

Ulster Farmers' Union (Supplementary) (ABR0046)

What value and volume of your members' trade is with the EU? Does this vary between sectors? Are there potential significant or new markets for your members that are non-EU?

In terms of potential new markets – there is significant interest from the 'far east' for 'fifth quarter' livestock products that are not consumed within the UK or EU.

How would divergence in standards for agricultural goods, food safety, animal welfare, pesticides and plant protections etc. impact your members and their ability to trade with the EU and third countries?

We would not see any lessening in standards as most of these are customer as well as legislative requirements – in fact, there may be an opportunity to produce to enhanced standards to provide a clear 'unique selling point' (USP) which NI being a smaller, more flexible region could potentially more readily deliver.

To what extent are agricultural products processed in the UK only? To what extent and how will food and agriculture supply chains be affected by Brexit? How could any adverse impact be mitigated?

Still unclear how major issue of NI/ROI border will operate with the UK Government's present position that it will be 'as frictionless as possible'. ROI Government seeking 'recognition of special circumstances' not 'special status' for NI/ROI and also looking for an EU 'financial aid package' and the relaxation of existing EU state aid rules to allow them in the interim to financially support specific industry sectors as necessary.

What impact would new or higher tariffs and non-tariff barriers for exports have on your members? Is the impact the same for imported goods and agri-supplies?

Would have a major impact depending on the outcome but clear principles that impact of any future trading arrangements must be undertaken in advance and used to determine level of 'volatility/direct support' needed by farming industry and also that a 'transitional' phase must be implemented. This applies to both imported goods and agri-supplies.

During the session, Wesley said that “One of the key frustrations that farmers face is having to farm to a calendar. There are certain dates where you are allowed to do things on one side of the date and not allowed to do on the other, and that just does not happen”. Could you provide an example of such a calendar-day limitation?

EU Nitrates Directive - closed slurry spreading period from 15 October to 31 January each year.

EU Birds Directive – closed hedge trimming period from 1 March to 31 August each year.

Wesley also suggested that “It is critical that we understand the importance of the level of support that we achieve. Bear in mind that the figures for Northern Ireland show that in the last 20 years there were only probably three years when the total income from farming was actually greater than the amount of direct support that we received from the European Union. That would not be atypical of any other part of the UK. It is all about the refocusing of that support and trying to go back to where we started being rewarded for producing food. We would love to get a proper reward from the supply chain but it does not happen. Because of market failure there has to be some sort of support given.” Could you elaborate on what those market failures are, in a Northern Irish and UK context?

Market failure simply refers in general to insufficient financial returns being received from the marketplace for primary products to cover production costs with producers in the sectors which receive direct support invariably having to use this ‘decoupled support’ to fund production expenditure.

8 March 2017