

Chairman's Message



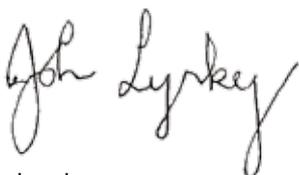
Minister Coveney and the Government need to be more ambitious about the potential of Ireland's sheep sector. With strong supports and viable prices, the sector can deliver for farmers and rural Ireland, especially in mountain and hill areas where other types of farming are not an option.

IFA has put forward a solid policy based on strong direct support of €20 per ewe, targeted at active producers. IFA is also demanding priority access to GLAS, increased Knowledge Transfer payments, restoration of ANC payments and a strong TAMS II. Minister Coveney must reverse the decision to exclude sheep fencing from TAMS II.

The sheep sector is deserving of strong support through a combination of CAP and national funds. The 2014 sheep census, showing a 1.5% fall in ewes, and the 2014 Teagasc Farm Income Survey which shows an average sheep farm income of €14,500 per annum, point to a real need for strong action from the Minister.

IFA's intensive campaign on CAP and RDP funding has delivered strong financial support for farmers to 2020. We are determined that sheep farmers get the best support available. We will continue to lobby hard on all of the issues, including lamb prices, direct payments, EID, hill and mountain areas, dog control, live exports, more promotions and other issues.

Minister Coveney and the Government must respond to the needs of the sheep sector. Be assured, IFA will keep up maximum pressure.



John Lynskey

Strong lamb prices essential

Strong lamb prices are essential to restore profitability to the sheep sector, says IFA Sheep Chairman John Lynskey.

After sustained price pressure in late May/early June, farmers are determined to adopt a hard stance with both factories and retailers this year and strongly resist downward pressure.

There are a number of positive key market factors that should help underpin the market.

Positive Lamb Market Factors

- With ewe numbers back 38,000 head, lamb supplies should be tighter than last year.
- Ramadan is very early (June 18) and this should boost the main season trade.
- The strength of Sterling against the Euro gives Irish factories a major advantage against UK operators.
- Increased Bord Bia promotions, with the new €7.7m generic campaign.

- Retail demand on the domestic market remains strong.
- Live exports can provide essential competition at key times.
- Following a profitable year, store buyers will be strong again from mid-summer as well as for light hill lambs.

IFA will keep up the pressure on processors and retailers to return maximum prices from the market back to producers. IFA will continue to fight for the most competitive specification, maximising carcase weights and securing the highest possible Quality Assurance reward for farmers. In addition, IFA will continue to provide the most up to date price information twice weekly on our website at www.ifa.ie and on the IFA's iFarm app.

Prices are also posted on IFA's Twitter account [@ifamedia](https://twitter.com/ifamedia)

EID/Tagging

IFA will continue to push for a minimalist approach towards EID where cost and bureaucracy are kept to a minimum.

There are real issues to be dealt with around EID including cross compliance, increased tolerances, reduction in paperwork and costs.

In addition that IFA will be insisting the derogation for lambs direct to slaughter is maintained.



IFA President Eddie Downey and Sheep Chairman John Lynskey discuss IFA proposals on support for the sheep sector – see pages 2-3

IFA proposals on support for the sheep sector

IFA President Eddie Downey and National Sheep Chairman John Lynskey have launched a campaign for additional direct support for the sheep sector. John Lynskey outlines why the sheep sector needs a targeted sheep-specific direct payment equivalent to €20 per ewe.

Importance of the Sheep Sector

The sheep sector is the third largest farming sector in Ireland with over 33,000 producers and an output value in excess of €280m pa.

The sheep sector is very important in terms of the number of farmers involved, strong export earnings (€250m), the very positive social and environmental contributions it makes in rural areas and particularly in remote areas and on the hills, where it is not possible to conduct any other type of farming enterprise.

For each €1 of output produced on sheep farms, due to the multiplier effect, an additional €1.33 of output is generated in the Irish economy and each €1 of support for sheep underpins €2.70 of aggregate output in the Irish economy. (Prof Alan Renwick, UCD, 2013).

Production and exports

Total sheep meat production amounts to 55,000t per annum, and Ireland is the third largest exporter in the EU with exports of 45,000t. Our main markets are France, UK, Belgium, Germany, and Scandinavia.

Farm income

Incomes on sheep farms are challenging. However, sheep production competes on an income basis with other livestock enterprises.

The Teagasc 2014 National Farm Survey shows an average sheep income of €14,551.

However, Teagasc data from Athenry shows that on well-run efficient sheep units, gross margins in the order of €900/ha are possible.

Policy

The sheep sector has fared badly in the various CAP reforms down the years.

