



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 **Census of Industrial Production** the **Food and Beverages Sector** accounts for:

21% of all Industry Turnover

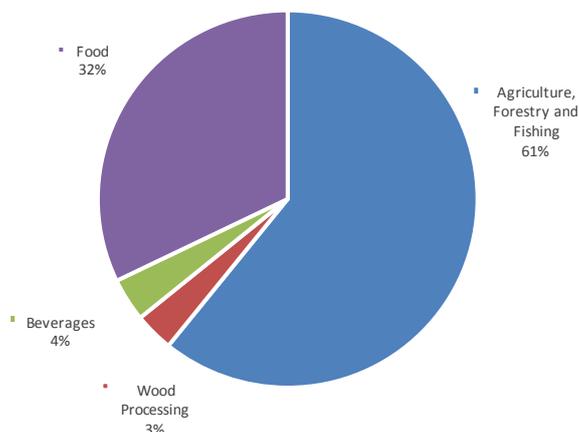
(23% of all Manufacturing Industry Turnover)

22% of all Industry Gross Output

(24% of all Manufacturing Industry Gross Output)

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 €2.6 billion in 2017.

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

Further information can be found in the DAFM [Annual Review & Outlook 2018](#)

Expenditure on Irish Agriculture, 2017

(Period 1 January to 31 December 2017)

	€m
EAGGF Guarantee direct expenditure	1,228
Voted Expenditure (excluding Administration)	1,164
Administration	223.5
Total Voted Expenditure	1,387.5
Total DAFM Expenditure	2,615.5

Further Information:

[Annual Review and Outlook, 2018](#)

[Factsheet on Irish Agriculture](#)

[DAFM Trade Factsheet](#)

[Brexit Factsheet](#)

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2. Farm Income and Structures

Estimates of Aggregate Agricultural Output, Input and Income.

The Central Statistics Office's '[Preliminary Estimate on Output, Input and Income in Agriculture](#)' for 2018 shows that aggregate farm income (operating surplus) decreased by -16.1% to €2,901.50m in 2018. The overall value of goods output by the sector decreased by -1.0%, or €78.6m, to €7,977.7m.

Intermediate consumption increased by 9.7% over 2017, to €5,759.80m. The main items giving rise to this increase are feedingstuff and fertilisers, which increased by 26.8% and 13.5% respectively. There was a decrease of -1.6%, in the value of milk output, to €2,549.1m. The volume of milk output increased by 4.5%.

Cattle output value decreased by -4.2% to €2,261.1m. The volume of cattle output decreased by 3.2%. There was an increase in sheep output value of 17.4%, to €308.2m. Sheep output volume increased by 13%.

The CSO's Farm Structures Survey 2016, estimated the average Standard Output of an Irish farm was €45,945. At national level, three out of every ten farms (43,800 farms or 31.9%) had a Standard Output of less than €8,000 per annum, while one in five (20.4%) had a Standard Output of €50,000 and greater.

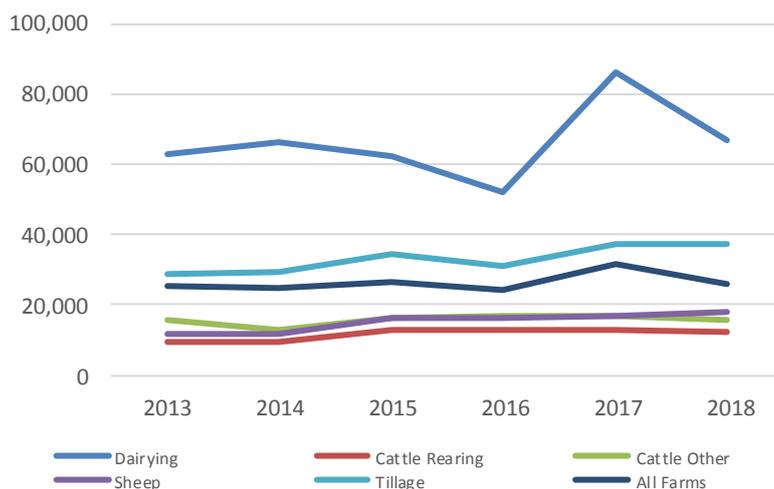
Output, Input and Income in Agriculture, 2018

