of €576m (-17%), down from €3,425.2m in 2017 to €2,849.2m. This decrease is in line with the trends shown by other CSO short-term indicators in agriculture.

The main reason for this change was an increase of €690.0m (+13.0%) in intermediate consumption. The main items giving rise to this increase in intermediate consumption are feeding stuffs and fertilisers, which increased by €355.9m (+27%) and €69.2m (+13%) respectively.

A 3.1% decrease in the volume of cattle output combined with falling prices resulted in an overall drop of €101.0m (-4.3%) in the value of cattle. Their value fell from €2,362.1m in 2017 to €2,261.1m in 2018.

Milk output increased by 4.6% in volume, but falling prices resulted in an overall reduction in its value, which decreased from €2,594.1m to €2,555.4m, a fall of €38.7m (-1.5%).

While the volume of crops produced by Irish farmers fell, increased prices resulted in an overall increase in the value of crop output, which rose by 14.6% from €1,824.6m to €2,090.2m, an increase of €265.6m.

Further Information:

[Annual Review and Outlook, 2018](#)

[Factsheet on Irish Agriculture](#)

[DAFM Trade Factsheet](#)

[Brexit Factsheet](#)

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Output, Input and Income in Agriculture, 2018

Main Aggregates	Value €m	Main Commodities	Value €m	% of G/O
Goods Output @ Producer Prices ¹	8,181.80	Goods Output (excl forage)	6,874.20	100.0%
+ Contract Work	453.2	of which		
+ Subsidies - Taxes (Products)	13.9	Cattle	2,261.10	32.9%
Agricultural Output @ Basic Prices	8,648.80	Milk	2,555.40	37.2%
- Intermediate Consumption	6,001.00	Pigs	458.6	6.7%
Gross Value Added @ Basic Prices	2,647.80	Sheep	253.2	3.7%
- Fixed Capital Consumption	907.2	Crops excl Forage	782.4	11.4%
Net Subsidies (Subsidies less Taxes on Products + Other Subsidies less Taxes on Production)	1,690.2	Other Livestock products	563.4	8.2%
- Compensation of Employees	567.7	Forage Plants	1,307.80	
Operating Surplus	2,849.20	Goods Output @ Producer Prices ¹	8,181.80	

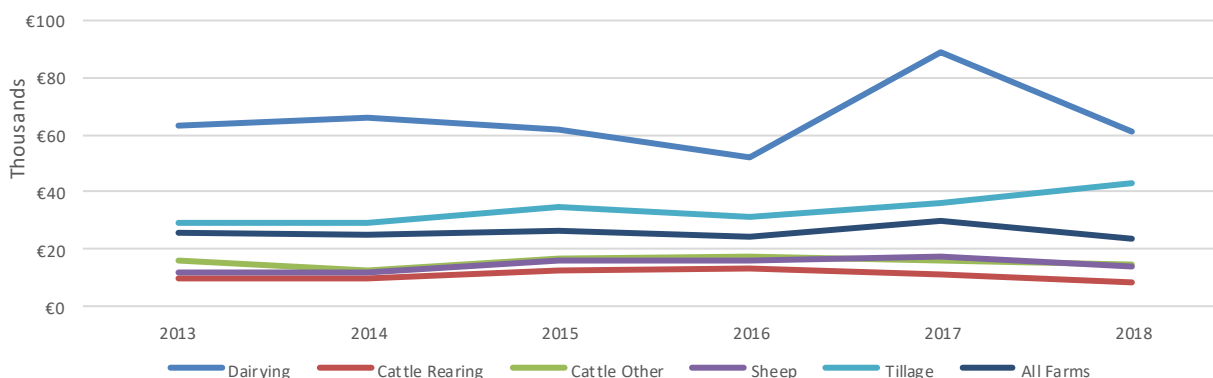
¹ Including Forage

Average farm income 2018

The results of the Teagasc [National Farm Survey 2018 Preliminary Results](#), shows that the average Family Farm Incomes across all systems, average FFI in 2018 was €23,483 a decrease of 21% on 2017 figures, however there is wide variation between systems. Please see chart below for a full break down of Family Farm income by system.

