**SPRING 2020** 

# SPRING 2020 ASSOCIATION

# NEWSLETTER

THE FAMILY FARM ORGANISATION THAT CONCENTRATES ON SOLUTIONS



WE'VE GOT COVID COVERED: UPDATES ON SCHEMES, ANIMALS AND FINANCE EU SUPPORT FOR FARMING: WHERE IS IT AND WHY IS IT TAKING SO LONG? FOOD
SECURITY:
EVERYONE
UNDERSTANDS
ITS IMPORTANCE
TODAY!

BPS, TAMS &
ALL DIRECT
PAYMENTS
MUST BE
BROUGHT
FORWARD

ORNUA POST STRONG RESULTS & PLANNING EXPORTS REBUILD



### Where we are now and where we need to get to

here's an old joke about tourists getting lost and stopping to ask for a local man directions. They explain where they want to go and having considered that, the local replies: "If I was you, I wouldn't start from here at all"

Well, nobody really wants to be where we are. Everybody wants to get going towards a more acceptable destination and situation. The question is what route we take and what speed we go.

That's the first point to make. The second point is that I believe – I certainly hope – that as our markets re-open, that we will see a smooth gearing-up of our sectors and exports that must feed back to our prices in beef and milk. There's been a lot of comparison with the 2008/9 crash that I'm not entirely sure is accurate: that crash was systemic – the flaw was within the economic system – this crash was external: it was the pandemic's massive impact on what had been considered strong economic fundamentals.

As soon as the scale of the challenge was known and the Government asked for solidarity then I naturally offered it on your behalf. I am proud of the role that farmers have played in keeping the food-supply going into our shops and the reassurance offered everybody who might otherwise have panicked. As usual, when Ireland called, Irish farmers answered.

It does gall me to see, however, March milk price cut by 2cpl when the retailers are busier than ever and receiving plaudits for keeping their shelves stocked and their doors open. Not too many words of thanks for the farmers who supplied the milk and beef and vegetables and pork and cheese that was going to stock the shelves and the fridges. But we're used to that and we'll get over it. What we're not going to get over, and what we won't allow anyone else to get over, is the undeniable and very harsh lesson that Covid-19 has provided us on the absolute need for food security. The delusion that top quality food somehow 'magically appears' on supermarket shelves and that it always will, no matter what, has been dispelled for a generation.

I hope and trust everyone has learned that the very definition of 'an essential service' is the one that keeps the food coming to the population. If anyone forgets that then I promise to remind them.

At the time of writing, please God, it looks as if we're moving towards a phased re-opening and restarting society and the economy. After some pathetic foot-dragging, the EU looks like it's ready

to deploy some policy tools and a frankly derisory budget in support of its farmers and primary food producers. What has been announced so far is insultingly inadequate and we'll lobby the Irish Government hard for a support package commensurate with the problem and the positive role that farmers played — and are still playing — in helping the general population through what has been the worst trauma in Europe since the War.

And that brings me to the question of the likely composition of the next Government.

At the time of writing, there seems a distinct possibility of a FF-FG coalition with third element to be comprised of a smaller party. The Greens seem to be both parties' preferred choice as that 'third leg of the stool'. We absolutely accept the Greens' mandate and they have never been reticent about those very fundamental aspects of our farming and agri-food sectors with which they disagree and want changed. That's why we do not see why we should be reticent about making clear our feelings on this issue and asking for support from those TDs who represent rural constituencies and who must understand that in their areas, farming is not a part of the economy, in rural areas of Ireland farming is the whole economy.

We have repeatedly stressed and demonstrated that we will be part of the climate solution. Indeed, there cannot be a solution without us. But it's becoming increasingly clear that some elements in the wider Irish environmental movement see Irish farming as an easy target. We read about the need to reduce the national herd at the same time as we read about ultimatums that Ireland will have to reduce emissions by between 5% and 7% per annum over the five-year term of the Government. The linkage being made is as clear as it is unfair: farming is being set up as the 'fall guy'

We will resist that to the limits of our ability and we'll expect the support of every TD – of any or no party- who represents a rural constituency.

