

Sectoral Road Map: Mid-season Lamb Production

Market and policy issues

- The EU is only 75% self-sufficient in sheep meat and this is projected to decline over the next 10 years.
- The price of sheep meat is projected to remain close to recent price levels over the period to 2018.
- The potential development of the sector is hindered by the absence of an agreed quality-based payment system for lamb carcasses.
- On hill sheep farms, margins earned from lamb production are insufficient to maintain current levels of farming activity over the medium term. The role of sheep farming in contributing to the maintenance of hill and mountain landscapes will need to be rewarded to support the continuation of this activity.



Technical and financial performance for mid-season flocks with at least 40 breeding ewes.

	Sectoral average		
	Current*	2018	Target**
Litter size	1.37	1.61	2.1
Ewes lambed (%)	~93%	94	96
Lambs weaned per ewe joined	~1.27	1.4	1.8
Lamb mortality (%)	7.1	<8	<12
Stocking rate (ewes/ha)	8	9	13
Concentrate input (kg/ewe)	78.6	50	35
Average carcass weight/lamb (kg)	20	20	20
Carcass output (kg/ha)	203	252	468
Lambs drafted October 1 (%)		70%	70%
Nitrogen (kg/ha)	73.5	68	159
Lambing date		85% lambed by end of March	
Mean carcass conformation		Min conformation =R3; Max Fat =4H	
Direct cost (€/ha)	382	372	528
Gross margin (€/ha)	365	452	1,048
Fixed costs	262	262	400
Net margin (€/ha)	103	190	648

*Based on 2009 NFS data

**Based on 2009 prices

Shape and size of the sector in 2018

- Ireland is the sixth-largest sheep producer in the EU but is the largest net exporter of sheep meat.
- With 70% of production exported the sector remains heavily export dependent. The relative importance of the domestic market has increased with the reduction in sheep numbers.
- The national flock is currently 2.2 million ewes, and has been contracting annually since 1992. It is expected that the flock size will increase slightly between now and 2018.
- The lowland sector accounts for about 75% of the ewe population and 85% of lamb carcass output and this dominance will continue.
- Sheep production on most lowland farms is mainly a secondary enterprise and this is unlikely to change.
- In 2009 there were 32,232 sheep flocks with an average of 95 sheep per flock. The number of sheep flocks is projected to decline to around 30,000 by 2018.
- In 2009 17.7% of flocks had greater than 150 sheep and this is not expected to alter appreciably.

Environmental and land use implications

- The maintenance of current hill and mountain landscapes is currently viewed as important from broader tourism and environmental perspectives. The farming of sheep in these landscapes contributes to their maintenance. The provision of support to sheep farmers on the basis of their contribution to the maintenance of hill and mountain landscapes will be essential to the maintenance of current levels of hill sheep farming activity.
- Compliance with the Nitrates Directive is not a major issue on the vast majority of farms with sheep.
- The targets outlined overleaf will lead to a reduction in greenhouse gas emissions from sheep production when expressed on the basis of output per kg of sheep meat produced.
- The Water Framework Directive will result in more monitoring of water quality into the future. Teagasc experts are confident that good sheep farming practice and good water quality can coexist.

Technical performance indicators

The lowland sector can achieve significant improvements in technical performance based on available technology. The key indicators of this are ewe productivity and stocking rate.

- Lambs reared per ewe joined can increase from the current level of 1.3 to 1.4 by 2018 through the exploitation of genetic resources and improved management practice.
- Increasing the average stocking rate from eight ewes per hectare currently, to nine ewes per hectare by 2018 is achievable.
- The combination of these changes will increase average output per hectare from 10.2 lambs to 12.6 (252kg lamb carcass) and generate an average gross margin of €452/ha at current prices and input costs.

Research and technology transfer actions

- The key actions required will involve the development of an effective model for technology uptake through the 'BETTER' (Business Environment Technology through Training, Extension and Research) farm programme. This will require an effective partnership between Teagasc and commercial farmers that will identify relevant research needs and the means of improving the adoption of technology on Irish sheep farms.
- The BETTER sheep programme will be linked to an effective discussion group network to drive the adoption and development of more efficient production systems.
- A stand-alone research farm will be established at Athenry demonstrating high profit, sustainable mid-season lamb production systems. This research farm will demonstrate the use of optimal technical efficiency in relation to animal breeding, grassland and other management practices, for the purposes of dissemination to Irish lowland sheep producers.
- Realisation of the potential of genetic improvement programmes will require effective exploitation of electronic identification for large-scale, cost-effective and farmer-friendly capture of individual animal performance data.
- Research programmes will be required to identify new opportunities for the use of DNA technology in animal evaluation, with particular emphasis on health (parasite resistance, foot rot), carcass and meat quality traits.
- There is also a requirement for research in the area of fertiliser nutrient supply and utilisation. This will require consideration of both grassland-based production and the potential role of novel feeds.
- The recommendations of the Malone Report with regards to positioning of sheep meat in a highly changing and highly competitive consumer market need to be implemented.
- The Teagasc research and advisory programme will work closely with Sheep Ireland in data recording/sharing, genetic improvement programmes and dissemination of best technology to Irish sheep farmers.
- Greater collaboration between hill and lowland sheep producers will be encouraged. Hill sheep farmers have the potential to supply a greater number of highly prolific replacements to lowland producers to increase production and reduce costs.

Comment

The overall vision is for a lowland sheep sector that is competitive in terms of returns per labour unit based on a product that meets consumer requirements, and a hill sector that is primarily supported for its role in maintaining the hill and mountain environment and producing quality replacements for lowland flocks.

Contact

Prof. Michael Diskin at michael.diskin@teagasc.ie,
Michael McHugh at michael.p.mchugh@teagasc.ie,
or your local Teagasc adviser.

The road map for sheep is available on www.teagasc.ie