Withdrawal of the UK from the EU and Challenges for Irish Agriculture
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Brexit challenges

- Trade impact
- North-South agri-supply chains
- Potential negative impact on the CAP
- Market diversification and critical role of innovation
Pre and post Brexit UK vs EU

- Pre Brexit
  - Regulatory frameworks the same
  - No customs procedures apply to trade
  - No tariffs levied on trade

- Post Brexit
  - Regulatory frameworks will diverge => extra costs
  - UK move outside of Customs Union => extra costs
  - UK exit from EU could => Tariffs => extra costs
Estimated potential tariffs (%) on UK food imports of ‘hard’ Brexit

- Beverages
- Processed Food
- Other Meat
- Dairy
- Beef
Ireland and Northern Ireland agri-food trade 2016

- Exports to NI
- Imports from NI

Categories include:
- Vegetable Oils & Fats
- Sugar, Sugar Preparation & Honey
- Sheepmeat
- Poultry
- Pigmeat
- Other Meat & Meat Produce
- Oilseeds & Oleaginous Fruit
- Miscellaneous Edible Products & Preparations
- Live Animals
- Fruit & Vegetables
- Forestry
- Flax, Wool & Animal Hair
- Fish
- Egg
- Dairy Produce
- Crude Animal & Vegetable Material
- Cotton
- Coffee, Tea, Cocoa & Spices
- Cereal & cereal preparation
- Beverages
- Beef
- Animal Skins & Furs
- Animal Oils & Fats
- Animal Foodstuffs
Potential impact on farm incomes of ‘hard’ Brexit

Dairy  Cattle Rearing  Cattle Other  Sheep  Tillage

- Policy Shock  - Price Shock  - Price & Policy Shock
Innovation critical to market diversification

Technologies to extend shelf life to reach far away markets

SMART ingredients – nutritional base for foodstuffs in markets beyond the UK

Food Fractionation - Valorisation

Country of origin Labeling

Leading Analytical Capabilities

Cross-cultural Sensory Studies

Cheese diversification, e.g., Cheese for China

Food IT, e.g., Digital Dairy, Genomics, Big Data

World-leading expertise in quality / safety, e.g., Beef and Dairy - reassure new buyers in new markets.
Conclusions

- Magnitude of the competitiveness challenge created by Brexit still unknown
  - Will depend on outcome of the process
- Research, Knowledge Transfer and Education provided by Teagasc will be critical in enabling the Irish agri-food sector to survive and thrive despite Brexit
- Increased emphasis and resources for activities that augment the efficiency, productivity and innovative capacity of the Irish agri-food sector necessary