It is reported that one of the key principles under consideration by such a coalition would be enacting a recommendation made in the Kenny Report where land that the state wants for housing could be purchased by CPO and that the price paid by the state would be agricultural value plus a derisory 'top-up' of 25%. We're not having that one either.

We've been subsidising the food supply-chain for decades. We're not going to start subsidising the housing supplychain.

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#### FREE TEXT AND EMAIL SERVICE

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# Milk Price Under Pressure But Could Rebound Sooner Than Expected

Gerald Quain, Chairperson, ICMSA Dairy Committee

The current period in agriculture will be looked back on and studied for many years and I expect the reviews to start very soon after we come out the other side of this Covid-19 crisis. Obviously, there are many things to talk about in this article and, as usual, we'll try and set out how the next few months could shape up. Some aspects can wait for another day but there are other issues happening in the dairy industry right now that we need to cover, right now.

Firstly, this is a health pandemic and every farmer member should take care of themselves and heed all the advice as set down by the HSE. If you are not fit to milk your cows due having the virus then you need to have a plan in place for whomever is milking your cows. This can be as simple as a list of instructions written on a couple of pages which are clearly laid out, or something more detailed in terms of a standard operating procedure for your farm.

A good and practical tip is to have a recording on your mobile phone of how to run your milking parlour so you can send it on if someone must stand in and milk your cows.

Secondly, from a processing perspective, there are many plans and contingencies in places throughout the island and ICMSA are proud to be part of the response that has seen all stakeholders come together to ensure that plans are in place - in the event of an emergency situation arising in the coming weeks or months. It is no secret that there is not much spare capacity in Irish milk processing plants during peak production and the idea that one plant could be idle for even a day could have serious and challenging consequences. But rest assured that there is a high level of cooperation among our Co-ops at this time and all the contingency plans are in place and ready to be implemented.

Thirdly, we must think of price implications of the ongoing crisis. The shutdown of food services such as McDonalds, the local restaurant and the local deli trade has impacted on dairy consumption. Ireland exports almost 90% of our milk products around the globe in cheeses, butters and powders. All these have a longer shelf life than liquid milk or fresh products which means that our milk processors have options when it

Dutch Dairy Quotations €/100kg.							
	Butter	WMP	Food SMP	Butter/SMP	WMP		
	(€/100kg)	(€/100kg)	(€/100kg)	(cpl)	(cpl)		
8 Jan 20	355	310	260	34.65	35.93		
15 Jan 20	357	306	260	34.75	35.38		
22 Jan 20	357	303	262	34.94	34.97		
29 Jan 20	357	304	264	35.13	35.10		
05 Feb 20	357	306	264	35.13	35.38		
12 Feb 20	357	310	262	34.94	35.93		
19 Feb 20	352	305	256	34.13	35.24		
26 Feb 20	350	300	250	33.47	34.55		
04 Mar 20	345	300	246	32.85	34.55		
II Mar 20	341	296	237	31.80	34.00		
18 Mar 20	341	296	223	30.47	34.00		
25 Mar 20	330	275	213	29.00	31.10		
01 Apr 20	320	267	202	27.48	30.00		
08 Apr 20	270	267	185	23.50	30.00		
15 Apr 20	255	255	185	22.79	28.34		
22 Apr 20	257	255	188	23.17	28.34		
29 Apr 20	257	255	190	23.36	28.34		

comes to storage unlike many other fresh food business and milk processors around the globe.

However, it would be foolhardy not to think that the remainder of 2020 will be anything other than challenging in terms of milk price paid to farmers. The Ornua PPI for March remains strong at 31.8 cpl despite a drop of 1.9 cpl. It is hugely disappointing that milk processors immediately applied the Ornua reduction in sharp contrast to their actions when the Ornua Index was rising. While the outlook for the coming months remains uncertain, there is the fact that Co-ops have sold product forward and some indications that the Covid-19 restrictions may be somewhat relaxed. ICMSA does not therefore share the pessimism of some commentators and there is a responsibility on the boards and management of milk processors to keep the milk price paid to farmer-suppliers above the costs of production

Looking at the Dutch dairy quotes above, it is obvious that they have taken a hit from Covid. However, it should be noted that WMP has held reasonably well and butter/SMP has now stabilised, albeit at a low level. It is important to point out that these are 'spot' prices and do not take account of established markets, which would not be as volatile as 'spot'. Cheese prices have also held up reasonably well.

