

**Challenges facing the Fruit and Vegetable Industry in Ireland
specifically in the food waste aspect at both consumer and production stages
of the food chain**

Opening Statement:

I want to thank the members for the invitation to address the committee around “the challenges facing the fruit and vegetable industry in Ireland, specifically in the food waste aspect at both consumer and production stages of the food chain”.

About Keelings

Keelings is a 100% Irish owned, 3rd generation family business operating and innovating within the fresh produce industry since 1926 and over the last 97 years, the business has evolved and grown internationally, and we now employ over 2,700 employees across 11 business units in 7 different countries.

In Ireland, Keelings employs approximately 1400 people in full time and part time roles across our businesses supporting the retail, food service, wholesale and flowers business. In addition, we need to recruit approximately 600 seasonal horticultural workers.

On our Irish farms, Keelings now specialise in the production of soft and top fruit across 182ha, 20 hectares of glasshouses and 70 hectares of polytunnels. While Strawberries are our main crop, with approximately 200 million berries produced each year from both heated and cold structures, Keelings are one of a few Irish farms growing and supplying both raspberries, blackberries, and blueberries. We believe there are opportunities to grow and supply more Irish soft fruit, and apples to the Irish consumer with the correct support measures in place.

Since the beginning, Keelings have always focused on research and development, to produce the best quality produce while innovating to extend the Irish growing season. In 2021, we launched our new purpose, Better Food Better World, and as a team we are continually striving to make food and what we all eat better, through what we grow, the quality improvements and innovations we make.

The Irish Horticultural Sector

The horticulture industry is the 4th largest sector of Agriculture in Ireland and is an essential industry supplying local seasonal produce to the Irish consumer. The horticulture sector has a value of €529 million.

We support government policies that develop and sustain the horticulture sector, as it benefits both the local economy and aligns with national health objectives. Keelings support the Department of Health's, Healthy Food for Life – new Healthy eating Guidelines and Food Pyramid, which encourages everyone to eat more vegetables, salad and fruit - up to seven servings a day.

We welcome the new National Strategy for Horticulture 2023 – 27. While we are optimistic about the opportunity for this sector to grow by 30% to €688million, there are numerous challenges that face the industry which must be addressed.

Most importantly we must implement policies that allow Irish producers to achieve a level of competitiveness against European and third country producers. In general, the costs of producing horticulture crops in Ireland, due to economies of scale and higher input costs, tends to be above other countries. These cost differences have been exacerbated in recent years due to inflation. All horticulture sectors have been impacted by the rise of input costs over the past two years.

The HEPS scheme was introduced in 2022 to support the sector against the impact of soaring input costs however the soft fruit sector was excluded. The recent announcement of a further support package for the sector is welcome given the fact that heated soft fruit crops are included on this occasion. Going forward continued government support will be required while input costs remain elevated.

We recognise the focus of the hearing today is specific to food waste, and so we will highlight some of the initiatives we are working on to combat food waste. However, there are also significant challenges in this area, and we will detail the supports required.

Initiatives around Food Waste

Food Waste Charter

In June 2023, Keelings pledged to take action to reduce food waste by signing the Food Waste Charter. This charter is an Environmental Protection Agency (EPA) initiative to halve food waste by 2030 under UN Sustainable Development Goal 12.3

Food Cloud

Keelings have worked with Food Cloud since 2016 and we support their vision; “A world where no good food goes to waste.” We are proud to partner with this social enterprise “to transform surplus food into opportunities”. Since we started to work together, Keelings have donated fresh produce, which has resulted in 132 charity groups supported, over 40 Tonnes of food has been redistributed, the equivalent to 95,238 meals. We look forward to continuing this partnership to support future fresh produce donations.

Challenges leading to Food Waste

Climate Change

In general, we are experiencing more extreme weather events leading to volatility in crop production programmes. For example, this July was one of the wettest on record in Ireland and due to the damp and humid conditions, led to higher fruit waste levels on farms. Government support is required to invest in technologies, infrastructure and crop varieties which will help mitigate against these extremes in weather.

Labour

The horticulture industry is an extremely labour-intensive industry, with labour costs accounting for up to 50% of total variable costs. It is also increasingly difficult to get sufficiently skilled workers to harvest the fruit. If fruit cannot be harvested, then it will lead to high levels of food waste at the production level.

To address this issue the government will need to introduce proposals to support vulnerable sectors to mitigate the impact in labour issues. The proposed introduction of the bespoke seasonal worker scheme for the sector is also necessary.

Availability of crop protection products (CPP's)

The ability to produce certain crops economically is being affected by the availability of certain Crop protection products (CPP's). It also leads to an increase in the incidence of food waste as crops are unfit for sale due to pest and disease damage. In Keelings we practice integrated Pest Management (IPM) on the farms with the use of preventative practices along with cultural and biological controls. Bees and other pollinators, along with natural predators, are essential to the workings of the farm. However, IPM can only truly function with the integration of targeted actives in cropping programmes.

There must be a level playing field within the EU and true harmonisation where we have access to the same products as our European counterparts who are in the same climate zone as Ireland.

We welcome the work of the committee which has been formed to make progress in this area, but it must be properly resourced and true harmonisation delivered.

Valorisation of Surplus and Class 2 product:

A key industry concern is securing alternative commercial outlets for fresh produce, during unanticipated surplus production peaks, particularly due to inconsistent weather patterns. During these peaks there is significantly more product than the market can consume, and it is uncommercial to export.

In Keelings we have minimal amounts of class 2 products and to avoid waste we either work with retailers to adjust specifications or sell it through our farm shop as jam packs.

As part of any National strategy on Food Waste we need to develop the valorisation of all surplus and class 2 products in the fresh produce sector. In this regard we need to look at investing in new technologies and innovations that extend the shelf life of fresh produce.

The National Strategy proposes to bring all stakeholders together to produce a written charter between growers, consolidators and retailers, and increase consumer demand for local, in season, fresh, quality fruit, vegetables and plants. We welcome this development and believe it will increase education around local seasonal produce, but it could also be used as a forum to raise consumer awareness in the area of food waste and how it may be reduced at retail level.

Government funding for capital investment along with Research and Development

While existing funding mechanisms such as the EU PO Scheme and the Scheme for Investment Aid in the Horticulture sector are vital for the sector, there must be a state led and coordinated approach to progress the required initiatives detailed below which could fund areas which can research the valorisation of so-called waste produce. This support should be channelled through the existing government agencies with responsibility for these areas. In addition, the remit of Enterprise Ireland should be broadened to include primary horticulture as mentioned in the National Strategy document.

- Need investment and strategy to adapt and develop technologies to automate harvesting tasks within the Horticulture sector and mitigate the impact of climate on production
- Develop Plant based food options particularly by adding value to the primary fresh produce
- Investigate new plant breeding technologies and variety selection
- Research into new methods to control pest and diseases
- Valorisation of food waste and surpluses through investment in technology and equipment

Conclusion:

I would again like to thank the committee for the invitation to address the challenges facing the fruit and vegetable industry in Ireland, specifically in the food waste aspect at both consumer and production stages of the food chain.

At Keelings, our vision is to inspire more people to enjoy fresh produce and we remain committed to growing and sourcing the best quality fruit and vegetables while implementing measures to reduce food waste.

We welcome future collaboration on the action plans to support the National Horticulture Strategy and we support initiatives that promote investment within the horticultural sector in Ireland that will support jobs, communities, food security and overall access to healthy fresh produce.

We will be happy to address questions that the committee may have in relation to the industry and the Keelings business in relation to this topic.