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Delivering Housing, Urban, and Rural Regeneration

AILG Conference 2023

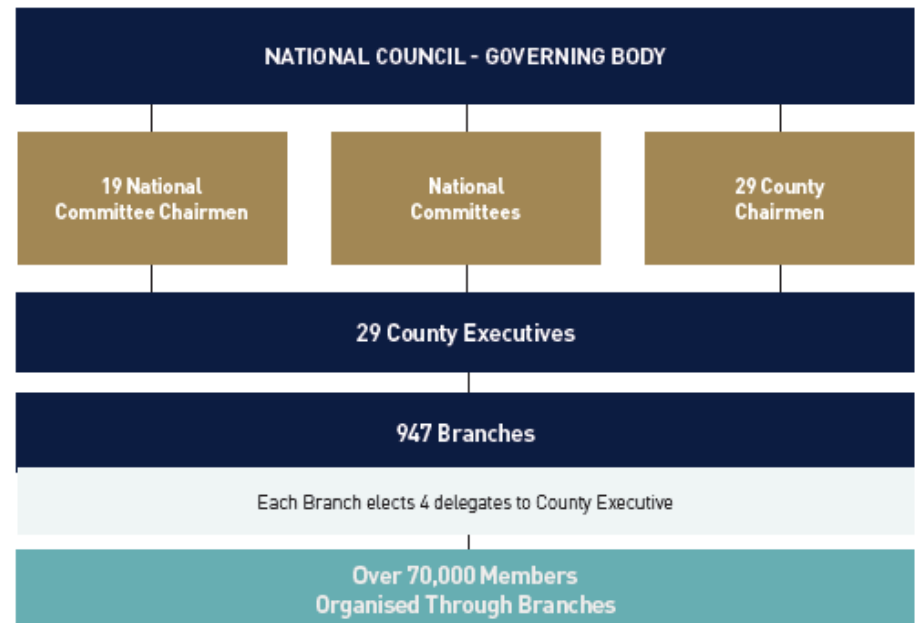
*Paul O'Brien, National Environment & Rural Affairs Chair
20th April 2023*



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Irish Farmers Association

- Ireland’s largest farming representative organisation with over 70,000 members.
- Represent farmers in all sectors at home and in Europe, lobbying and campaigning for improved conditions and incomes for farm families.
- IFA is a democratic association, organised in branches, County Executive and National Committees.