Our export profile will mean that we escape the worst of the liquid milk collapse experienced

in, for instance, the UK. There is already evidence that China and other far eastern markets are emerging from the Covid shock and normal consumption patterns are being rebuilt. Every analyst has also identified powders as the product least vulnerable to consumer shock and most likely to rebound quickly. We are going to see pressure on prices — it's pointless to deny that reality - but ICMSA will be ensuring that milk processors pay the best price at this time and going forward through the summer and into the back-end.

Quite clearly, major supports will be required at EU level so that the market can re-adjust to the changed environment and it is essential that all stakeholders work together to maximise the milk price paid to farmers. An €80 million package has been announced by the EU Commission, but this will be the equivalent of €8 per EU farmer and is nothing but an insult. A serious and properly funded support package that will include a Voluntary Reduction Scheme is urgently required and our Government must work to deliver this.

We are in a very uncertain period and indeed, milk price will depend on how markets adapt to the Covid-19 situation and the supports put in place by the EU to stabilise the marketplace in the coming months. Stay safe and please heed Mart, Vet, Co-op and Merchant distancing and health procedures.

#### Why Chlorine-free Cleaning?

The use of chlorine-free detergents is a new issue facing many dairy farmers and is adding costs to the farmer's system. Like many other issues, it is something we have to embrace, but the marketplace cannot expect farmers to continue to take on new requirements with no recognition of the cost. As a major exporter of dairy products, we must meet certain requirements and becoming chlorine-free is one of them. International markets are setting high specifications for dairy produce, including stringent guideline s on acceptable

concentrations of chlorine residues in milk and dairy products. Potential milk contaminants of most concern include chlorate (CHLO, ClO3 –), perchlorate (PCHLO, ClO4 –) and trichloromethane (TCM, CHCl3) which have been associated with human health concerns. Washing milking and milk processing equipment with chlorine products or the use of chlorinated water can leave chlorine residues on milking equipment which can contaminate milk. To avoid this, several milk processors have restricted the sale of chlorine products for equipment sanitation. This has meant that wash routines for the milking parlour and the bulk

tank may have to be altered. Below are a few points that may be useful.

- If a product is labelled as a detergent it typically doesn't contain chlorine products.
- If a product is labelled detergent/steriliser

   it will typically contain a chlorine product,
   sodium hypochlorite.
- Acid descaler products do not contain chlorine products.
- Paracetic acid is a safe alternative sanitiser to use instead of sodium hypochlorite.
- Do not stockpile chlorine products over time chlorine breaks down to chlorate.

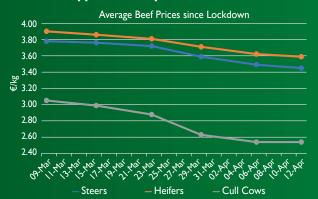
### Quantifying the unknown - Beef and COVID-19

Des Morrison, Chairperson, ICMSA Livestock Committee

#### How the closure of restaurants affected the sector?

When categorised, 40% of our beef exports are destined for the retail market, 33% is intended for restaurants, hotels and the catering sector and 25% goes to the processing and manufacturing sector, including the fast food sector. Given the closure of restaurants, hotels and fast food chains this means that our market for beef has shrunk by between 40-50%. The retail sector has seen demand growth of about 30-40% in recent weeks but this is not enough to compensate for the loss of the food service sector. It must also be noted that beef sales in supermarkets are dominated by the sale of mincemeat which retails at €2.50-3.50/kg. While steaks are mainly sold to restaurants, they are only a small component of sales in the supermarket trade. Retail prices for sirloin steak have dropped from €12/kg prior to the outbreak to €6-8/kg today. Even when the retail price is considerably reduced, the price is not competitive with mince meat. Therefore, we have seen a stockpile of steak and high value cuts. Cull cow meat typically ends up in the fast food sector and thus, we have seen demand shrink significantly for cull cows. While there is a demand for cull cow meat and fourth quarter cuts in Asia, this market is recovering from the outbreak and disruptions in the supply chain still exist. Thus, this avenue for export will only be an opportunity in the medium to long term. It currently takes 40 days to ship beef to Asia so at best, this market is 40 days away.