	Dairying	Cattle Rearing	Cattle Other	Sheep	Tillage	All Farms
2017	€88,829	€10,642	€16,115	€17,357	€36,048	€29,774
2018	€61,273	€8,318	€14,408	€13,769	€42,678	€23,483
17/18	-31%	-22%	-11%	-21%	18%	-21%

Family Farm Income by system, 2018



CSO Farm Structures Survey, 2016

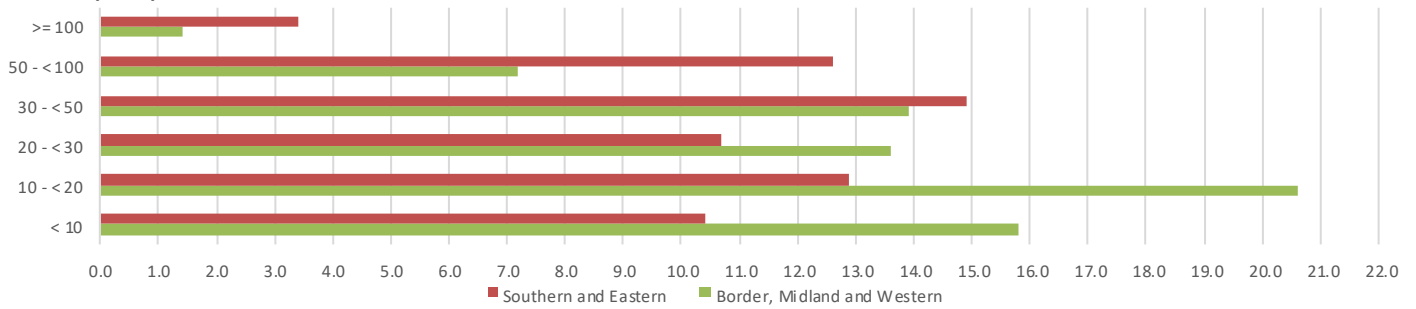
According to the [CSO Farm Structures Survey, 2016](#) there were 137,500 farms in Ireland, 52.7% of which were located in the Border, Midland and Western (BMW) region. The average farm was 32.4 hectares. Farms in the Southern and Eastern (SE) region were 41.3% larger than those in the BMW region, with an average farm size of 38.3 hectares compared to 27.1 hectares.

Almost one in five of all farms (18.0%) were 50 hectares or more in size while just over two in five farms (43.4%) had less than 20 hectares. Over 60% of farms of 10 hectares or less were in the BMW region, while almost 70% of farms of 100 hectares or more were in the SE region. The number of farms and the average farm size remained relatively stable between 2013 and 2016.

The average standard output increased by 27.7% in the three-year period, from €35,912 to €45,855. There were increases in the total number of cattle (+4.6%), sheep (+4.0%) and pigs (+3.4%).



Farm size (AAU) - Hectares



Source: [CSO Farm Structures Survey, 2016](#)

Farm Structures Data for Ireland, 2016

No. of Farms	137,500
of which Family Farms	137,100
Total Agricultural Area (incl. commonage)	4,883,600
Average Farm Size	32.4 hectares
Family Farm Holders by Age	
Under 35	7,400
65 and over	41,200

