

# Macra na Feirme

## Dairy Food Vision Group Submission

29<sup>th</sup> July 2022

### Introduction

Macra na Feirme as a rural youth organisation and its members are committed to delivering on climate action and believe Irish agriculture is and will be going forward an integral part of the solution to reducing global emissions. We in Macra na Feirme understand we have a significant challenge ahead of us and very much encourage the implementation of positive climate action measures with the ambition of maintaining and enhancing Ireland's world class environmental standards of food production. This will be achieved through the implementation of a variety of efficiency measures on farms throughout the country, as outlined in the Teagasc MACC and other associated abatement curves, and the continued research and implementation of new technologies to further enhance our environmental sustainability.

Macra na Feirme will not agree to any document that fails to go into the detail of schemes and costings in relation to each measure. To this regard the report that was presented to the group falls far short of this requirement. The reputation of this group and its members is at risk if there is not specific recommendations with detailed analysis and detailed costing requirements outlined within the final report. To this end Macra na Feirme are not satisfied that this report meets that benchmark. Greater work is needed in terms of detailed breakdown of measures, the scientific basis supporting the measures and the required funding needed to support adoption.

The overriding feedback is that there is a consistent lack of appreciation for the challenge facing young people in the sector and indeed young people accessing the sector. Failing to acknowledge this and failing to address this across all policy including this is remiss of any agricultural group.

There is no mention of providing succession routes for young farmers and no measure to facilitate young people to drive environmental change on farm.

Macra na Feirme have below outlined its specific response to each of the measures and also the gaps that are in existence. The omission of measures 9-17 is not accepted and work is needed to include these measures prior to sign on before the report is sent to the Minister.

#### Measure 1 - Consider a Voluntary Exit/Reduction Scheme

1. As discussed and written in the interim report published on the 27<sup>th</sup> May 2022 as stated **‘Consider a Voluntary Exit/Reduction Scheme’** there was no ‘Dairy’ mentioned in the measure in the interim report. Macra na Feirme reject the inclusion of the word Dairy. The interim report stated an exit from breeding livestock or to reduce their breeding ruminants for a minimum number of years.
2. The unintended consequences of this measure include increasing competition for land, having negative consequences on land mobility and generational renewal, significantly impacting the ability of young people to enter the industry. This will result in a negative impact on the environmental sustainability of Irish agriculture due to the lack of viability of other sectors, which in turn will reduce the rate of technology adoption, while encouraging inefficient farming practices and stalling environmental progress.
3. Macra na Feirme also request that the figures guided on the total emissions per cow and for the scheme be calculated without the inclusion of chemical N associated emissions. It was obvious that this work had not been conducted at the meeting as no answer was forthcoming.
4. Macra na Feirme also reject the use of the TB On-Farm Market Valuation as a measure to calculate costs of the scheme, as this is a compensatory scheme for the intention of aiding farmers in the replacement of lost animals due to TB. Macra na Feirme will not accept any scheme that is not fully costed and drafted based on income foregone for the timeframe of the potential contract.
5. This measure will result in less land being available in production for young farmers to access. As it currently stands access to land is a major issue for young people entering the sector and it is already a considerable limiting factor for young farmers.
6. The interim report states that the aim of the scheme was to reduce emissions from agriculture by reducing the number of breeding ruminants, the new document proposes a reduction in agricultural activity which is not accepted by Macra na Feirme. Reducing agricultural activity is in direct contrast to the Paris agreement which specifies that food production cannot be compromised and must be protected whilst implementing these measures. (See Article 2 b of the Report of the Conference of the Parties on its twenty-first session, held in Paris from 30 November to 13 December 2015)
7. Research is on-going in terms of the methane emissions factor in Moorepark along with other scientific papers that show a lower figure for methane emissions per cow in a pasture based Irish system. The figure mentioned in the green feeds trial in Moorepark would suggest a figure closer to 107g per cow per day as compared to the current figure of 124g per cow per day.
8. In the meeting last week there was confusion in relation to what was included in the TB OFMV. Macra na Feirme are clear that the Income forgone and hardship grant are not included in the TB OFMV.
9. Macra na Feirme want to see the mandatory inclusion of the following in any voluntary exit scheme:
  - a. All payments to be paid for every year of the scheme
  - b. Cull Value of the animal over the duration of the Scheme
  - c. Income forgone based on NFS data or Profit Monitor which-ever is greater
  - d. Income forgone as a result of no followers coming on stream
  - e. Loss of Return on investment accrued
  - f. Security on exposure to debt