In the original McSharry reforms,



IFA Sheep Chairman John Lynskey meets Minister for Agriculture Simon Coveney to discuss supports for the sheep sector. Also at the meeting were Henry Burns, Livestock Chairman; IFA President Eddie Downey; and Rural Development Chairman Flor McCarthy.

the ewe premium system strongly supported incomes and drove numbers. Ewe numbers increased from below 2m in the late 1980s to almost 5m in the 1990s.

Under the Fishler reforms with the move to decoupling, ewe numbers declined rapidly again dropping back to 2.2m.

With the continuing decline in ewe numbers during the last 10 years, various initiatives have been undertaken to support the sector and stabilise numbers, including the Malone Report and the introduction of the sheep grassland payment, financed from unused CAP funds.

In the most recent CAP reform there were no specific policy elements agreed for the sheep sector under either pillar 1 or pillar 2, unlike the beef sector where the €100/€80 per cow suckler beef genomics scheme from the Pillar 2 RDP was introduced, worth €52m pa.

The sheep grassland payment was incorporated into the single farm payment of sheep farmers and increased in value from €13m to €15m by adding €1m of unused money and another €1m through a saving on modulation.

Sheep support

In order to maintain and grow the national sheep flock there is a need for increased targeted direct support for sheep production from a combination of EU and national funds. Support should be targeted at active producers.

Through a combination of CAP and National funds, IFA secured €580m per annum in the Rural Development Programme for 2015-2020. New schemes are being rolled out through GLAS, Knowledge Transfer and TAMS II. IFA will be insisting that sheep farmers get the best deal possible.

Teagasc National Farm Survey 2014	
Gross output	€47,293
(of which subsidies)	€18,022
Total costs	€32,741
(of which direct costs)	€16,077
(of which overheads)	€16,664
Family farm income	€14,551

The IFA is making the following policy proposals to maintain and grow the sheep sector

€20 per ewe

To maintain the national ewe flock, the sheep sector requires a targeted sheep specific direct payment equivalent to €20 per ewe. A number of EU countries have applied payments per ewe as part of their CAP 2015/2020 plans.

GLAS

Sheep farmers must have priority access to the new GLAS payment of up to €5,000 p.a. All qualifying sheep farmers should be accepted into the scheme. In addition, mixed grazing involving cattle and sheep should qualify as a payment measure. For commonage farmers, plans must be implemented in a flexible way to maximise participation in line with the IFA commonage strategy. The restrictions on GLAS+ must be eased so that hill sheep farmers and commonage farmers can qualify.

Knowledge Transfer

The current STAP scheme has been very successful, with over 4,000 sheep farmer participants. This must be built upon and IFA is proposing that a target of 10,000 participants be included in the new Knowledge Transfer scheme for 2016.

The Knowledge Transfer programme must be simple and practical with a clear focus on technical efficiency and productivity.

Mixed cattle and sheep farms must continue to qualify for separate knowledge transfer payments.

The gross payment for Knowledge Transfer must be paid directly to the farmer, who in turn will make payments to the facilitator of the knowledge transfer groups. This approach will ensure maximum competition and efficient delivery between providers.

ANCs

Payments for Areas of Natural Constraint (formerly DAS) should be restored to their pre-2008 levels.

This involves a restoration of payment rates at farm level and restoration of the payment status of farmers in split holdings.

TAMS II

TAMS II must have a significant and dedicated level of funding for investment in the sheep sector covering a wide range of issues such as handling equipment (fixed and mobile), fencing, gates, sheep housing, assembly yards, races, foot baths, technology (EID and reading equipment), scanning equipment, shearing equipment etc.

Market access

The Government, in conjunction with Bord Bia, must adopt a strong market access policy to open up new high value markets (US, China and others) and remove the access restrictions and difficulties associated with TSEs for both meat and live animals.

Other Policy areas

Teagasc

Teagasc needs to maintain a strong independent sheep research and advisory programme with Athenry as a centre of excellence. IFA is strongly opposed to any dilution of the sheep enterprise and work in Athenry through the imposition of other enterprises. In addition, Teagasc needs to increase the numbers of sheep farms in the BETTER Farms Programme.

Bord Bia

Bord Bia promotional funding for Irish lamb on the domestic and export markets must be maintained in addition to EU funding for generic promotion of lamb.

Quality Assurance

There needs to be a worthwhile and transparent price incentive for lambs from a Bord Bia Quality Assured farm.

Sheep Ireland

There needs to be a well-funded, focused and practical sheep breeding improvement programme implemented for the benefit of sheep farmers and the sector.



Get the most up-to-date lamb prices every week!

IFA posts lamb prices twice weekly on Mondays and Wednesdays.

You'll find them in the sheep section on www.ifa.ie and on the IFA's **iFarm** app.

