

A view from England

- Wide range of types of farming: large-scale arable farms in Eastern England; dairy farms, particularly in western England; sheep farms in upland areas; fruit and vegetable producers reliant on migrant labour
- Considerable uncertainty about domestic policy after Brexit: what forms of subsidy? Provision for migrant labour? Tariff protection? Tariffs on exports? UK framework for policy

Stakeholders

- NFU has not found it easy to reconcile divergent views of members but policy centred round productivity measures and business resilience; volatility mitigation measures; and environment measures
- How to design appropriate policy instruments?
- Hopes for regulatory reduction

Scotland: Views in Edinburgh

- Highly varied agriculture: Grade 1 arable in SE, rough grazing in NW
- Many small farms, including crofts (20K of 50K total agric. holdings)
- Minority SNP govt.:
 - Independence agenda
 - national economic strategy, with Food and Drink as a “Priority Sector” (whisky about 80% of exports; and/but dietary objectives); ambitious targets also for Renewable Energy, GHG, forestry
- CAP budget = £640m/year, P1:P2 = 2:1 (of which 50% of P2 from SG)
- Close SG - farmer/landowner links (NFUS/SLE), despite “land reform” agenda and tenancy difficulties
- Strong advisory and research systems (though GM ban)

Scotland: Organisational Views

- **NFUS and SLE:** expect “long-term” budget decline; willing to consider public goods; reduce “inflexible/complex” regulation; major concerns over
 - Sheep and beef (very high subsidies; processing and tariff threats)
 - Horticulture and food processing (labour)
- **Scottish Env't. Link and Scottish Wildlife Trust:** “public investment for public goods”; maintain/enhance regulation; “sustainable land mngt. payments”, targeted envtl. payments for wildlife, water mngt., etc.
- **Scottish Govt.** (to date): maximise devolution from Brussels and London; minimise change; ensure admin feasibility (Basic Payments fiasco 2016)

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Wales: a view from Cardiff

- Context
 - A predominantly livestock-based agriculture
 - Small farms, 54% SDA and 26% DA
 - In the period 2014-2020 Wales is allocated €2.2 billion for Pillar 1 and €355 million for Pillar 2
 - Two farming unions (NFU Cymru and FUW: plus CLA)
- Government by Labour or Labour-led coalitions since devolution in 1999
 - A majority voted leave in the referendum although Wales a net beneficiary of EU membership
 - Seeks “a sensible Brexit that secures Wales’ future”
 - Continued access to the European Single Market
 - Full consultation in Article 50 negotiations
 - A crisis in Welsh farming poses huge risks for maintaining the environment
 - Two Senedd Committee Reports on Brexit (so far)

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Wales: Organisational Views

- NFU Cymru, FUW
 - Guard against unilaterally lowering of tariffs that have a devastating impact on Wales' livestock industry
 - For future support for agriculture, use existing formula for dividing up EU funds not Barnett
 - Powers relating to agriculture, lifted from the acquis, transferred back to Wales
- RSPB Cymru
 - Environmental protection must not be weakened
 - A new Made in Wales policy for Sustainable Land Management
- CLA Cymru
 - A Productive and Competitive Farming and Forestry Sector
 - Food Security
 - Enhanced Protection for the Environment Value for Money
 - Clear, Proportionate Regulation

The Agri-Food Sector in Northern Ireland

1. A region of mainly small family farms

- 24,900 farms average farm size, 40 Ha
- Only 24% farms could fully employ > one person
- Grazing livestock enterprises dominate land use