#### What has happened beef prices?



Week on week the average prices for steers, heifers and cull cows have consistently fallen to critical levels. Since the start of March, ICMSA estimates that farmers have lost a total of €7.5 million due to the collapse in prices. The weekly throughput of steers, heifers and cull cows has also dropped week by week. At the beginning of March, throughput was close to 30,000 head and currently stands just over 21,000 head.

Beef prices have steadied, albeit at a low level, and cattle numbers have tightened while the announcement that certain food

service outlets will re-open for drive-through/collections is certainly a step in the right direction. However, for beef prices to recover to pre-Covid levels, the Covid pandemic will have to brought under control allowing the full re-opening of the food service sector and the timeframe around this, unfortunately, remains uncertain.

ICMSA believes that the heavy losses suffered by beef producers due to Covid need to be addressed by our Government and the EU and the €80m package announced by the EU is simply inadequate and more funding must be forthcoming to compensate farmers directly. In addition, ICMSA has proposed and on which we expect unanimity is the absolute need for the EU to immediately suspend any beef imports for the duration of this crisis and until such time as our market has recovered. It is beyond astonishing that beef imports that do not meet our standards- specifically those aimed at retail steak market - are permitted at a time when indigenous EU beef production has seen its normal supply chain and food service outlets absolutely collapse

#### The importance of live exports?

Last year, over 118,000 cattle were exported between the months of April, May and June. Of those, approximately 35,000 were beef bred calves and 30,000 were dairy bred male calves. Given a situation where live exports were suspended for 3 months, there would be over 60,000 extra calves to be reared in the herd. This highlights the importance of live exports. The live exporters have invested heavily in state-of-the-art facilities and ICMSA continues to support the work of live exporters given the hugely important role they play in providing competition for cattle.

Live Exports	2019	2020	Change - head	% Ch
Weanlings	5797	8642	2845	49.1
Stores	5458	7423	1965	36
Calves	126706	98559	-28147	-22.2
Finished	10021	11678	1657	16.5
Total	147982	126302	-21680	-14.7

Year-to-date, the number of cattle exported is back 14.7% compared to this time last year. Covid-19 has significantly disrupted the veal trade across Europe which has hampered our exports of calves this Spring.



The four recipients of the 2019 John Feely Scholarships were hosted at our Limerick head office on February 25 and the individual cheques for €1500 were presented to the successful young

> Mr McCormack said the standard of the applicants overall was very encouraging and that of the four individuals concerned was outstanding. The picture on right shows the successful applicants at the handover on the day. L to R, Sean

Fitzpatrick, Mullinavat, Co Kilkenny, Conor Michael O'Sullivan, Donoghmore, Co Cork, Pat McCormack, President, Mairead Brosnan, Lixnaw and Mark McCoy, Smithborough, Co Monaghan. "The standard we're seeing in the young dairy farmers coming through bodes well for the sector: they're technically very strong and environmentally aware, they're also committed to building on the standards already achieved. ICMSA is delighted to be associated with the John Feely Scholarship programme and we'll be getting out the details for the 2020 awards programme in due course", said Mr McCormack.

Details around the application and awarding of the four scholarships for 2020 will be announced in due course and members made aware of the procedure to be followed, including the closing date.









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#### An Outline Of The Options Around Trespassers On Farmland

Denis Drennan, Chairperson, ICMSA Farm & Rural Affairs Committee

#### Outline

Trespass on farmland regularly comes up as an issue for individual farmers and the following article sets out the legal position in relation to trespass. As you will see, the issue is not straight-forward but we have outlined your options in different circumstances. Quite clearly, there are several aspects of the current legal position that ICMSA is unhappy with and it is a matter that we continue to work on.



