

Opening Statement,
Irish Natura & Hill Farmers Association (INHFA),
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Brexit and its impact on the Agri-Food Industry

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The Irish Natura & Hill Farmers Association
Opening Statement to the Joint Committee on Agriculture and the Marine on
Brexit and its impact on the Agri-Food Industry

Firstly, we want to thank you and your committee for affording us the opportunity to address this committee.

Introduction

On writing this, a trade deal between the EU and UK/Britain now looks likely and the hope is that this deal will accommodate tariff free-trade for Irish Farm/food produce into the United Kingdom and specifically Britain. This is important to all aspects of Irish agriculture especially our beef sector which sees 250,000 tons valued at €1.2 billion exported to Britain each year.

Currently, with no substantial trade deals completed by the UK, they still will require our beef and other food produce. However, it would be foolish to expect this to continue indefinitely.

While the UK has always been our main export market especially prior to us joining the European Union. This was based on being able to source cheaper food in Ireland than anywhere else. In the coming years as the UK finalises trade deals especially with North America, Brazil and the Oceanic countries, access for food products and in particular beef will form part of any final trade deal with these countries. This will of course have impacts for Ireland and we must start preparing for this.

Marketing Irish Products in Britain

The INHFA are of the opinion that the best interests of Irish farmers, especially our suckler and beef farmers can only be served by targeting this beef at the high-end British market. In targeting our suckler beef at this market we can deliver a much higher price that must be reflected back to our farmers. The proposal agreed at the Beef Taskforce to develop a Naturally Reared Suckler brand will be a critical component in delivering on this market. In developing this brand, we need to package the story of an animal reared in nature from an extensive farming system with a zero carbon footprint. This is a product that can attract a higher price and will not need to compete with the lower value imports and higher carbon products from the America's or Oceanic countries.



Potential of the Irish Diaspora

Another option to develop our market potential in Britain comes in the form of the Irish diaspora. With a significant Irish population residing in Britain (including first and second-generation) we have an advantage that none of our main competitors have. We need to capitalise on this and appeal to these people through their Irish heritage. In doing this, we may be able to influence their shopping habits so they will look for and buy Irish products such as Kerrygold butter and Atlantic Hill Lamb. Also, if they are in a restaurant and they see Naturally reared Irish Beef on the menu then they will get it irrespective of the price.

UK Landbridge

Beyond the British market, we need to ensure timely access to the European market for our farm produce. Currently, more than 85% of our €3 billion meat and dairy exports to the EU go via the UK land-bridge with much of this product shipped on tight 'just in time' schedules for supermarkets and the foodservice sector.

Irrespective of any trade deal transporting product to Europe via this land bridge will take longer. At this time, it is impossible to predict what delays Hauliers will encounter, but comments made last October by UK Cabinet Minister Michael Gove was truly frightening. In describing how drivers could be held up for days and locked in 7,000 vehicle long queues Minister Gove's comments should illustrate to us all the need for alternative routes to mainland Europe. This needs to be a priority for Government.

The shortest sea route to Europe from Ireland is from the port of Rosslare with Waterford and Cork two further options. Unfortunately this fact seems to have been lost on a lot of our Politicians and the national media who still seem to be preoccupied with Dublin Port and how it will operate after January 1st.

In welcoming last week's announcement of a new direct route from Rosslare to Dunkirk there is we believe further sailings needed. These sailings need to be daily from Rosslare or possibly Cork to Roscoff or Cherbourg. With sailing times of 15-17 hours, it leaves enough time for boarding and disembarkation to ensure two ships can manage a daily return schedule. Ensuring additional capacity through these routes will also be vital in the event that the UK is unable or reduces the 100,000 tons of beef it currently exports into mainland Europe.



Every crisis even Brexit can present us with an opportunity. While Dublin port will always remain critical in terms of freight there is an opportunity to develop alternatives in our Southern ports. Infrastructure may need to be improved but that will have wider benefits.

Northern Ireland

We must ensure that trade between Southern Ireland and the border counties especially, with Northern Ireland is not impeded in any way. We need clarity on what will happen with goods coming from Britain into Northern Ireland and into the Republic, with the trade of agricultural machinery being one area of concern.

Standards

The whole area of food and production standards needs clarity. How can Britain import goods and raw materials from non-EU countries with different standards and provide this material to Northern Ireland which in turn can be purchased (at a lower cost) by Southern Irish consumers undermining our farmers.

Conclusion

Since the UK voted to leave the EU in June 2016 there has been an unprecedented level of uncertainty and while the end is in sight we still don't know what the final outcome will be. However, in situations such as this, it is important to control what we can control. The INHFA proposals are within the control of our State and not dependent on permission from anyone. But it is up to the State and our Government to act in the best interest of us all.