

Opening Statement,
Irish Cattle and
Sheep Farmers'
Association (ICSA),
28.02.24.



ICSA Response to the Nitrates Directive Implications for Ireland (Series of Questions)

28 February 2024

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1. What are the anticipated economic effects for the agricultural sector that would result from a further decrease to the Nitrates Derogation?

The effects can be categorised as follows:

- The impact on the profitability of farms that are dependent on derogation from the loss of output.
- The impact on other farmers who lose rental land to derogation farmers who wish to maintain total output. This is a big problem for active cattle, sheep and tillage farmers who can't compete with crazy land rental prices. We need tillage to reduce dependence on imported feed and it is very difficult to operate suckler or dairy farms without straw at calving time.
- A decrease to 170 would undermine our grass-based system and the competitive advantage we have compared to our EU neighbours. The grass-fed beef PGI is a recognition that grass based farming is a traditional and valuable system of farming which brings many benefits in terms of animal welfare, nutrition and better food for consumers.
- The overall impact will be to undermine our food exports which were worth more than €16 billion in 2023.

2. What are the anticipated social effects for the agricultural sector that would result from a further decrease to the Nitrates Derogation?

It is our view that the reduction from 250 to 220 has been difficult for farmers because plans have been de-railed, and this is a source of frustration.

A reduction to 170 would likely undermine the prospects for many young people who would question the economics of full-time farming.

The point is that the social fabric of rural Ireland is certainly threatened by the lack of young people wanting to farm. More and more inspections, complex rules, penalties and poor prospects for viable farming will only make this worse.

3. Is it possible to maintain Ireland's Nitrates Derogation at its current level, while ensuring that there are improvements to Ireland's water quality?

It is difficult to make definitive judgements on water quality improvements when we still see Uisce Éireann being fined for allowing polluting material into water catchments after 10 years of ownership of water schemes.

There is also the challenge that science is still evolving and farmers are struggling to keep up with changing advice. For example, farmers have invested billions in slurry storage over the past twenty years in line with the scientific advice. But it is the case that climate patterns, especially rainfall, has led to questions about whether there is enough storage on farms. As it stands, the storage requirements vary from 16 to 22 weeks depending on what part of the country you farm in.

It is looking like this is not enough but there is a serious question about how extra storage can be achieved on farms at a time when interest rates are no longer low, construction costs have rocketed and the TAMS system is broken.

How can we expect low-income beef and suckler farmers to invest in additional storage when their income is not enough to cover repayments?

ICSA believes that it is time for the Minister to take on board the recommendations of the Ag Water Quality Group to increase the rate of grant for slurry storage. A 70% grant was announced in the budget for tillage farms importing slurry – we think this should apply to all farms. It is far more practical in most cases to store the slurry where the animals are kept.

We must also question the advice that was being pushed only a few years ago that dairy expansion could be achieved using topless cubicles, and stand-off pads. This, in our view, did nobody any favours, because it pushed people to run faster just to stand still and gave a false view of how cheaply milk could be produced.

We also must look at the 2018 experience where farmers were advised to spread chemical nitrogen after the long hot summer and this advice turned out to be a major mistake. It's unfair to blame farmers when the scientific research is not up to date.

However, on a positive note, there is huge commitment by farmers to do more. Fertiliser sales in 2023 are down 33% since 2021. This is very significant and there is increased use of protected urea. Total Nitrogen sales were down to 280,000 tons in 2023, beating the 2030 Climate Action Plan target for 2030.

Farmers have done a lot in re-seeding with clover but there are still gaps in knowledge about how to manage clover and the potential for excess nitrogen in the soil fixed from the atmosphere by clover.

In conclusion, I think that if Uisce Eireann could undertake as much work as farmers are doing at pace, then we can certainly see improvements in water quality. But in our view, the EPA needs to put the same emphasis on Uisce Eireann as it has on farmers.

4. Is the Nitrates Action Programme fit for purpose in protecting Ireland's water quality?

In our view, farmers working with Teagasc and initiatives like the ASSAP programme and the work being done by the Ag Water Quality group demonstrate huge commitment by the farming sector.

The motivation is a commitment to the Nitrates Action Plan and the retention of derogation.

But it must be said that many farmers are increasingly frustrated by more and more complexity and rules which are hard to keep up with. The deadlines for slurry spreading, the new rules on soiled water, the new rules on trailed shoe, the new maximums on chemical fertiliser, the new fertiliser database, the risk of over use of cattle ration, potential

5. Are there additional supports required to ensure farmers can be compliant with the Nitrates Action Programme?

I will say it again. Farmers need a far higher grant rate if they are expected to invest in more slurry storage. They also need better research information, delivered in a timely manner. In recent times, we are seeing that Teagasc is on a learning curve – and that's fair enough – in relation to things like how to deal with a drought. But it's not fair to expect farmers to know how to deal with adverse conditions when the advisory service is also struggling to cope.

6. Are there additional resources required to ensure the measures required by the Nitrates Action Programme are adequately enforced

ICSA is actually concerned that farmers are facing a massive increase in inspections at a time when the EU is talking about trying to substantially reduce inspections. It is hard for farmers to put up with local authorities quadrupling their inspection numbers when the local authorities had, for many years, a responsibility for water and sewage that was not fit for purpose. And even under Uisce Eireann, the rate of improvement is not good enough despite the resources available to them.

How can we expect farmers to achieve results at pace, when agencies with far more resources, are still struggling. How about penalties that are appropriate in scale for Uisce Eireann? I think farmers are very committed to improvement but for many, the economics of investment don't stack up without better supports.