#### What is a trespasser?

A trespasser is recognised as a person intentionally enters someone else's property without permission.

#### Rights of the trespasser

Under The Occupier's Liability Act 1995, landowners must not deliberately injure a trespasser or act with reckless disregard for his or her safety. Landowners have a duty to warn any potential trespassers of any dangers on the farm. For example, if there is a bull in a field, a farmer can erect a "Beware of Bull" sign to warn potential trespassers of the bull. Should the trespasser be subsequently injured by the bull, the landowner has limited liability as he/she has provided sufficient warning.

It is advisable to ensure that there are signs on your land warning of potential dangers, especially in areas of the land where it is foreseeable that people might cross.

#### Rights of the landowner

Under the Criminal Justice (Public Order) Act 1994 as amended by Section 24 of the Housing (Miscellaneous Provisions) Act 2002, it is a criminal offence for anyone to enter, occupy or bring anything onto privately-owned land or land owned by local authorities if that act is likely to:

- Substantially damage the land
- Substantially damage any amenity on the land or prevent any person from making reasonable use of that amenity
- Render the land or any amenity on it unsanitary or unsafe
- Substantially interfere with the land or an amenity on it.

If a landowner believes that someone is illegally occupying their land to the extent of committing one of the above offences, they should inform the Gardai. The Gardai are then empowered to visit the land, and if they find any person on the land, they can demand that the person gives them their name and address and that they leave the land and remove any objects under their control from the land.

Under Section 2013 of the 1994 Act, it is an offence to trespass in a way that is likely to cause fear in another person. This offence does not include any intent to commit a crime or to interfere with property. A Garda can direct anyone they find trespassing in a way that causes, or is likely to cause fear in another person, to stop acting in that way and to immediately leave the area in a peaceable and orderly manner.

Ultimately, trespass on farmland is generally a civil matter and typically not a criminal offence. Therefore, if a farmer has an issue with trespassing, he or she has the option of issuing court proceeding against a trespasser.

#### Silage Safety Alert

At the time of writing, only days remain before sileage cutting begins. The weather looks fine and farmer fingers are crossed that the conditions remain optimum and that we get several successful cuts over the next period. Obviously, the presence of contractors on

farms and on local rural roads can bring specific safety issues and we must all be extra vigilant and ensure that locals – and particularly visitors to farming districts – are just that little more focussed on the extra traffic involved. This is particularly important during the Covid period when people are going for long walks in the country as a form of release and exercise.

I have previously specifically asked contractors to avoid using extra auxiliary 'work' lights on the roads for fear of glare on oncoming traffic and also to pull in regularly and allow tailbacks to pass. We have to show consideration for our non-farming neighbours - and I know that ICMSA readers will. We'll be taking this message to local papers and local radio.

#### 2020 Basic Payment Scheme Opens for Applications as usual with May 15th Deadline

# The 2020 Basic Payment Scheme (BPS) and the Greening Scheme has opened, and the deadline will remain at May 15th irrespective of the Covid-19 outbreak.

All farmers have received a BPS information pack in the post containing terms and conditions of the scheme as well as maps and land details. This information will assist farmers in making their online application. The closing date for BPS applications in 2020 is Friday 15th May. Farmers and advisors are urged to avail of the early opening of the application process now rather than waiting until nearer the closing date.

All elements of the Direct Payments Schemes (BPS, Greening, Young Farmers Scheme, National Reserve, Transfer of Entitlements, and the Areas of Natural Constraint Scheme) are now online. This helps to ensure that the Department can process all applications under these schemes as efficiently as possible.

This will be the third year where the BPS application system is fully on-line, following a change in the EU regulations which came into effect in 2018. Should farmers wish to contact

the Department in relation to their online application they can do so at

- 0761 064424 in relation to queries on registering for www.agfood.ie – for example queries on lost passwords, how to register etc.
- 0761 064420 for those who need help completing the BPS application once they are registered on www.agfood.ie.

