

## Macra na Feirme Beef Food Vision Submission

This document outlines Macra na Feirme's position and priorities in respect of the future of the Beef sector in Ireland, the role it plays in rural Ireland and also the areas in which beef farmers can continue to reduce emissions from their enterprises. The ultimate goal from the discussions in this forum as set out in the terms of reference must be to deliver a sustainable future for beef farming in Ireland. We must be cognisant that sustainability has three pillars that need equal focus and consideration,

- Economic
- Environmental
- Social

Young people across all sectors of farming need to be afforded the opportunity to develop businesses that can provide an income and support a family unit. Young people also require long-term thinking to policy development that ensures opportunities remain and also that their family farms can be resilient long into the future. Short-term reactive policies and decisions will not serve Irish Agriculture well and will not support rural communities.

There is a serious concern that there will be no young farmers coming into the sector. Young farmers must be at the forefront of any document which comes from the beef and sheep group. A sustainable future needs to be ensured across all enterprises but particularly in relation to the beef sector given its economic and social importance to rural communities across the country.

Beef farming is the dominant farming type and use of agricultural land in Ireland. There are over 100,000 farms that stock beef animals in Ireland, but within that number, CSO data suggest that there are 78,300 specialist beef cattle farms. Ireland exports over 91% of its beef production, €2.1 billion, and consequently is very heavily exposed to global market forces and issues. Beef farming in Ireland contributes almost 30% to agricultural goods output at basic prices, which is much higher than any other EU country.

While the economics of the beef production sector is very challenging, the reality is that beef production and processing make a very significant contribution to Irish economic activity, particularly to rural economic activity. It is a high value-added activity in the sense that many of the inputs to beef production are sourced in the local economy and those have a very high local multiplier effect. It supports thousands of rural jobs. Research from Hennessy et al suggests that a €1 million increase in beef sector output generates a further €2.11 million in the wider economy and supports an additional 16 jobs. The beef sector is very dependent on direct payments, but Hennessy et al. suggest that every €1 of direct payments to cattle farmers supports €4.28 of output in the wider economy as farmers use these payments to purchase inputs and to generate output that leads to further economic activity.

It is also critical to ensure that the key indicators under Mission 2 (*VIABLE AND RESILIENT PRIMARY PRODUCERS WITH ENHANCED WELLBEING*) of the Food Vision 2030 are also achieved and these include,

- Family Farm Income (Family Farm Income per hectare)
- Economic Sustainability of farm business
- Economic return to land (Gross output per hectare) and Profitability (Market-based gross margin per hectare)
- Economic performance of the Seafood sector (as reported by BIM 'The Business of Seafood')
- Total primary output and output by sector
- Formal agricultural education
- Age Profile
- Number of new entrants
- Number of farm families
- Isolation risk
- Health and Safety statistics
- Market transparency

Maximising the potential in the sector across all enterprises and beef farms is essential in ensuring that succession pathways are developed. The deliberations of this group and the recommendations to follow must ensure that pathways into farming are created and supported. This is also in the context of climate change as young farmers through TAMS have demonstrated their willingness to invest in improving the environment around them. Macra na Feirme are seeking that all measures be assessed for their impact on generational renewal and that these findings and figures be included in the final report.

It must also be remembered throughout the deliberations of this group that farm viability is something which must be prioritised. Teagasc defines Family Farm Income (FFI) as the return from farming for farm family labour, land and capital. FFI varies considerably by farm system, with dairy farms consistently the most profitable enterprise. Teagasc also redefines figures about viability 'A farm business is deemed to be economically viable if Family Farm Income is sufficient to remunerate family labour at the minimum wage, which is assumed to be €19,616 per labour unit in 2018; and provide a 5% return on the capital invested in non-land assets such as machinery and livestock.

Macra na Feirme would argue that this needs to be at the centre of discussion and deliberations. Apportioned pro-rata based on hours worked linked with the average industrial working week. The future of the sector needs to be assured, having discussions in isolation about specific policy areas with disregard for other factors in the sector does not make a credible plan.