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Farm Structure

Total Number of Farms

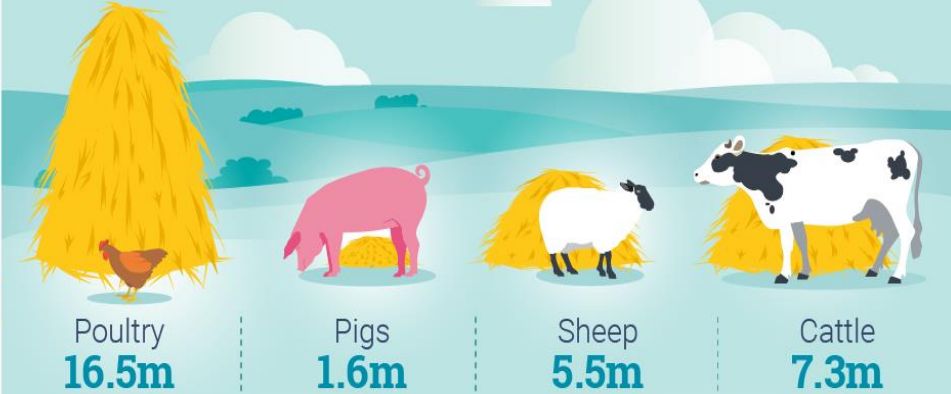
135,037

Average Farm Size

33.4 ha



Livestock Numbers



Total Agricultural Area

4,509,256 ha

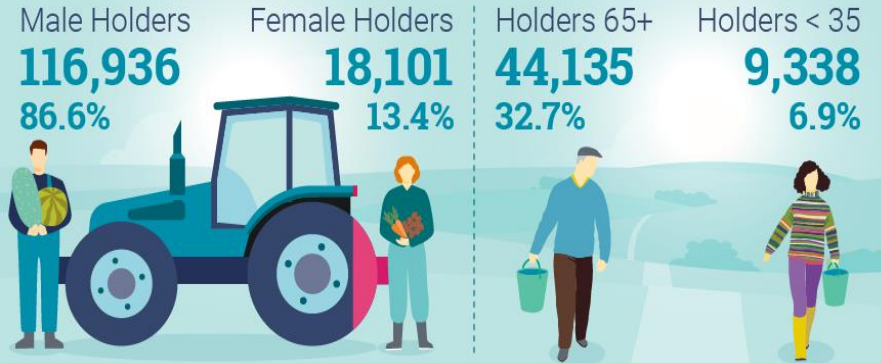
Grassland
4,151,456 ha

Cereals
265,592 ha

Other Crops,
Fruit and
Horticulture
92,208 ha



Farm Ownership

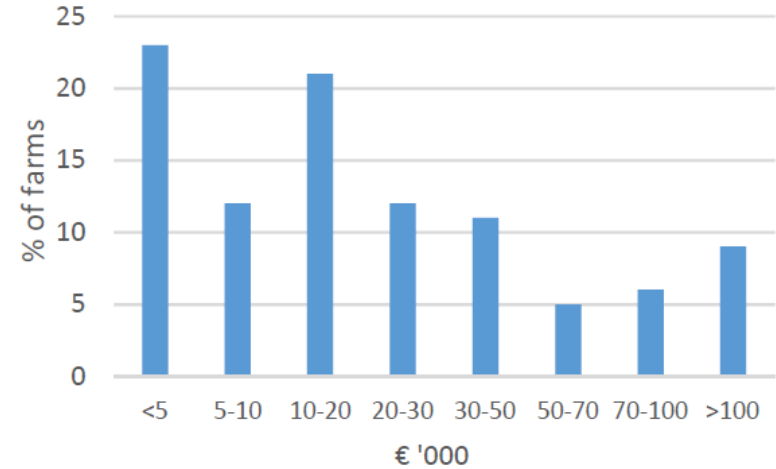
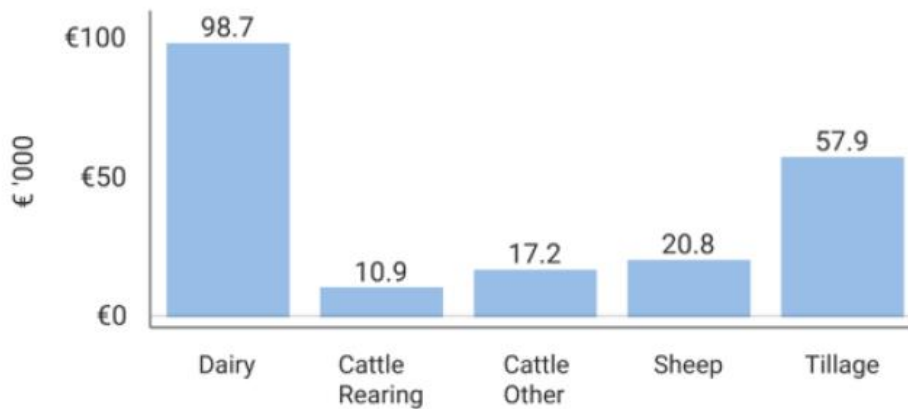




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Farm Survey 2021

Average Family Farm Income (FFI) 2021

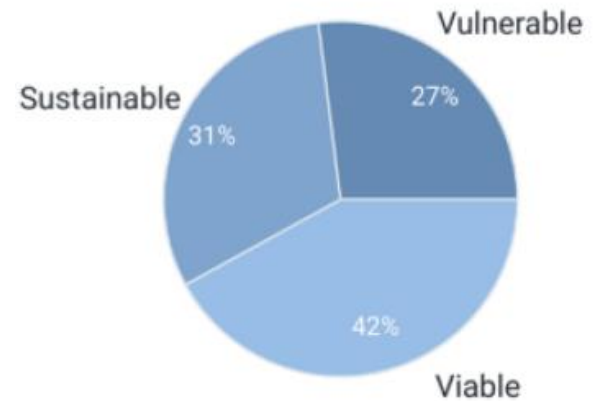


56% of farm households have off-farm employment

60% of farms have no debt 

On-farm Investment up 46% to €1.49bn in 2021

Farm Viability 2021





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Agri-Food and the Economy

- Agricultural output in 2022 was €12billion+, up almost €6billion since 2010 (the abolition of milk quotas).
- Agri-food sector is Ireland's most important indigenous sector.
 - 278,600 persons contributed to farm work in 2020 (CSO 2021).
 - The sector employs approx. 170,000 people or 7.1%, of the total workforce on the island.
- The sector has output multipliers of around 2.5 for beef, 2.0 for dairy and food processing, compared with an average output multiplier of 1.4 for the rest of the economy and 1.2 for foreign owned firms (DAFM 2019).
- CSO/Department of Enterprise, Trade and Employment (DETE) analysis show **Irish economy spend 3 times higher from agri food from any other business sector.**

Export Value of Ag

- Bord Bia estimate the total agri-food sector exports in 2022 was €18.7 billion – a 21% increase year-on-year.
 - Exports of non-edible agri-food goods are estimated at €2.0 billion.