2. Agri-food employment and value added

- 6% of NI labour force; 5.5% NI value added
- Markets: 71% NI+GB; 16% RoI

3. Heavy reliance on CAP direct payments

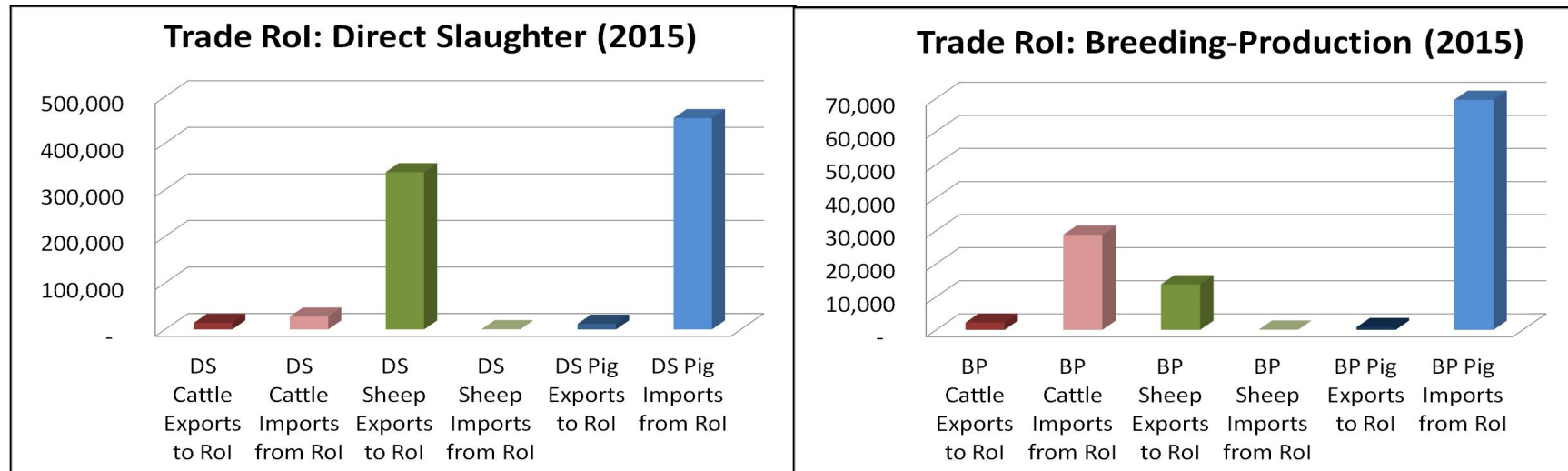
- Negative farm income in 7 of last 10 years

4. Skills gaps in agriculture and processing

- Significant upskilling needs in entire supply chain

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Implications for Trade and Supply Chains in Ireland



- ❑ Substantial trade in livestock between and NI and RoI for 'Direct Slaughter 'and 'Breeding/Finishing'
- ❑ Around 30% raw milk exported from NI to RoI: can this be processed locally, implications for infrastructure and strategic planning?
- ❑ Workable solutions to cross-border issues and potential supply chain disruptions

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Stakeholder Views and Concerns

NI Assembly: Executive not functioning; largest parties, different views on Brexit; agreed to minimise disruption to trade and movement of people

Ulster Farmers Union: hard border problematic; supply chain disruption; cross-border labour availability; income supports vital; streamlined regulatory system suited to UK farmers; Brexit strategy paper pending

Processing Sector: Supply chain disruption a major concern; border delays jeopardise same-day delivery: “Meat firm Dunbia considering moving some operations to GB amid Brexit concerns” (*Belfast Telegraph*, 12/04/2017) “Dunbia says it has ‘no plans’ to move any of its Northern Ireland operations to Britain (*Belfast Telegraph*, 13/04/2017).”

RSPB: concerns over habitat loss, single biggest contributing factor to wildlife declines, decline in funding for agri-environment schemes

Ulster Wildlife Trust: Ensure environment not first and worst casualty of the UK’s new found freedom; assurances sought from politicians

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Ireland: a view from Dublin

- Context
 - Primarily livestock based: similar to Wal, Sco, NI
 - 75% LFA, average farm size (32 ha), so smaller than average in UK
 - Pillar 1 (€1.21 billion) and Pillar 2 (€313 million + co-funding)
 - Varying degrees of support dependence (dairy v drystock)
 - IRL is marginal net contributor to EU budget (€168 in 2016)
 - Several farm unions (IFA, ICMSA, ICSA, Macra na Feirme)
- IRL Gov. (and political system generally) is very much pro EU
 - Seeking solution with minimal impact on movement of goods and people
 - Negotiating as part of remaining EU27
- UK is IRL's largest trading partner (14% of goods exports)
 - Particularly so in case of agri-food (43%) 2015
 - esp beef (52%) and dairy (43%)
 - Integrated agri-food sector on Island of Ireland
 - Open border with NI is important for production as well as trade
- Fear that bad deal for UK, could be a bad deal for IRL

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Ireland: Organisational Views

- Farm Organisation concerns
 - Maintaining access to UK market
 - Ensuring EU/CAP Budget is minimally affected by Brexit
 - Support for market disturbance / Flexibility on State Aid
 - Marketing and Promotion initiatives to diversify trade
 - Transition Arrangements (to avoid Brexit cliff edge)
 - Fear that negotiations of UK exit financial settlement will delay trade negotiations
- Food and Beverage sector concerns
 - Hard Border headache – collapse in trade with UK
 - Customs delays in UK (used as landbridge) for IRL exports to EU
 - Concerned Brexit negotiations could become a game of chicken
 - Lack of clarity on Brexit could hinder sensible business planning