### Foundations of the Emissions Factors

Macra na Feirme has consistently raised questions around the inventory and the scientific validation behind the emissions factors including those that are understood to be 'Book Figures' as outlined by the UN IPCC. Macra na Feirme are requesting that the scientific papers supporting the 'Book Figures' be furnished to the group in their entirety and to outline the relevance that these figures have to and Irish farming context. Macra na Feirme also request the number of papers supporting the 'Book Figures' with particular note to the emissions factor for areas in LULUCF.

A greater reflection of the Irish farming sector is required in the inventory. Macra na Feirme understands that the latest research being undertaken by Teagasc is showing differing figures for emissions factors than those currently included in the inventory in the following areas,

- Sequestration ability of Mineral Soils
- Emissions from Peat soils
- Emissions from compound fertilisers
- Emissions from enteric fermentation on a pasture-based system
- Sequestration ability of our natural hedgerows

Macra na Feirme are also requesting that Teagasc and the EPA liaise to produce a sample of inside the farmgate emissions total and sequestration total based on current data and a comparison of emerging research and its impact on the figures. It is the belief of Macra na Feirme that all the activity inside the farm gate must be reflected in the agriculture emissions budget. Work is also required in the area of capturing agriculture's contribution toward renewable energy production, electricity production along with gas generation.

### Overview of Financial Capacity to Invest by Beef Farmers

Adoption and implementation of any and all mitigation measures will require investment by beef farmers across all enterprises. Regardless of the long-term effect on farm profitability many beef farmers simply cannot accumulate the necessary financial requirements for certain measures upfront. The Teagasc National Farm Survey Data from 2021 clearly demonstrates the financial performance of various beef enterprises which highlights the vulnerable position these farmers find themselves in when it comes to investing in new practices and technologies. The figures state that,

- Firstly the average age of cattle farmers is 63 this compares to dairy farmers at 54 years old,
- Cattle Rearing Farm Average income was €10,927, with an average farm size of 33ha
- Cattle Other Farm Average income was €16,416, with an average farm size of 35ha
- Direct Payments on cattle rearing accounted for 138% of FFI
- Direct payments on cattle on other farms accounted for 93% of FFI
- Both beef enterprises have a greater than 50% incidence of off-farm employment

It is crucial that for any additional investment needed for beef farms of all types and systems that financial support is proportionate to the level of investment required is afforded to these farmers. This involves support packages in terms of schemes to support transition but also financial grants and aid for capital and non-capital investment required for on-farm development. Macra na Feirme would argue that young farmers particularly need access to low-cost finance in this sector but also need higher levels of grant support that are currently offered. The biggest barrier that exists currently to entering farming for young people is land and financial support.

## Teagasc MACC

The Teagasc MACC outlines a large number of measures which will mitigate agricultural emissions. These measures will improve and enhance our industry-leading for the greater sustainability of Irish agriculture. Macra na Feirme believe the first steps in implementing a climate action plan for our industry should be based on the widespread adoption of these measures. This will allow young farmers to achieve environmental progress while providing opportunities for young farmers and increasing the overall sustainability of the industry. In the context of the beef sector these mitigation measures include:

- Enhanced genetic gain
- Improved beef live weight gain
- Improved beef maternal traits
- Extended grazing and improved grassland management
- Improved soil fertility
- Improved N use efficiency
- Incorporated soil analysis and soil management
- Improved animal health
- Increased use of sexed semen
- Inclusion of clover in pasture swards
- Switching N fertiliser formulation from CAN to protected urea
- Draining wet mineral soils
- Use of Feed Additives at Pasture and Indoors
- Slurry chemical amendments
- Low-emission slurry spreading

The combination of these measures will result in the improvement in overall beef farming efficiency and sustainability. This will require significant focus on education around improving farm practices and will require greater investment and support in our advisory services combined with specifically designed schemes which reward farmers for environmental improvement.

The main environmental benefits will be delivered through the reduced age at the slaughter of the animals as a result of the implementation of these measures. Reducing the age at the slaughter of beef animals will reduce total methane emissions produced, feed required and slurry produced. Reducing age at slaughter will reduce emissions per head by approximately 350 kg CO<sub>2</sub>e. Macra na Feirme strongly encourage these practices and the actions required to achieve these gains including the adoption and use of the Euro Star Index for breeding replacements (Replacement Index) and finishing cattle (Terminal Index), high standards of grassland management, the implementation of a health plan and an improved focus on forage quality.