ICMSA has asked the Department of Agriculture, Food and the Marine to implement greater flexibility for farmers who are applying for their Basic Payment Scheme and other schemes in the coming months. The deadline for submission for BPS/ANC remains at May 15 but the Department have been asked to us their discretion and common sense in processing applications given that in 2020, farmers cannot sit down face to face with their consultant before submitting their applications.

The preliminary checks system for BPS applications to notify applicants of any non-compliance in the areas of overclaims, dual claims, and overlaps is now crucial in terms of notifying farmers and planners as to potential mistakes for 2020, ICMSA have asked for a

second round of preliminary checks where mistakes can be corrected without penalty at a later date.

Farmers and consultants have previously used the deadline of mid-June to address errors with no penalty applied where the non-compliance is fully rectified by that date and ICMSA has called for further leniency to rectify any such non-compliance after this date in 2020.

Where a farmer is signed up for text message alerts from the Department of Agriculture, Food & Marine, a text should issue to advise them of the 15 May deadline if the application is not submitted by 10 May and secondly, that they have a notification on their BPS account even after the mid-June timeline if genuine errors are found where they can be corrected without penalty.

Given the extremely difficult year for all parts of society including farmers it is essential that the maximum flexibility is applied for 2020. ICMSA is urging all farmers to get in contact with their planner about their BPS as quickly as possible and initiate communication to minimise a last-minute rush before the submission deadline.

### **Changes To Inspection And Auditing Procedures During Covid-19**

The 2020 Basic Payment Scheme (BPS) and the Greening Scheme has opened, and the deadline will remain at May 15th irrespective of the Covid-19 outbreak.

The Department for Agriculture, Food and the Marine have outlined a number of flexibilities to schemes run by his Department in response to Covid-19 issues. These flexibilities are being introduced to make it easier for farmers and their agents to continue to participate in these important schemes where difficulties arise from the current public health restrictions in place.

The list of flexibilities includes:

- Inspections for Cross Compliance: The Department has generally paused routine on-farm visits. However, some essential inspections may be necessary on a risk basis.
- Young Farmer Scheme Inspections: Inspection interviews to be conducted by phone. This also applies to Young Farmer inspections under TAMS.
- Young Farmer/National Reserve applications: Revised arrangements in place for lodging an application where applicant's

green cert is held up due to closure of colleges.

- Basic Payment Entitlements: Revised arrangements in place for submitting applications for transferring entitlements where it requires witnessed signatures.
- **Nitrates:** Deadline for submitting nitrates records for cross-compliance inspected cases extended to end of June.

**Bord Bia:** Audits have been suspended at present. However, some online audit will take place in coming weeks.

#### TAMS:

- The closing date for Tranche 17 of TAMs has been deferred from 24 April to 5 June.
- Flexibility on TAMS completion deadlines: a three-month extension on all projects due to completed (or approvals due to expire) between 1 March and 1 July.
- A three-month extension on outstanding TAMs payment claims for projects to be completed by 1 July.
- Health & Safety course requirement for TAMS: as these courses are now postponed, a derogation is now in place which defers the obligation to do the course but allows the

applicant to be paid for completed works. This derogation is proposed for a three-month period. These participants will be required to complete a course when courses resume.

#### GI AS.

- Normally 10-day deadlines for GLAS records following inspection: flexibility has already been given here with the DAFM document request latter amended to reflect this.
- Additional flexibilities have been introduced with regards to TB testing arrangements where the Department continues to seek to facilitate farmers in efforts to eradicate TB and undertake testing as required. They also prioritise the continuation of animal movements and the function of all elements of the food supply. The overriding principle in all situations is that the health and safety of farmers, vets, service providers, contractors, other staff and their families is paramount.

The Department has established a Covid-19 helpline line which can be reached at **076 1064468**.

