

Ireland's Strategy for a More Profitable Beef and Sheep Industry

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Department of
**Agriculture,
Food and the Marine**

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**Talmhaíochta,
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DAFM: Department of Agriculture, Food and Marine



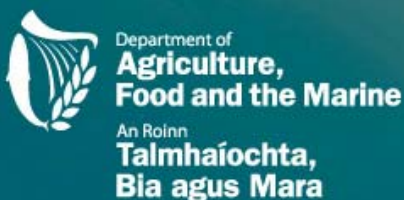
Teagasc: Ireland's Agriculture and Food Development Authority



ICBF: Irish Cattle Breeding Federation

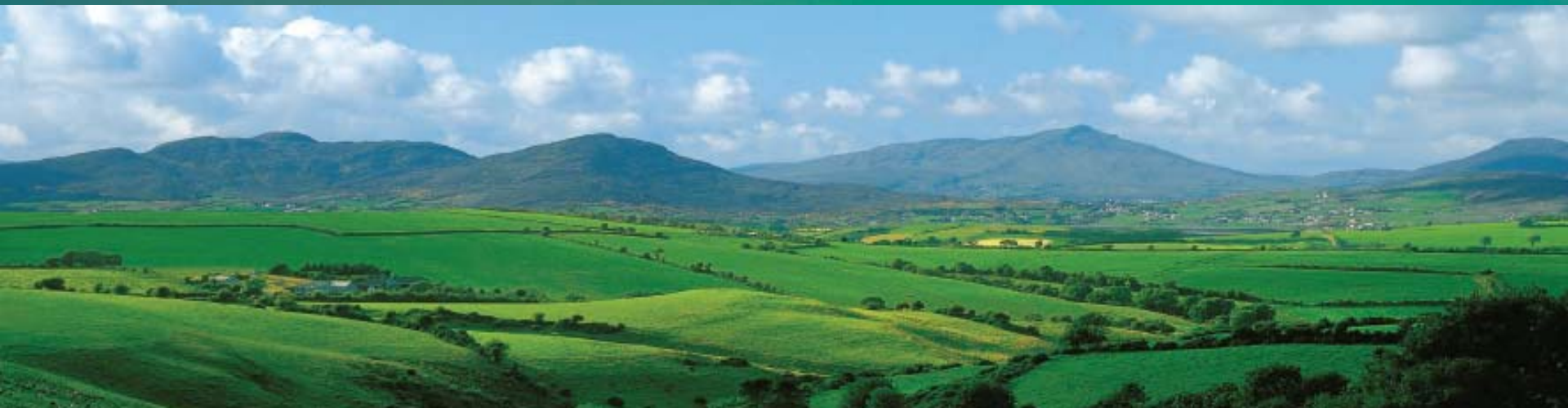


Bord Bia: Irish Food Board



Structure of Ireland's Agriculture

- 6.9 million hectares land area
- 4.6 m ha used for agriculture
- 139,800 farms
 - 32.7 ha average size
- 6.6 million cattle
- 5.1 million sheep
- Grass based production



Ireland's Agri-Food Sector

- Largest indigenous industry
- €24 billion annual output
- €9 billion exports
- 135,000 employed



Ireland's Beef Industry

- >60,000 beef suckler farms
- 1.1 million suckler cows
 - 17 cows average herd
- 50% of 1.1 m dairy cows bred to beef



Ireland's Beef Industry - contd.

- 540,000 tonnes beef output
 - 85% exported at value of €1.8 billion
 - 50% to UK and 48% to continental Europe
- 200,000 live exports in 2011
 - Valued at €200m
- Total of €2 billion exports





Ireland's Sheep Industry

- 32,000 sheep farmers
- 80% lowland and 20% hill
- 2.35 million ewes
- 53,000 tonnes sheepmeat
- 41,000 tonnes exported
 - 75% to UK and France
- €180m value of exports

Family Farm Income - 2011

• Dairying	€69,617
• Suckler Beef	€10,600
• Cattle Other	€14,967
• Sheep	€17,084
• Mixed Livestock	€34,750
• Tillage	€35,737

Profitability

- A challenge
- Net profit per ha for the top 10% beef and sheep farmers is €473 and €481 higher than the bottom 10%
- Potential to improve profitability
- Competitiveness is key
 - Improving production and processing efficiency