We also post all price updates on **Twitter** as soon as they're published - [@ifamedia](https://twitter.com/ifamedia)



National Sheep Committee 2015

County	Name & address	Mobile
Chairperson	John Lynskey, Ballyveela, Kilconly, Tuam, Co. Galway	087-2654618
Vice-Chairperson / Louth	Peter Shields, Belmont, Carlingford, Co. Louth,	087-2685801
Carlow	John Hanbidge, Englishstown, Kiltegan, Co. Wicklow	087-9968400
Cavan	Bernard Lynch, Kilnacrott, Mountnugent, Kells, Co. Meath	086-8190283
Clare	John Fitzgerald, Clonmoney, Bunratty, Co. Clare.,	086-3756591
Cork Central	Sean Dennehy, Shandangan, Carrigdrohid, Co. Cork	087-8103406
Cork North	Sheena McCarthy, Ballybeg, Buttevant, Co. Cork.	086-2730363
Cork West	Denis G. O'Leary, Kealvaugh, Ballingearry, Macroom, Co. Cork	086-3913303
Donegal	Dessie Cunningham, Chapel Gate, Carrick, Co. Donegal,	087-1482489
Dublin	James McGrane, Hynestown, Naul, Co. Dublin.	086-8152823
Galway	Michael Murphy, Moneen, Cummer, Tuam, Co Galway	087-6993411
Kerry	Kevin O'Sullivan, Farraniareagh, Caherdaniel, Killarney, Co. Kerry	087-2247358
Kildare	Liam Heaney, Snugborough, Donard, Co. Wicklow.,	083-4443056
Kilkenny	Sean Quirke, Whitepark, Ballyfoyle, Co. Kilkenny	086-3841158
Laois	Joseph Whyte, Galesquarter, Cullohill, Portlaoise, Co. Laois.	087-6176025
Leitrim	James Gallagher, Comagee, Kinlough, Co. Leitrim	086-4055451
Limerick	Sean Lavery, Ballyanne, Shanagolden, Co. Limerick	087-8551286
Longford	Gerard Belton, Colehill, Longford, Co. Longford,	086-3969723
Mayo	Patrick Jnr. Chambers, Derrycooldrin, Newport, Co Mayo,	087-2348697
Meath	Edward Cassidy, Hennigen, Nobber, Co. Meath	087-6378590
Monaghan	Colm McKenna, Derryrusk, Aughnamullen, Castleblayney, Co. Monaghan	087-9544687
Offaly	Enda Bracken, Gurtacur, Mountbolus, Tullamore, Co. Offaly	087-6526315
Roscommon	Michael Glennon, Camcloon, Ballydangan, Athlone, Co. Roscommon.	086-8597414
Sligo	Benedict Gallagher, Belville, Dromore West, Co. Sligo.,	087-9905123
Tipp North	James Long, Boolagela, Ballycommon, Nenagh, Co. Tipperary	087-2550025
Tipp South	James O'Brien, Kilmolash, Clonmel, Co. Tipperary.,	086-3868901
Waterford	Patrick Cooney, Toureen, Ballymacarbery, Via Clonmel, Co. Waterford	083-1398796
Westmeath	William J. Fox, Creggy, The Pidgeons, Athlone, Co Westmeath	087-7973590
Wexford	James Kehoe, Ballymurtagh, Enniscorthy, Co. Wexford,	087-2791109
Wicklow	Robert Langrell, Newtown, Tinahely, Co. Wicklow.,	087-7672951

Strong sheep principles in new Charter of Rights

On sheep inspections, IFA has insisted that the Department take account of the circumstances and follow agreed protocols in relation to penning at lambing time.

In hill sheep areas, the Department will take account of the timing of inspections, relative to lambing and when sheep move to and from the hills, provide adequate notification and tolerances to take account of the unique circumstances and losses in the hill areas.

IFA has insisted that the principle of missing assumed dead is retained.

In addition, IFA has secured important tolerances on missing tags, flock register and census discrepancies.

Major lamb promotion campaign launched

A new campaign will see €7.7m invested over 36 months to promote lamb in 6 European countries. The promotion, 50% funded by the EU, is jointly run by Bord Bia, AHDB in the UK and Interbev in France.

The IFA lobbied to get the EU Commission to include lamb in their

promotional funding and worked hard on the programme with European colleagues in COPA and at the EU Sheep Advisory Committee.

The EU campaign is one part of Bord Bia's 2015 lamb promotion programme, which also includes domestic campaigns throughout the year.



Launching the 2015 Bord Bia Lamb campaign, are: IFA National Sheep Chairman, John Lynskey with Minister for Agriculture Simon Coveney and TV chef Rory O'Connell.



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