Main Aggregates	Value €m	Main Commodities	Value €m	% of G/O
Goods Output @ Producer Prices	7,977.70	Goods Output (excl for- age)	6,876.30	100.0%
+ Contract Work	376.4	<i>of which</i>		
+ Subsidies - Taxes (Products)	14.8	Cattle	2,261.10	32.9%
Agricultural Output @ Basic Prices	8,368.80	Milk	2,549.10	37.1%
- Intermediate Consumption	5,759.80	Pigs	457.8	6.7%
Gross Value Added @ Basic Prices	2,609.00	Sheep	308.2	4.5%
- Fixed Capital Consumption	837.9	Cereals	257.8	3.7%
+ Subsidies - Taxes (Production)	1,665.90	Other commodities	1042.3	15.2%
- Compensation of Employees	535.5	Forage Plants	1,101.40	
Operating Surplus	2,901.50	Goods Output at Pro- ducer Prices ⁽¹⁾	7,977.70	

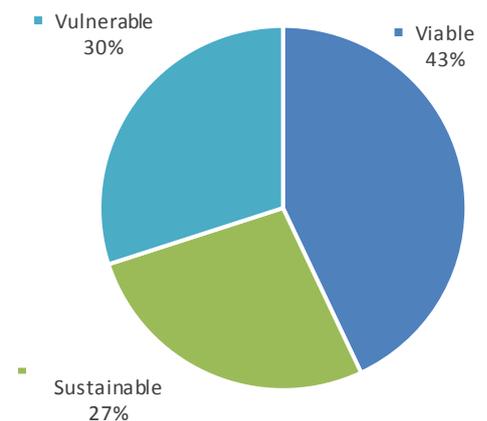
Average farm income 2018

The results of the Teagasc Outlook 2019 '[Economic Prospects for Agriculture](#)', shows that the average Family Farm Incomes are estimated to be down across most farm systems, except tillage, with the average family farm income for 2018 estimated to be €25,894, down 16% compared to 2017.

Family Farm Income by system, 2018



Farm Viability 2017



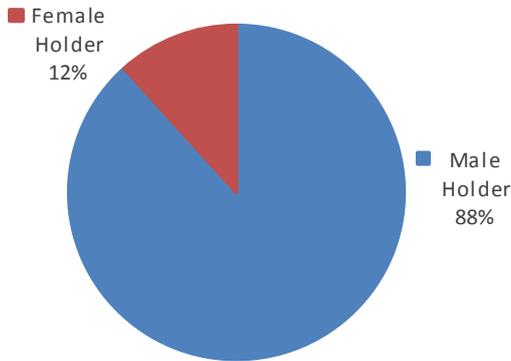


Provisional Results from the CSO's [Crops and Livestock Survey, June 2018](#) show that the area under cereals decreased by 11,600 hectares (ha) (-4.2%) to 260,900 ha when compared to June 2017. This was mainly due to a decrease of -13.6% in the area under wheat, a decrease of -11.2% in the area under winter barley and a decrease of -27.6% in the area under oats. The area under spring barley showed an increase of +10.2%

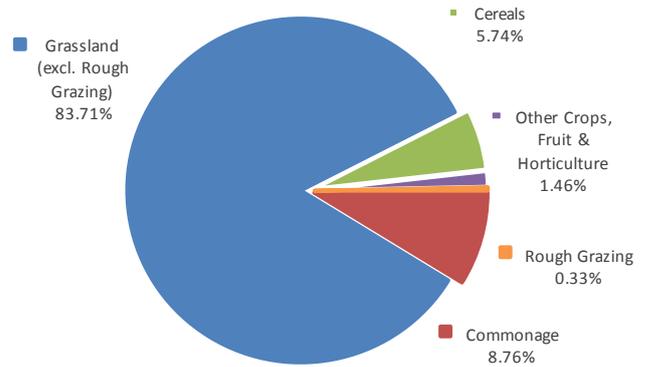
Farm Structures Data for Ireland, 2016

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

Of the 137,100 family held farms in Ireland in 2016, 121,100 were held by males, and 16,000 by females.



The land area of Ireland is 6.9 million hectares. There was almost 4.9m hectares of Agricultural Area Used (AAU) in 2016 in Ireland, including 427,800 hectares of commonage.



