

# Virtual Beef Week 2020

Friday 10 July

## Building a sustainable beef sector – the grand challenges



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**O**n the final day of the Teagasc Virtual Beef Week, we will address the challenges facing the beef sector. A panel of speakers from key industry partners will discuss the current state of play and potential changes in wider policy, sustainability and consumer environment from the point of view of their impacts on the Irish beef farming sector.

### Policy and trade developments

Direct payments from the Common Agricultural Policy (CAP) account for over 100% of farm income on beef cattle farms. Therefore, changes in CAP could have profound impacts on the future shape of the beef sector. Recent policy has seen a move towards a flattening of historical payments, so that all payments gradually converge closer to the national average.

This means that farms receiving very large payments have seen them decrease (in some cases, quite substantially) and farms that received payments below the national average have seen their payments increase. At the same time, funding has shifted towards environmental payments – one example of this is GLAS, which is co-funded by the EU and the Irish exchequer.

Although CAP discussions are ongoing, we have a very good indication of the direction of change, with the recent launch of the “Farm to Fork” and Biodiversity strategies by the European Commission. These strategies are underpinned by the European “Green Deal”, an overarching set of proposals for developing a sustainable European economy.

The implications of these poli-

cies will be far-reaching for cattle farming. Reductions are flagged for fertiliser application, anti-microbials and chemical usage, all of which play a key role in current cattle farming systems. Therefore, new approaches and management practices will need to be adopted to maintain productivity in the context of these constraints.



Further influencing beef farming into the future – specifically beef prices – are the ongoing trade negotiations. The Mercosur deal has received the most attention from a beef trade perspective, given the increased access this could provide for the major beef-producing countries of South America to the European market.

The ongoing Brexit negotiations are a more immediate concern, with almost every second beef animal produced in Ireland ending up in the UK market. The consequences of increased tariffs and/or a more open trading regime between the UK and the rest of the world could be significant from an Irish beef price perspective.

### Societal expectations

Sustainable food production systems are now a key requirement of consumers and society in general. Although sustainability can mean different things depending on one's perspective, it is most commonly con-



sidered in terms of the environmental impact of food production.

In relation to beef production, greenhouse gas emissions, water quality and biodiversity have received the most attention. Ireland is unique within Europe, in that one-third of national emissions derive from the agricultural sector. This is due to the lack of heavy industry and high ratio of cows and sheep to humans in Ireland, when compared to most other western countries.

However, when viewed in terms of greenhouse gas emissions generated per unit of beef (also known as the carbon footprint), international comparators are extremely favourable, with Ireland having one of the lowest greenhouse gas emissions per kilogram of beef in the world. The role of pasture-based systems in maintaining and increasing the store of carbon in the soil is also essential.

The recent EU “Farm to Fork” strategy outlines the need to reward farmers for practices that remove carbon from the atmosphere. Essentially, this means rewarding farmers for increas-

# ty's Family Butchers



Family beef producers and butchers Pat, Mark and Margaret Geraghty in Mountbellew.

ing the rate of carbon sequestration in soils and above-ground biomass, such as hedges and trees.

Irish farms support a rich diversity of farmland habitats, such as hedgerows, field margins, ponds and streams, native woodland, bogs and species-rich meadows and pastures.



The generally extensive nature of Irish beef farming makes it particularly suitable for supporting such habitats – even more so when one con-

siders the low level of chemical and artificial fertilizer used on beef farms here. The latter also lends itself to low levels of nutrient surpluses on beef farms, which is important from a water quality perspective.

In addition to environmental considerations, animal welfare is also of concern to wider society. Again, Irish beef cattle production systems are well placed to meet these expectations. The pasture-based nature of beef production in Ireland, with cattle remaining at grass for seven to eight months, has very positive associations from an animal welfare perspective.

Nevertheless, it is important to keep in mind the continued focus on this aspect of beef farming. Management practices and guidelines around critical periods in the animal's lifetime such as disbudding, castration, weaning and housing, have all been developed to ensure the highest levels of animals welfare are maintained.

Beef meat makes an important contribution to global food security, as a source of high-quality protein

food. In this context, the nature of Irish beef systems, whereby land that is not otherwise suitable for human food production converts grass and grass silage into beef, plays an important role.

It is clear that many challenges lie ahead for the Irish beef industry. It is an industry that has shown considerable resilience in the past and a willingness to adapt to changing external factors. These strengths and a willingness to further innovate will be essential into the future. The challenge with low levels of profitability remains paramount.

The importance of farm support payments underlines the difficulty for most farms to generate a sustainable margin from cattle farming activities. Therefore, the current CAP reform discussions are of great interest.

In particular, the possibility of providing greater financial supports for environmental measures and management practices may provide opportunities for beef farming in Ireland to increase focus in this aspect of production systems.