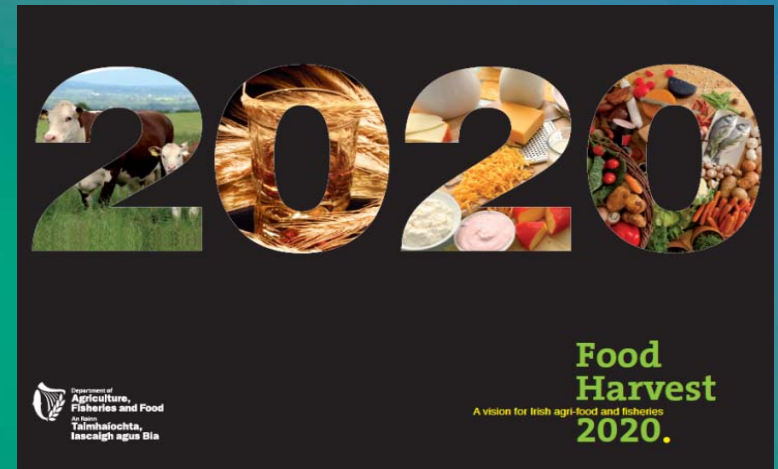
Ireland's Strategy

State and industry working in partnership

- Food Harvest 2020
- Range of State supports to Beef and Sheep Industry

Food Harvest 2020

- Published in 2010
- Industry/State 10 year strategic plan
- Vision for the agri-food industry
- Aim to improve competitiveness and growth



Food Harvest 2020 contd.

- Sets ambitious growth and export targets
- Increase value of beef and sheep output by 20%
- Beef Activation Group in 2011 increased beef target to 40%



Food Harvest 2020 - contd.

Minister chairs High Level Implementation Group

State and industry committed to work together to achieve the targets

FH2020 sets out 215 recommendations

- Many are commercial decisions by industry

FH2020 **Beef** Recommendations

22 recommendations

Examples:

- DAFM and industry continue to support ICBF's programme of genetic improvement
- Strong collaboration to ensure research outputs are applied at farm level
- Processing sector, with support of relevant State agencies, to increase value-added beef exports

FH2020 **Sheep** Recommendations

12 recommendations

Examples:

- DAFM and sheep sector to strongly support Sheep Ireland to develop a new breed improvement programme
- Sector to improve the uptake of new technology on farms
- Processing sector, with support of relevant State agencies, needs to embrace consumer-led product and packaging innovation to increase value-added sheep exports



State Support to Beef and Sheep Industry

- Research
- Breeding
- Data Capture
- Knowledge Exchange
- Animal Health
- Marketing
- Structural Investment



Research

DAFM

- Operates 3 competitive research funding programmes
 - FIRM (Food Institutional Research Measure) - Food
 - Research Stimulus Fund – Agriculture Production
 - CoFoRD – Forestry
- €20 million annual investment



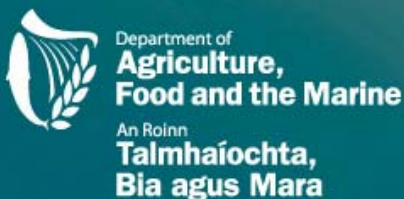
Agri-Food Industry Strategic Research Agendas 2011

Developed by industry
led Advisory Groups



Stimulating Sustainable Agricultural Production through Research & Innovation (SSAPRI)

A Research Agenda to guide public investment in
primary agricultural research in Ireland



Food Research Ireland

Meeting the needs of Ireland's
food sector to 2020 through
research and innovation

Research contd.



Teagasc

- Research relevant to farmers and food industry, including beef and sheep
- 2009: Suckler Beef Research Demonstration Farm
- 2011: Sheep Research Demonstration Farm

Research contd.

ICBF and Sheep Ireland

- Research into genetic evaluations and breeding programmes



Breeding

ICBF

Established 1998

Developed world class cattle breeding infrastructure



Sheep Ireland

Established in 2008 (operated by ICBF)

Developing infrastructure and data collection



DAFM provides funding to both and represented on governing Boards

Data Capture

DAFM

- National Cattle **Animal Identification and Movement** system (**AIM**) database
- Records births, movements and deaths
- Central to Ireland's food safety/traceability
- Nightly transfer of data to ICBF free of charge
- Consent of farmer (80% beef farmers)
- Critical to building ICBF's integrated database

Data Capture - contd.