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Biodiversity on farms

12-14%
on average the
Space for Nature

33%
Farms in agri-environment
schemes
(2.5 times EU average)

1/3 of farms
are classed as
High Nature Value

6,605km
of new **hedgerows**
planted since 1994. (**3rd**
largest hedgerow in EU)

20,000 ha
of **wild bird** cover
(**5th** largest crop)

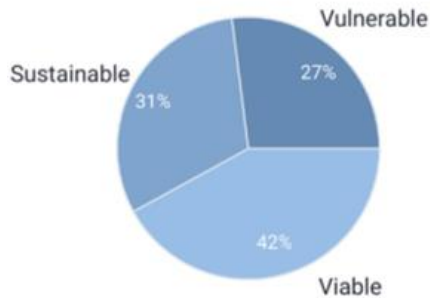

81% of new
forests planted by
farmers since 1980's.
Farmers now manage
400,000 ha



Challenges facing the sector

Economic

Farm Viability 2021

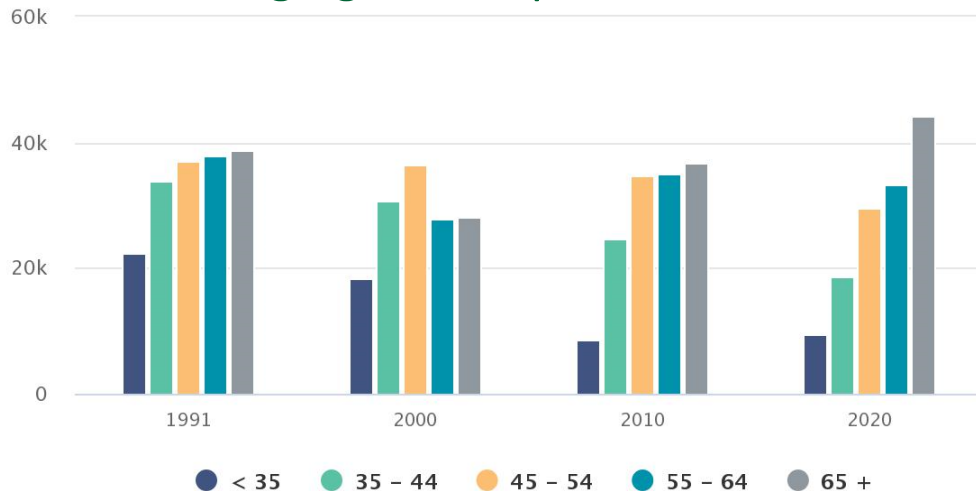
Energy prices were extremely volatile in 2022

Gas prices peaked at almost €350 per mwh in August, though more recently have fallen back to similar levels compared with early January of last year at approx. €78 per mwh, though price risks remain.

Social

Economic viability risk to small scale family farm model.

Aging farmer profile

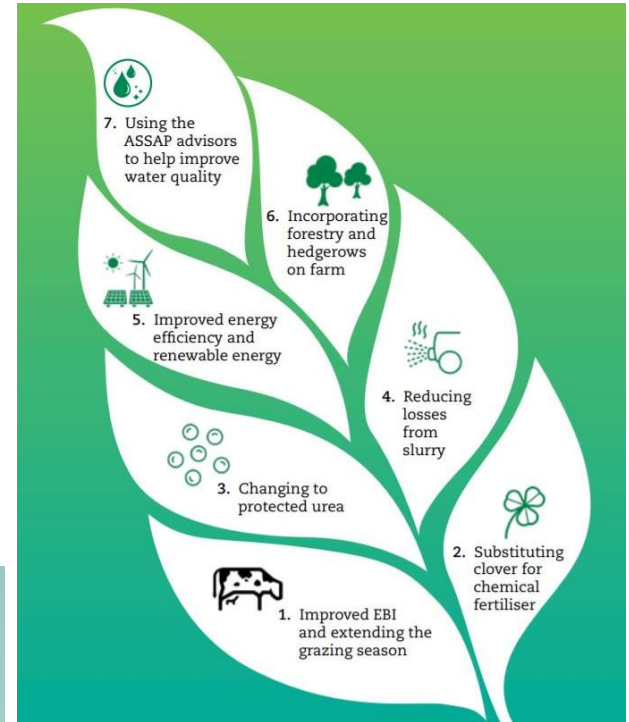


Source: CSO Ireland

Less than half (46.1%) of farm holders had a succession plan in place.

