

Joint Oireachtas Committee on Agriculture, Food and the Marine

Challenges facing the Fruit and Vegetable Industry in Ireland.

Opening Statement by Bord Bia Director of Horticulture Mike Neary

October 11th, 2023

Good evening Chairman and members, and thank you for the invitation to address the committee this evening on the challenges facing the fruit and vegetable industry in Ireland.

The horticulture industry is an important sector of agriculture with an estimated output value of €531m in 2022 (farm gate prices). Horticulture food crops represent over 80% of this output value at €431m and amenity horticulture (non food crops) make up the remaining 20% with a value of €100m. The industry produces a wide range of food crops including potatoes, mushrooms, field vegetables, fruit and protected crops which are primarily sold on the home market with a key focus on the retail channel, though an important export channel exist for mushrooms that are supplied into the UK market. Employment in Horticulture is estimated at 7,000 full time in primary production with a further 11,000 employed in downstream businesses.

Recent seasons have been challenging for the fruit and vegetables sector with a number of contributing factors. This has resulted in overall consolidation within the industry, some grower exits and the reduction in the production area of certain crops while existing growers are becoming more specialised and heavily invested to remain competitive in an increasingly challenging environment.

Key challenges include the high costs of energy and overall higher costs for key inputs; securing sustainable returns from a competitive marketplace to cover increased costs and capital investments, access to and availability of an adequate supply of labour particularly in the busy growing and cropping season; land availability to manage crop rotations; reduced availability of plant protection products to maximise plant growth and yields and the cost and availability of growing mediums continues to be a challenge for this sector. These are all in the context of growing crops in a climate that can be difficult and challenging at times as we have seen this year with periods of drought and then excessive rainfall which has a significant impact on the field and harvesting operations.

Current consumer trends are creating opportunities to grow the demand for fresh produce through highlighting and reinforcing the role it plays in contributing to a healthy balanced diet. The Irish public are currently consuming below the recommended number of daily portions of fruit and vegetables which is an opportunity for growth. In addition, as Ireland imports certain fruit and vegetables that could be grown here in season, and as climate change and Brexit pose greater challenges to international supply, there are and will be import substitution opportunities for horticulture in Ireland.

Food security is important and horticulture should continue to play a central role in maintaining national food security for fresh produce.

Bord Bia collaborates and works closely with the Horticulture Industry across a number of programmes and initiatives. Bord Bia is also a member of the Horticulture Industry Forum which includes growers representatives and other State organisations which facilitates this co operation and which more recently has included contributing to The Department of Agriculture, Food & Marine National Strategy for Horticulture 2023-2027 which was launched in June.

Bord Bia is implementing a number of significant three year promotional campaigns on the domestic and UK markets to promote increased sales and consumption of horticulture produce. These include for fruit, vegetables, potatoes and mushrooms on the domestic market and also for mushrooms in the UK our key export market. Our Food Choice Matters campaign which is underpinned by the Bord Bia Quality Mark features horticulture strongly and with a high level of recognition of the mark by consumers it provides an important signal of the origin and quality of local fresh produce on the supermarket shelf. We also activate and support a number of school programmes which have the promotion of increased fruit and vegetable consumption and eating a healthy balanced diet at their core.

Bord Bia promote and support the amenity horticulture sector through our gardening promotion campaigns and the EU Green City programme which is aimed at greening our urban areas and creating sales opportunities for local plants. Bloom our major gardening and food event which is held for five days over the June Bank Holiday weekend annually attracting over 100,000 visitors is a showcase for our food, drink and horticulture sectors which brings our food and plant producers front and centre with the public building awareness and sales opportunities for participating businesses.

Bord Bia provide a range of client capability services on an individual basis to the industry which include developing marketing strategies, provision of market insight, building skills in the areas of category management, negotiation and digital and improving lean performance at business level. Bord Bia also provide support to many organisations and associations who support and represent the interest of the different sectors of horticulture.

I would like to conclude by thanking you for inviting Bord Bia to address the committee this evening. My colleague and I are eager to respond to any queries you may have, and if we are unable to provide the required detail, I assure you that we will follow up with the individual members.

Thank you for your attention.

Ends