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

Land Prices

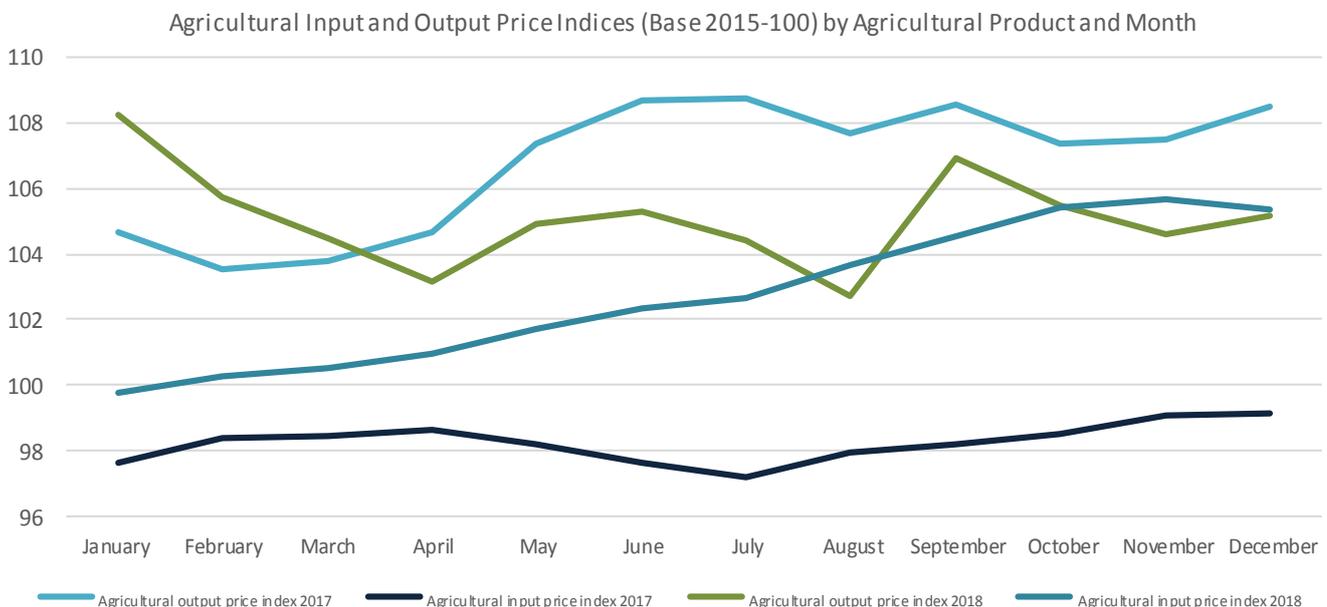
1,662 farms were offered for sale in 2018, covering over 70,250 acres of land, with the Average land price in 2018 estimated to be €9,072 per acre.

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 output price index decreased by 0.9% in January 2019 compared with December 2018. The agricultural output price index was down 3.6% in January 2019 compared with January 2018.

Agricultural Price Indices, 2017 - 2018 (Base 2015 = 100)

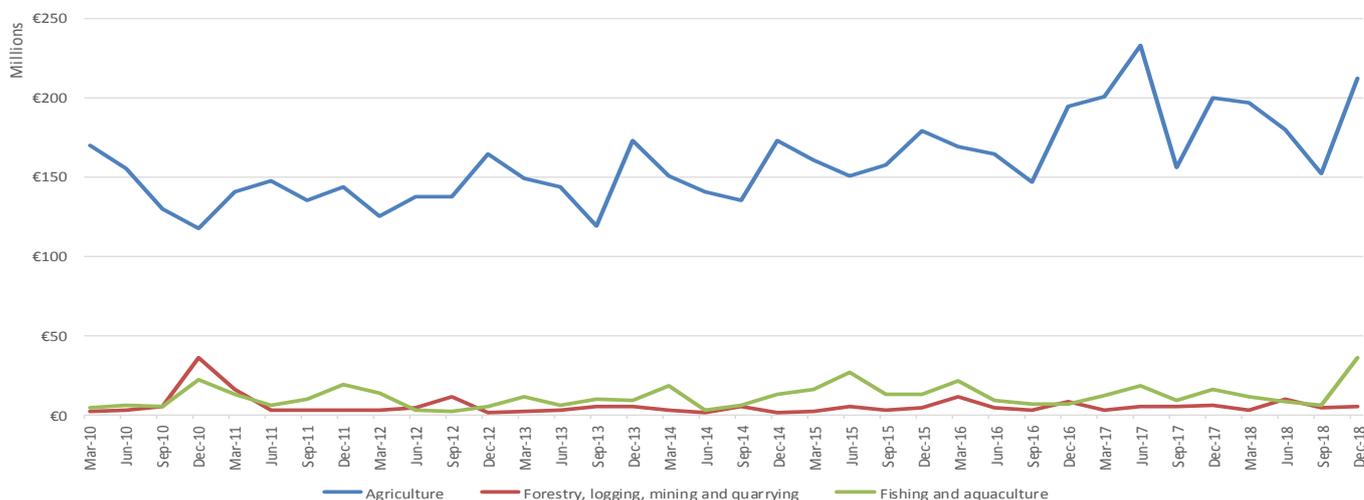




4. Agriculture Lending

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

New lending to the primary agriculture sector increased in Q4 of 2018 totalling €824 million for the period listed March 2018– December 2018. However, these figures are consistent with trends dating back to 2010.



Source: [Central Bank of Ireland, 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 **€19m** in finance to over **89 SMEs**, including **€5.7m** to **18** businesses operating in the food sector. Almost 500 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.

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/>