### **TB Update - Covid**

 Where a herd cannot be TB tested due to COVID 19 related issues, the trading status of the herd will be suspended. However, a grace period of 28 days from the date on which the herd test becomes due will be applied before this suspension comes into effect, during

- which the herd can continue trading. When the suspension is then applied, moves directly to slaughter will still be permitted.
- Calves between 42 and 120 days of age should be TB tested only where both the farmer and the vet are satisfied that social
- distancing can be adhered to.
- If calves under 120 days are not tested, they
  will be eligible for movement once the herd
  retains its free status, until they reach 120
  days of age. This exemption will apply until 1st
  June 2020, at which point it will be reviewed.

# Likely Two-year Transition Period Into New CAP But Current Levels Of Payments Must Be Maintained

Pat McCormack, President.

Following on the decision in the last days of April of the Agriculture Committee of the EU Parliament to support a two-year transition for CAP under current rules, it's looking increasingly likely that this option will be exercised but we have stressed that any transition arrangements caters for a period of at least two years given the uncertain timeframe around the conclusion of the overall EU budget, the finer details of the CAP reform, Brexit, and now the Covid-19 pandemic.

Given the huge and unprecedented uncertainties facing farmers at this time, particularly in relation to Covid-19 and farm incomes, there is a clear onus on our politicians at national and EU level to ensure that an appropriate transition agreement is in place that will allow the funding of farm schemes to continue for 2021 and 2022 until the new CAP has been put in place. Such a transitional agreement will require the Budget to be maintained at current levels for the period and the provision of national funding for Pillar 11 schemes over the transition scheme ensuring that all schemes remain open and fully funded.

Farm schemes are a very significant part of farm income across all sectors and, while there is presently a level of certainty regarding the BPS/Greening payment during the transition period, there is no such certainty around schemes such as GLAS, TAMS and ANC. Those schemes are not only important from a farmer perspective, but they're also positive for the wider rural economy and environmental protection. These schemes are all due to come to a conclusion at the end of 2020 and the incoming Government must commit to their

continuation during the transition period – whether that's one or more years – and so provide a level of certainty to farmers on their income and also on their important environmental component

In summary, ICMSA's position is that while the decision of the Agriculture Committee of the EU parliament to seek a two-year transition is a welcome and necessary decision it absolutely must be backed with a commitment that the current budget will be maintained during the transition period.







# A Guide To Government & Bank Supports

### For Farms Impacted By Covid-19

Shane O'Loughlin, Chairperson, ICMSA Farm Business Committee

ere are some practical steps, supports and guidance to help your farm business currently.

#### Talk to your bank

All the banks have announced that they will offer flexibility to their customers, and they may be able to provide payment holidays or emergency working capital facilities. A summary of the main responses for the three pillar banks is outlined later in the document. ICMSA are monitoring Banks to ensure that they treat farmers fairly at this time. If you have queries, please contact ICMSA Head Office at 061-314677

### Take immediate steps to manage your cashflows

Look for scope to:

- Lower variable costs
- Delay discretionary spend
- Extend your payables
- Explore financing options

#### Be aware of other government supports

- The COVID-19 Pandemic Unemployment Payment (PUP) is a payment of €350 per week. It is available to all employees and the self-employed who have lost their job due to the COVID-19 pandemic. It is available to farmers in some circumstance outlined below:
  - o The PUP is available to full time farmers who cease trading or who do not receive any income currently as a result of Covid-19.
  - o Full-time farmers whose farm income totally collapsed to zero as a result of the pandemic and who are available to take up other full-time work are entitled to the PUP at €350/week.
  - o Part-time farmers who have lost off-farm employment as a result of the pandemic and who, consequently, would be able to take up other full-time employment if it was available are entitled to the PUP at €350/week.
  - o If you are a part time farmer and your off farm job is affected, you could also apply for a welfare supplement
  - o If you are a full time farmer and your income is reduced but you are still farming and are unable to take up other employment, you can apply for farm assist. Farm assist is means tested. The current payment is €203 per week.

### Use available government supports for working capital

 An additional €200 million in COVID-19 funding for the Future Growth Loan Scheme (FGLS), which will be released in tranches, will provide longer-term loans to COVID-19 impacted businesses.