## Measure 2 - Explore the potential of Cap-and-Trade emissions model

Macra na Feirme had initially in the interim report '**Further research with a view to reviewing literature to-date and establishing an understanding of the challenges of implementation**'.

However, this report has taken a quantum leap to state the following 'This measure could be considered as the application of a cap on emissions whilst promoting the transition to sustainable farming practices'. Macra na Feirme do not support such a measure. The measure was supported on the basis that this was detailed research into the feasibility of such a model not the consideration of its direct implementation.

The Terms of Reference are also far wide of a research measure, they are reflective of implementation and adoption and how such a model would operate. This is not what was agreed in the Interim report and the entire measure must be reviewed and amended to reflect the discussions at the group but also the wording surrounding research from the interim report. Macra na Feirme request that this review happen immediately and a new wording be proposed along with reviewed and renewed Terms of reference for the research study.

1. Under EU law there is no framework for the trading of carbon within the agriculture sector, in order for this model to be usable an entire framework at EU level needs to be designed and regulations changed.
2. At the recent meeting suggestions around amending the emissions factors were rejected by the secretariat on the same grounds, Macra na Feirme questions why the same rules do not apply to both.
3. Any Cap-and-Trade model needs to take account of both the inputs and the outputs in terms of emissions and sequestration on farms across the sectors and across land types.
4. Macra na Feirme cannot accept a declining Cap that prevents access to the sector for young people. It cannot be the situation that a young person with no land is prevented from entering the sector or is subject to a Cap before entering the sector.
5. As written in the interim report, the understanding of Macra na Feirme was that the agreement was for a feasibility study to be conducted. However, the proposal in the current report does not reflect the agreement in the interim report. It is Macra na Feirme's interpretation that the draft terms of reference in the Annex go far beyond a feasibility study and border on implementation which is unjustifiable at this stage.

## Measure 3 - Explore the possibility of measuring and monitoring carbon production at individual farm level.

1. The feasibility for establishing a specific baseline on every farm across the country needs to be first ascertained. It cannot be the case that the average is applied to all farms of all sizes regardless of the mitigating measures already been taken on these farms.
2. In the absence of an EU commission carbon trading model specific to agriculture, how can we guarantee that all aspects of carbon production and carbon sequestration can be captured accurately on every individual farm?
3. Any and every study needs to be measuring carbon production and sequestration reliant on emissions factors which are based on the latest research and science specific to an Irish context.
4. There is an obvious need for an increase in investment in climate change research in agriculture in Ireland. To this end, Macra na Feirme can't support a proposal that doesn't contain detailed costings in relation to the establishment, development and running of such a measuring and monitoring carbon farming system. Macra na Feirme is of the view that it is this groups responsibility to develop a financial costing attributed to the aforementioned.

5. It is evident that in its current form that our advisory service is inadequate to provide the necessary on farm support and advise so that farmers can implement the required actions to deliver on necessary targets. Therefore, this measure must also contain a significant financial allocation and commitment ringfenced for the advisory service.

**Measure 4** - Reduce chemical Nitrogen use in the dairy sector by 30% by 2030, with a reduction of 22% – 25% in the short term (2025).