Land Prices

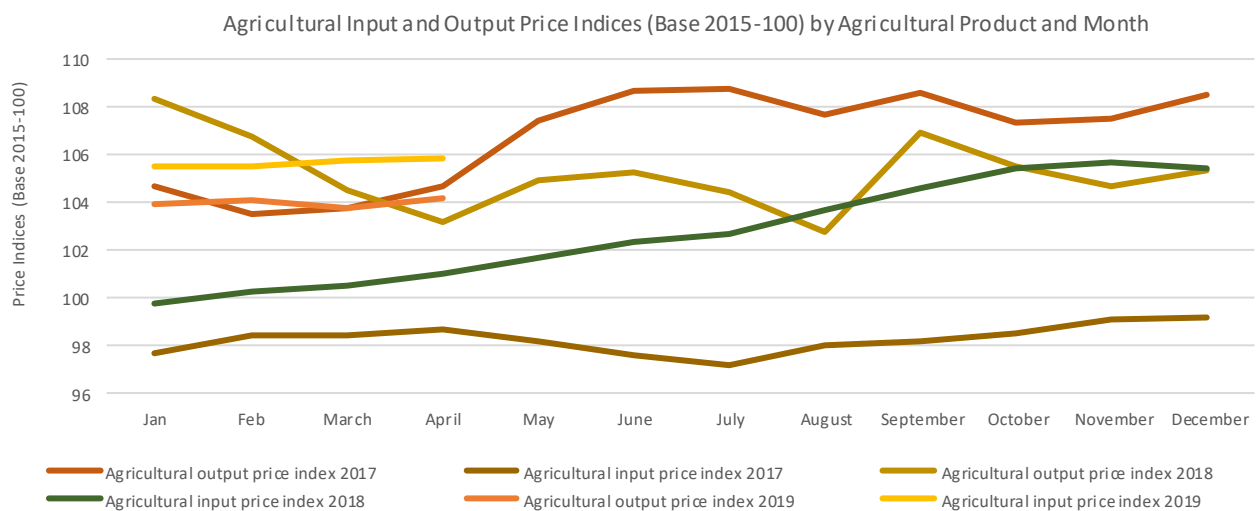
1,662 farms were offered for sale in 2018, covering over 70,250 acres of land, with the Average land price in 2018 estimated to be €9,072 per acre.

Source: Irish Farmers Journal, Agricultural land price report 2018

3. Agricultural Price Indices

The CSO's [Agricultural Price Indices](#) measures (a) index of producer prices of agricultural products - the Output Price Index, and (b) index of purchase prices of the means of agricultural production - the Input Price Index. The agricultural input price index increased by **+4.6%** in 2018 compared with 2017. The agricultural input price index increased by 0.1% in April 2019 compared with March 2019. The agricultural output price index increased by 0.3% in April 2019 compared with March 2019. On an annual basis the agricultural output price index was up 0.9% in April 2019 compared with April 2018.

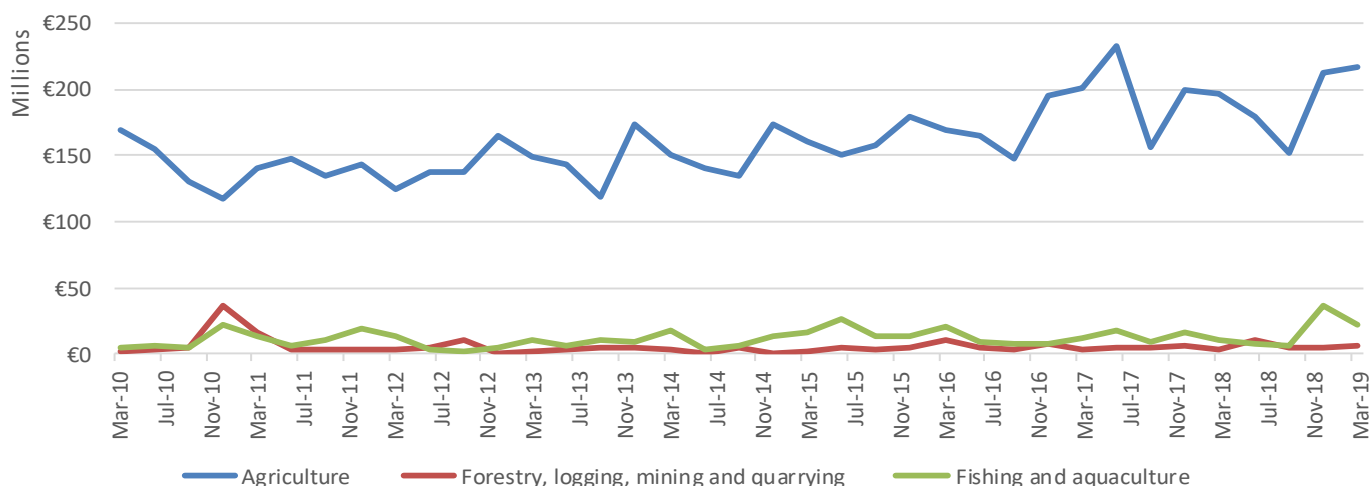
Agricultural Price Indices, 2017 - Year to date 2019 (Base 2015 = 100)