Suckler Cow Welfare/Breeding Scheme

DAFM Launched in 2008

One objective: Help to address problem of low level of animal recording in beef herds

Farmer receives a payment per calf for meeting a range of welfare and breeding related conditions



Data Capture - contd.

Suckler Cow Animal Welfare and Breeding Scheme

Farmer records in ICBF Animal Events:

- Calf identification
- Dam and sire identification
- Calving ease, mortality, gestation length
- Calf quality and
- Docility

2011: 763,396 calves in 34,436 suckler herds recorded



Data Capture - contd.

Slaughter Data

Slaughter data provided via DAFM to ICBF

- animal identification
- carcase weight
- conformation/fat grades

Carcase images provided directly to ICBF



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Data Capture - contd.

ICBF captures data from:

- Herdbooks
- AI organisations
- On-farm recording
 - Weights
 - Linear scoring



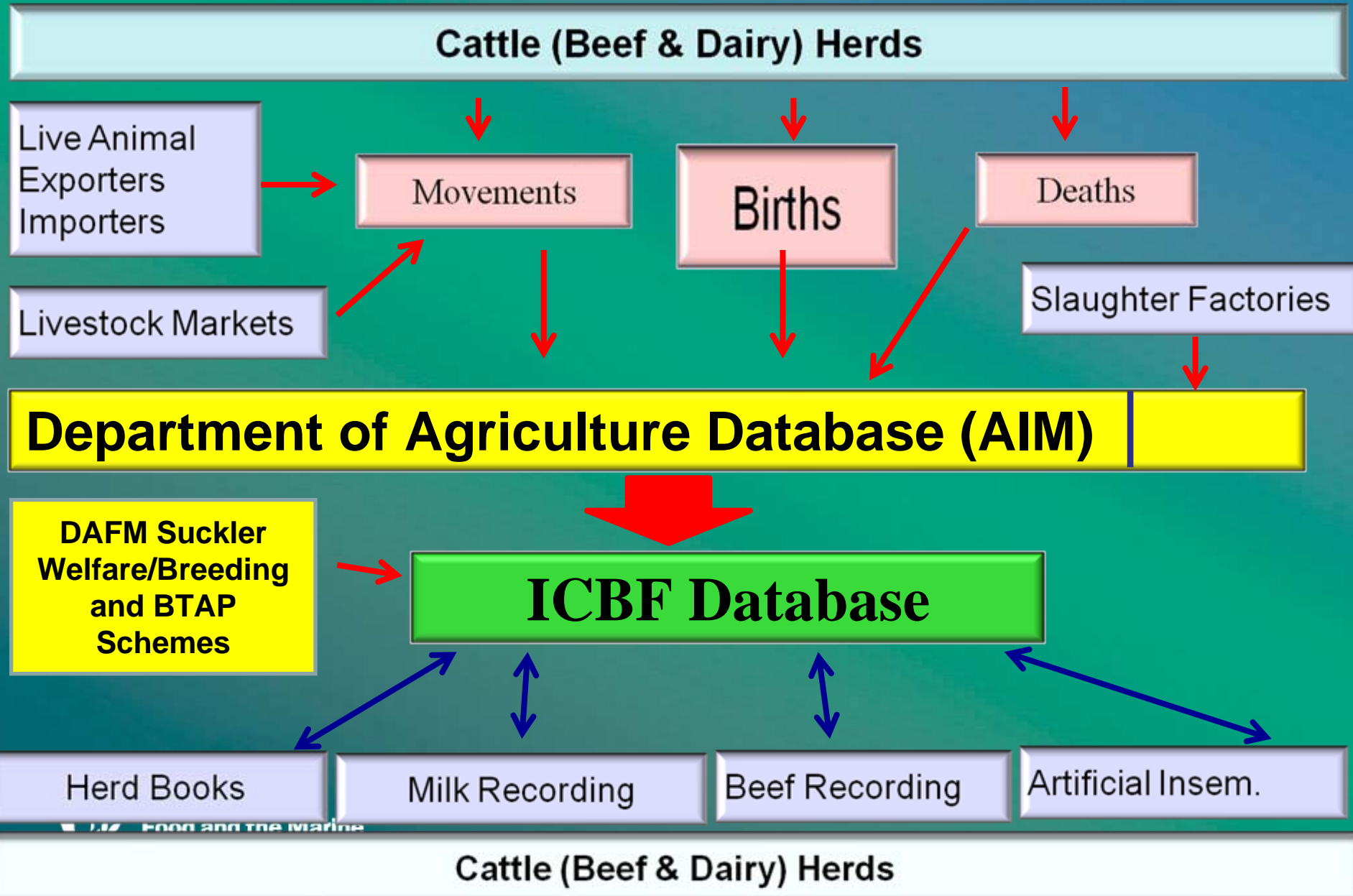
National Cattle Breeding Database



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DAFM / ICBF data flows



Data Capture - contd.