Under Mission 2 (*VIABLE AND RESILIENT PRIMARY PRODUCERS WITH ENHANCED WELLBEING*), the strategy proposes better integration within the sector including dairy/beef linkages.

The increased use of high dairy-beef index bulls and the adoption of the Commercial Beef Value Index, developed by Teagasc and ICBF will also enhance the efficiency of beef production which originated from the dairy herd. The genotyping of all animals will provide greater accuracies around genetic gain which will allow farmers to make more informed decisions when implementing their breeding programmes and also when purchasing animals. Gains made from the improvement of the genetics of a breeding herd are cumulative and once achieved they continue with the herd.

Improved data analysis in a user-friendly manner will also further enhance the farm management decision-making processes. Macra na Feirme is advocating for the live weighing of animals at slaughter to accurately calculate kill-out percentages which would provide hugely beneficial information about the feed conversion efficiencies of animals. This information would be used to better inform farmers with breeding programmes and bull selection further enhancing genetic gain.

The development of a renewable energy and anaerobic digestion plant for the agricultural sector using an across inventory approach would have the potential to provide farmers with opportunities to efficiently produce energy, increase farm viability, enhance the rural economy and offset emissions.

## Enabling Framework

The key for delivery of the measures outlined will be the enabling framework which needs to be established. Macra na Feirme believe that one of the most important aspects of the proposals to deliver a reduction in emissions is a strong supporting enabling framework. This framework will set out the exact adoption rate and take up rate of the measures and track those versus a time graph. What will be needed is a clear scientific examination of adoption curves and the factors that influence rates of adoption on farm. For example if we look at the scientific evidence supporting perennial ryegrass swards and their occurrence on farm, the correlation is high. Whereas if we examine the scientific evidence supporting the use of protected urea on farm and the correlation to adoption the link is not as constant or as strong.

An example for an enabling framework from the list above is soil fertility. The farmer takes the soil samples and receives the soil test results. The first aspect is how has the farmer been enabled to take soil samples. The next step is what supports are in place for soil analysis interpretation by the farmer so actions can result in fertiliser application and planning. Once soil analysis are understood how can we enable the farmer to implement the necessary nutrient management required to address the soil fertility imbalances. What advice and potential financial support is needed to implement the soil nutrient plan but also to monitor progress and ensure that application rates of fertilisers are matched to soil and crop demands. Finally how can we ensure we have achieved the desired outcome from the investment both financially and in terms of man power and time. An extensive monitoring and evaluating of enabling frameworks is necessary for future development and growth.

## Conclusion

Macra na Feirme are of the firm belief that the future is positive for livestock farmers in Ireland once policy and supports are based in science. The key aspect must be to ensure food security and to ensure that actions taken in Ireland do not result in Carbon Leakage. The UN have stated that Meat and Dairy demand is expected to continue to grow out to 2030 and beyond. As young farmers we feel that the Irish climate and grass based system is best placed to meet the growing demand while we improve our environmental credentials. At the core of the discussions at this group must be the future sustainability of the sector in terms of attracting and retaining the next generation of farmers. We must ensure that young people are brought into the sector and that their barriers to entry are addressed in all policy developments.

Macra na Feirme want to see a target for emissions reduction clearly outlined that needs to be achieved by the specific sectors within agriculture. Actions taken by farmers inside the farm gate that affect the inventory figures in other sectors such as energy and transport must be ringfenced as contributions from the Agriculture sector to the National Inventory. It is completely unfair that farmers would take actions and not receive the credit in the inventory in agriculture for the actions.

Significant investment will be required to deliver the targets and the actions which will be needed. A funding framework and a commitment to fully fund measures and schemes must be forthcoming from the Department of Agriculture. Macra na Feirme cannot agree to sample exercises for costings or sample metrics for assessing the effectiveness of any scheme or measure. The credibility of the group and the individual actors within the group is at risk should we produce a document or proposal that is not supported by science.

All the measures that come from the group must have sound scientific backing, costed fully, enabling framework and a funding commitment to implement within a committed timeframe. An extensive exercise will be required to provide the group with the rationale and scientific basis required for approval and adoption. As an organisation Macra na Feirme wants to see a clear pathway forward that delivers economically for farmers, provides opportunity for young farmers and addresses the challenges in relation to emissions reductions.