4. Agriculture Lending

New borrowings by Agriculture, Forestry and Fisheries SMEs, 2010 - December 2018

New lending to the primary agriculture sector increased in Q4 of 2018 totalling €1041 million for the year March 2018– March 2019. This represents a slight decrease of 3% on the period March 2018– March 2018. New lending in March 2018 totalled €217 million, a 3% increase on March 2018 figures.



Source: [Central Bank of Ireland, Business Credit and Deposits 2018](https://www.centralbank.ie/publications/business-credit-and-deposits-2018)

Brexit Loan Scheme

The €300 million Brexit Loan Scheme developed in cooperation with the Department of Business, Enterprise and Innovation (DBEI) and the Strategic Banking Corporation of Ireland (SBCI), provides working capital support to enable eligible Irish businesses to implement the necessary changes to address the challenges posed by Brexit. The Scheme opened for applications on 28 March 2018 and it will remain open until 31st March 2020. To date it has provided in excess of €31.7 in finance to over 145 SMEs, including €8.0m to 28 businesses operating in the food sector. Almost 600 eligibility applications have been approved. Further information may be found via the following link: <https://www.agriculture.gov.ie/agri-foodindustry/agri-foodandtheeconomy/agri-foodbusiness/brexitloanscheme/>

Future Growth Loan Scheme

The Future Growth Loan Scheme has been developed by DAFM and DBEI in partnership with the Department of Finance, SBCI and the European Investment Fund (EIF). It will be delivered through participating finance providers and make up to €300 million of investment loans available to eligible Irish businesses, including farmers and the agri-food & seafood sectors.

This is a long-awaited source of finance for young and new entrant farmers, especially the cohort who do not have high levels of security. It will also serve smaller-scale farmers, who often do not have the leverage to negotiate for more favourable terms with their banking institution.

Food companies have identified long term investment finance of up to ten years as a critical need which to date has been unavailable in Ireland. The delivery of this product and its effects will be felt all along the food production chain from primary producer to processor.

The loans will be competitively priced, will be for terms of **8-10 years** and will support strategic long-term investment in a post-Brexit environment. There is a minimum loan amount of €100,000 for SMEs or **€50,000** for primary agriculture. The maximum loan amount is **€3,000,000** and loans of **under €500,000 will be made on an unsecured basis**. There will be €50 million to €60 million available initially for farmers, within an **overall agri-food package of €120 million**. Should demand exceed these levels, this can be reviewed.

The Scheme was launched on the 27th of March and will run for three years. Eligibility applications may be made via the SBCI website. www.sbc.gov.ie

Further information including a FAQ document may be accessed on the DAFM website via the following link:

<https://www.agriculture.gov.ie/agri-foodindustry/agri-foodandtheeconomy/agri-foodbusiness/futuregrowthloanscheme/>

5. Agri-Food Sector and the Environment

Agriculture has a key role to play in helping meet these GHG emissions and energy related targets. Our absolute agricultural GHG emissions rank 8th across EU, contributing approx. 4.4% of EU agricultural emissions.

The Green Low Carbon Agri-environment Scheme pays farmers to promote biodiversity, protect water quality, and also to help combat climate change on their farms. GLAS was launched in 2015 and supports farmers to manage lands of conservation value. To date 50,000 farmers have been issued €565 million as part of GLAS payments. GLAS payments amounted to €230 million in 2018.

The Beef Data Genomics Programme (BDGP) is one of a range of sustainability actions for Irish Agriculture under Ireland's Rural Development Programme. BDGP is designed to accelerate genetic improvements in the quality of the beef herd, leading to associated climate benefits such as reduced emission intensity. Payments totalling €179 million have been issued from 2015-2018