Challenges facing the sector

Environmental



Farmers are committed to playing their part

Some Farming & Climate Facts

67%

of all slurry spread on dairy farms in 2021 was applied via low emissions slurry spreading (LESS). This has increased from just 5% in 2018

Source: Teagasc sustainability report 2021

Average pesticide usage (kgs/hectare)

EU-27

2.08

OECD

0.93

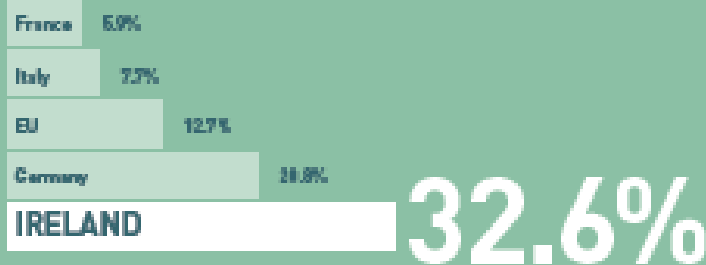
IRELAND

0.64

Source: Ireland/ EU - 2020 data (Eurostat)

Source: OECD - 2018 data (most recent available)

The 2020 percentage of farmland under agri-environmental schemes in Europe



Source: European Commission

59%

increase in use of protected Urea in 2022

Source: Department of Agriculture, Food and the Marine

Ingredients for success

- Farmers need to be supported to overcome capital and knowledge constraints to reduce their emissions at farm level and invest in mitigation technologies.
- New funding mechanisms need to be established to support the additional environmental asks that will be imposed on farmers.
- Emerging ecosystems services payments such as the proposed carbon farming schemes need to be developed urgently.
- Huge potential for renewable energy technologies at farm level.
- Other diversification opportunities need to be developed and supported.

Rural Regeneration

- Explore the opportunities for **on-farm diversification** locally.
 - Supporting farmers to develop the necessary skills and business management.
 - Access to capital should be incentivised through a targeted, pilot measure.
- Substantial consideration should be given to the development or **enhancement of local supply chains for food and energy**, which can contribute to enhanced resilience.
- Development and **enhancement of linkages or synergies between farms and broader rural economy** will be a vital dimension to successful rural regeneration.
- Ensure that **alternative off farm employment opportunities** are developed.

Renewable Energy

- Farmers want to be central players in Ireland's energy transition.
- They recognise the opportunities offered by microgeneration to produce energy for their own use but also to diversify their farm incomes.
- There are multiple barriers that are limiting uptake including:
 - Net payback period for most on-farm scenarios is too high.
 - **A streamlined consistent application process with defined timelines for planning decisions.**
 - Access the grid for small scale project needs to be simplified, costs reduced and a grid connection timescale to improved.
- Ireland's adoption of renewable technologies at farm level is well below the European average.
 - In 2018, Ireland ranked 23rd out the EU-27 countries producing just 2.6% compared with the EU-27 average of 12.1% (DAFM 2019).

Housing

- Farming is a 24/7 job particularly during busier times of the year.
- Sons, daughters, niece or nephew who work or manage the family farm must be able to get planning permission to build new homes subject to meeting technical issues of proposed site.
- The planning process must be transparent and consistent throughout the country and recognise that a farmer is functionally dependent on the living close to the farm.
- The planning system must recognise the economic viability of some farm enterprises and the requirement to work off farm to sustain farm business.

Take homes messages

- The Agri-Food sector is an integral part of the economy and society, especially for our rural and coastal communities.
- The transition to a local carbon economy is a significant challenge and a whole of Government approach is needed to ensure long-term sustainability of sector.
- Farmers must be properly supported and new funding streams developed.
- There are new opportunities emerging particularly in renewable energy but barriers that limit uptake and hamper farm deployment need to be addressed.
- Policies must support generational renewal and enable the next generation of farmers to live and work on the farm.



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Thank you