Feirmeoirí Aontaithe na hÉireann
The Irish Farmers' Association
IFA

EU-Mercosur Deal

Meat Imports	This deal means an extra 99,000t of beef, 180,000t of poultry and 25,000t of pig meat imports onto the EU market. Mercosur (Brazil, Argentina, Uruguay and Paraguay) already have access for 269,000t of beef and 500,000t of poultry. If all the beef imports were steak cuts, this would amount to 40% of the EU steak market. Steaks make up 30% of the total EU market value.
Environment	This deal highlights the hypocrisy of the EU on climate action and is a bad deal for the environment. The EU Commission has no credibility replacing sustainable beef production in Ireland with sub-standard imports from Brazil.
Rainforests	In Brazil, an equivalent area to a football pitch of Amazon rainforest is cleared every single MINUTE to make way for cattle ranching and additional beef exports.
Carbon	The EU Commission Joint Research Centre has found that Irish beef is 4 times more carbon efficient than Brazilian production. Greenhouse gas emissions from Brazilian beef are estimated at 80 kgs CO_2-eq/kg compared to 19kgs for Irish beef.
Overall Impact	An EU Commission JRC report on trade deals highlights the vulnerability of the beef and poultry sectors. This report points to *"a steep drop in beef prices.... -16% in the ambitious scenario."* A 16% hit on EU beef prices is a loss of up to €5bn p.a. For Ireland's 100,000 beef farmers, with a €3bn output and greater export dependence, the loss could be €500m.
Standards	In Brazil cattle are not tagged, there is no database and no traceability. Hormones, beta agonists and other growth promoters are widely available. These products are all illegal and banned in the EU. Brazil has endemic FMD. The EU FVO audit on Brazil found that "written guarantees" provided by the Brazilian authorities "were not fully reliable".
UK/Brexit	With the potential market loss of 298,000t of Irish beef exports to the UK, it is reckless for the EU Commission to proceed on a deal for more EU beef imports. The EU beef market is 102% self-sufficient and with a UK exit, this will increase to 116%.
Rural Ireland	The beef and livestock sector is hugely important to the rural economy, with production in every rural parish. The suckler cow herd, which is the backbone of our quality beef exports, is distributed throughout the country but particularly dominates is the West, where there are limited farming alternatives.

ACTION REQUIRED - BLOCK MERCOSUR

This Mercosur deal cannot come into effect unless it is ratified by the EU Council and all Member States. The Taoiseach Leo Varadkar, Agriculture Minister Michael Creed and the Government must recognise that beef is more important to Ireland than any other Member State and block this "sell-out" deal.

IFA Proposals to Government and the EU Commission

Income Crisis

- There is a very serious financial crisis on livestock farms from falling cattle prices, rising costs and reducing direct payments.
- Teagasc 2018 Farm Income Survey shows Cattle Rearing incomes at €8,813 and Cattle Other incomes at €14,408.
- Direct payments make up more than 100% of net incomes.

Cattle Prices

- Cattle prices are on the floor, down 33c/kg on last year or €125/hd. Beef production is unsustainable at the prices that have pertained since autumn 2018.
- Beef factories must stop the cuts and restore prices.
- The Minister cannot wash his hands of cattle prices and must tackle the factories.
- The Minister must instruct the competition commission (CCPC) to investigate the lack of competition and price transparency in the meat processing and retail sectors.

Payment of €100m Brexit Beef Fund

- IFA campaigned hard to secure delivery of the €100m Brexit Beef Fund, which is welcome.
- The Fund must be paid out immediately without production reduction or other conditionality.
- The Fund should be targeted to farmers who sold prime finished cattle since last autumn and sucker farmers. Prime cattle are steers, heifers and young bulls.

Brexit

- The UK is Ireland's largest beef export market at 298,000t (52%) in 2018.
- Brexit uncertainty, the October 31st deadline and the weakness of sterling are impacting very negatively on market returns and cattle prices.
- Government and EU must put the necessary support packages in place, including market supports and direct aid funding, to cover any Brexit price / market related losses.

CAP

- CAP direct payments and farm schemes are essential income supports on livestock farms.
- Government must reject the proposed €97m cut to the CAP Budget and secure an increase to provide for inflation and new measures.

Suckler Cows

- Targeted direct support payment of €200/cow from CAP and national funding.
- Budget 2020 to provide for new Suckler Cow scheme in 2020 and 2021, incorporating BDGP (Beef Data Genomics Programme - €43m) and BEEP (Beef Environmental & Efficiency Pilot Scheme - €19m) and an additional €38m to bring total funding to €100m.

Live Exports

- Government must support the live export trade which provides essential price competition and market outlets. Action is required to maximise ferry and lairage capacity, especially for calves.
- Ministerial initiative is required to get the international live export trade operating at capacity.
- Opposition to restrictions on the live trade, the EU 30-day pre-movement TB test proposal and tighter assembly periods.

Climate Action

- Ireland's grass based beef production is amongst the most carbon efficient in the world.
- Government must provide the necessary funding to support climate action in agriculture, including strong funding of all environmental schemes and farm scale and community renewables.
- Government must coordinate the full delivery of measures in the Teagasc Climate Roadmap, including the recognition of grassland, hedgerows and forestry carbon sinks.