1. Our grass-based system of farming here in Ireland is solely reliant on our ability to grow and utilise grazed grass, with this relatively unique ability providing us with a competitive advantage in food production worldwide. The efficient use of chemical N enhances this ability and is therefore key to successful grass-based farming in Ireland.
2. The reduction targets outlined will have detrimental implications on farm profitability as outlined by Teagasc, with the predicted carbon emissions reductions being relatively minor by comparison. These clearly state the following,
  - a. A 10% reduction in N results in between a 3.7-5% reduction in profit
  - b. A 20% reduction in N results in between a 6.9-9.6% reduction in profit
  - c. Whilst no work has been done to examine the effect of a 30% reduction in N on farm profitability.
3. Macra na Feirme are in full support of replacing chemical N with clover where possible. However, the timeline of delivery and the scale of this action is simply not feasible or realistic. Teagasc research published in April 2021, states that in order for clover establishment to be successful the following is required:
  - a. Soil PH greater than 6.3
  - b. Minimum soil index for P of 5.1-8 mg/l and K of 101-150 mg/l
  - c. Soils also need to be high in available calcium and magnesium which are necessary for rhizobia survival
  - d. Clover also requires soils to have higher available sulphurThe national soil analysis programme 2019 as published by The Department of Agriculture food and the Marine outlines the following with respect to 109,365 soil samples taken that year:
  - 49% of soils had a pH below 6.3
  - 42% of soils had a phosphorus level less than 5.1
  - 42% of soils had a potassium level less than 100
  - The overall assessment stated that only 23% of soils had optimum agronomic soil fertility levels

It is absolutely critical that a support measure be specifically designed and implemented to address the issues in relation to soil fertility. This must include an extensive liming programme, soil fertility support scheme and more frequent soil sampling across all soil types to more closely monitor soil fertility trends. Macra na Feirme believe that this is a key measure to the success of a number of other measure's including clover establishment, N reduction and improved animal health and performance.

On the whole this measure has the potential to seriously damage and potentially shut down farms that are now viable. Greater work is needed to develop a pathway to reducing N while maintaining and increasing farm viability. New technology and farming practices are going to need to be detailed in this report, their cost and their time to adoption rates along with the management and advisory capacity required for implementation on farm.

**Measure 5** - Target a 100% replacement rate of CAN with Protected Urea by the end of 2025 for grass based dairy production systems.

1. Macra na Feirme supports the proposal of replacing CAN nitrogen with protected Urea, however, questions remain as to the capacity of the industry to deliver the level of protected Urea that is required to meet demand.
2. Macra na Feirme are seeking further verification of emissions factor reported on compound fertilisers. A comparison is required between the latest research and the book value currently used.
3. We are also proposing a research and feasibility study be completed on the application of coating to compound and other straight fertiliser products.
4. Optimum soil fertility is crucial to the efficient use of N and other fertilisers, therefore, a holistic approach is needed to soil fertility management in Ireland.

**Measure 6** - Development and adoption of methane-mitigating feed technologies

1. Macra na Feirme supports the proposal of the development and adoption of methane-mitigating feed technologies and believe this measure should be implemented as soon as possible. In the international context farmers across the world are implementing methane-mitigation feed additives already. This is based on peer reviewed scientific findings. The inclusion of this measure in the Belgium CAP proposals is a further reflection of the international buy in to the direct impact this measure can achieve.
2. It must also be recognised that this is a measure that can be implemented immediately over the housing period. Studies published in the IJDS show the potential reductions in methane emissions that can be achieved by using 3NOP indoors. This reduction is in the region of 26-30%.
3. The funding allocated as a result of a proposal from this group should be directed towards the research and adoption of this technology to pasture based systems with urgency.
4. It is also worth including the adoption of these technologies in indoor housing during the winter period on Irish farms. This is proven technology that can have an immediate impact of emissions and the inventory.
5. Internationally there is a very positive outlook on the potential of this technology. Macra na Feirme are willing to actively engage in adopting this technology, but it must be funded appropriately and supported across industry.
6. Engagement is needed with feed companies, co-ops and advisory services to ensure that adoption is taken on farm and that farmers are educated around feeding methods and the effects or lack thereof on animal performance.