Sheep Ireland

Data from:

- Flockbooks
- Pedigree flocks
- Central Progeny Test flocks
- Maternal Lamb Producers Program
- Teagasc/UCD research flocks



Knowledge Exchange

Knowledge transfer/exchange initiatives:

- DAFM
- Teagasc
- ICBF



Knowledge Exchange - contd.

DAFM Beef Adoption Technology Programme

- Launched in 2012
- Provide beef farmers with knowledge to reduce costs, increase output and increase profit margins
- Incentive to participate
- €5 million available in 2012
- > 6,000 farmers have applied to join

Knowledge Exchange - contd.

DAFM Beef Adoption Technology Programme

Beef farmer required to:

- Join discussion group
- Meet regularly with professional advisor (Teagasc or Agriculture Consultant)
- Provide Animal Events data to ICBF
- Join ICBF HerdPlus
- Adopt best practice in grassland management, animal breeding, animal health/welfare and financial management



Knowledge Exchange - contd.



Teagasc

- **Knowledge Transfer and Advisory Programme**
- **BETTER Farm Beef Programme** with support from Irish Farmers Journal, Meat Industry and FBD Insurance
- **BETTER Farm Sheep Programme**

**BETTER = Business, Environment, Technology through
Training, Extension, Research**

Knowledge Exchange - contd.

BETTER Farm Beef Programme

- Commenced **2008**
- **16** selected farms
- **Aim** is to demonstrate the potential to turn efficiency of production into profit
- **Farm Plan** – breeding, grassland management and performance monitoring
- Participation in **discussion group**

Gross Margin per ha from 2008 to 2011
increased from €386 to €843



Knowledge Exchange - contd.

BETTER Farm Sheep Programme

- Commenced 2010
- 10 commercial sheep farms
- **Farm Plan** – breeding policy, flock management, grassland management, financial performance
- **Recording** of ewe and lamb performance
- Share information with other farmers



Knowledge Exchange - contd.

ICBF

HerdPlus for beef – 8,800 herds

LambPlus for sheep – 350 flocks

- Source of information to help farmers make better breeding decisions
- Information based on genetic evaluations and reproductive performance of herd/flock
- Information on all animals in herd/flock including comparison of herd/flock to national average



Animal Health



Animal Health Ireland (AHI)

- Established in 2009
- Industry led with DAFM support
- Objective of reducing negative impact of animal disease on herd efficiency
- Mandate is to pursue control strategies for important cattle diseases

Marketing

International markets crucial:

- 80% of beef and 75% sheep output exported
- Access to markets that deliver best returns
- Collaborative effort between DAFM, Bord Bia, Industry and Irish Embassies



Bord Bia (Irish Food Board)



- State Agency
- Market Development & Promotion
- Link between Irish food suppliers and existing/potential customers throughout the world
- Strategically located offices overseas (Amsterdam, Dusseldorf, London, Madrid, Milan, Moscow, New York, Paris, Shanghai and Stockholm)

Structural Investment

DAFM support to on-farm and meat processing investment

Livestock farmers

- Over €1 billion paid to about 50,000 farmers in the past 7 years
- Primarily in animal housing, silage and waste storage facilities
- Objective is to increase scale and efficiencies and comply with demanding environmental and food safety standards



Structural Investment - contd.

Meat Processing Industry

- The Beef and Sheepmeat Investment Fund was established in 2008
- In 2009 15 capital investment projects were approved for grant assistance of €69 million
- Objective is for processing sector to upgrade and modernise their facilities, lower costs, improve efficiencies, increase employment and increase exports.



Conclusions

- Challenges to beef and sheep profitability
- Small incremental improvements across a range of factors can have a positive impact on profitability
- State working in partnership with industry has a strategy in place that affords the beef and sheep industry the opportunity to improve competitiveness at all levels of the supply chain