**Measure 7** - Develop methane mitigating Breeding Strategies

1. Macra na Feirme supports the development of methane mitigating breeding strategies and will be a driving force in implementing and adopting these policies at farm level.
2. It is crucial that we roll out the genotyping of all animals in order to ensure animal parentages are correct and to also to increase the accuracy of our breeding programmes going forward. Furthermore, this will add value to the sale and purchase of dairy and beef animals providing greater integration between the two sectors.
3. The methane efficiency will be enhanced in herds with the increased adoption of EBI on farms. The rate of genetic gain on farms will improve with the increased use of AI and a reduction in the use of stock bull bred animals.
4. Methane mitigating strategies should include breeding healthier animals through the greater use of health managing indexes such as the liver fluke and tb indexes. This will result in

increased longevity and survival ability of animals in dairy herds across the country resulting in a requirement for lower replacement rates and more efficient animals.

5. The inclusion of a methane sub index within the EBI will require a long-term research programme with the collaboration of all stakeholders across the sector to increase the understanding around methane measurement and to verify an industry representative phenotype.
6. A key gap in the ability of this measure to work is the absence of a phenotype within the entire breeding herd, this is a point of considerable weakness and needs resolving with immediate significant investment.
7. Consideration is needed to ascertain the implications on genetic variation within the breeding herd as a result of selecting from an increasingly narrow pool of genetics if the weighting on this trait is high.

#### **Measure 8** - Adopt a common Co-op charter on sustainable milk production based on the family farm model

1. Macra na Feirme supports the engagement process around the development of a common co-op charter on sustainable milk production in Ireland.
2. Fundamentally we must ensure that more opportunity is created within the sector for young people to engage and enter the sector. This must be a priority in any and all measures and particularly in relation to this measure.
3. We support the commitment to enhance farm sustainability while reducing Greenhouse Gas Emissions. The sustainability of Irish farms is largely reliant on our efficient pasture-based system which encapsulates economic, social and environmental sustainability.
4. Our industry is reliant on an efficient processing model which encourages pasture-based milk production from a spring calving system and Ireland's natural grass growth curve. It is imperative that we don't direct milk production to the less environmentally efficient times of the year.
5. This charter must contribute to generational renewal with the encouragement of young farmers into the industry and support existing family farms.
6. The expansion experienced post the abolition of milk quota has increased the family farm viability and provided the opportunity to invest in new technologies that has increased our ability to become even more environmentally efficient.

#### **Absence of Enabling Measures**

Macra na Feirme categorically reject the suggestion that the additional measures number 9-17 do not require further reporting and detailing by this group. Over the course of this week alone we have heard numerous politicians and several Ministers including those in The Department of Agriculture and The Department of Climate Change and The Environment speak at length about the role AD, renewables, forestry and other enabling measures will have in reducing emissions. It would be remiss of this group not to provide detailed proposals in relation to the measures that the group agreed to in the interim report.

Macra na Feirme are requesting that each measure in the Interim report be investigated and detailed fully and presented to the group with discussion and negotiation before the final report is sent to The Minister. It will not do anything for the credibility of this group and the report we publish if the entirety of the measures are not detailed and not included with detailed proposals and costings. Macra na Feirme would not be in agreement that these measures be excluded from the final report.

### Other Measures

1. The achievement of the sectors emissions targets will be based on the inclusion of all environmental efficiency measures taken on farm. This will require extensive investment in both climate change research and knowledge transfer.
2. It is critical we take into account the benefits of the widespread adoption of LESS and improvements in organic and inorganic fertiliser management. This is being achieved through improved soil fertility management, the inclusion of clover and multi-species swards; all of which have and will continue to contribute to improved N use efficiencies on farm.
3. We in Macra na Feirme have the expectation that all farms will be milk recording in the near future leading to better management decisions around culling and replacement policies generating more efficient dairy herds.
4. The inclusion of renewables, anaerobic digestion, the further development in methane measurement in an Irish context and the enhanced carbon sequestration on farms due to better farm management practises must deliver credits to farmers and to the agricultural inventory.