- There is also a €450m SBCI COVID-19 Working Capital Scheme for eligible businesses supports loans from €25,000 up to €1.5 million. Eligibility criteria mean farmers cannot apply. Therefore, farmers must wait for the FGLS to be reopened. https://dbei.gov.ie/en/What-We-Do/ Supports-for-SMEs/Access-to-Finance/Future-Growth-Loan-Scheme/
- Farmers can access COVID-19 Business Loans of up to €50,000 from Microfinance Ireland. The terms include a six months interest free and repayment free moratorium, with the loan to then be repaid over the remaining 30 months of the 36-month loan period. Loans are available at an interest rate of between 4.5% and 5.5%. Businesses can apply through their Local Enterprise Office or directly at microfinanceireland.ie.
  - o The COVID-19 Business Loan from Microfinance Ireland is a government initiative to support microenterprises, through the current period of uncertainty, who are or may impacted by the coronavirus in Ireland.
  - o Any microenterprise (Sole Trader, Partnership or Limited Company) who is currently trading and not in a position to avail of Bank finance and is experiencing a COVID-19 negative impact on their business (The negative impact must be a minimum of 15% of actual or projected in turnover or profit).
  - o In order to apply for finance up to €50,000, the business must provide a declaration to Microfinance Ireland that they meet the following eligibility criteria:
    - A minimum of 15% of actual or projected turnover or profit in the business is negatively impacted by COVID-19
    - 2. The business is a micro-enterprise
    - **3.** The business is having difficulty in accessing finance from Banks and/or other commercial lending providers.
  - Loan terms up to a maximum of 3 years
  - Six months interest free and repayment free moratorium, with the loan to then be repaid over the remaining 30 months of the 36-month loan period
  - Interest rate of 4.5% if submitted through Local Enterprise Office and 5.5% if you apply to Microfinance Ireland directly
  - To apply: Register at microfinancelreland.ie or talk to a loan advisor on 01 260 1007

#### **Engage with Revenue**

Revenue has provided COVID-19 information and advice for taxpayers and agents experiencing difficulties caused by the impacts of COVID-19.

Revenue has also issued updated advice to SMEs experiencing cashflow difficulties arising from COVID-19. This includes information on tax returns, late payment interest, debt enforcement and tax clearance.

https://www.revenue.ie/en/corporate/communications/covid19/index.aspx

Below is a summary of the support being offered to Allied Irish Bank, Bank of Ireland and Ulster Bank customers now but as this is a fluid situation there may be updates since going to print. SME includes farming & food related businesses.

### AIB Supports Covid19 Supports for farming customers

- 3-month Payment Break, Customers will need to demonstrate they have been impacted by Covid19 to avail of the 3-month Payment Break
- New or increased working capital facility
- Farmer Credit Line or Overdraft
- Retrospective finance of capital expenditure from cashflow in 2019
- Dedicated direct phone line 1890 47 88 33 Mon – Fri: 8am – 9pm
- For the 3 month payment break, farmers can ring the special COVID-19 support line on 0818 300113 (open Monday Friday 9am-5pm) OR there is an online form (https://aib.ie/covid19/business/business-form) that customers can fill out and a representative from the Bank will ring them back.

#### **Bank of Ireland Farming supports.**

- They can request a capital and interest moratorium for 3 months on their loans with BOI.
- BOI has put a streamlined system in place to fast track these requests.
- This is not deemed a forbearance measure where it is related to impact of Covid-19.

#### Agriflex:

- BOI has Agri. Flex option available for all BOI farmer customers whereby they can request Interest only repayments (moratorium on capital repayments) for an initial 6 months on their loan if there is a significant drop in commodity prices due to Covid-19.
- BOI will ask the farmer for a cash flow projection for the 6-month period.
- There will be no fees applied by BOI in putting the Agri. Flex Interest only option in place and there will be no change to the

farmer's loan interest rate.

- There is also the option for the farmer to request an extension of the final due date of the loan by 6 months under Agriflex.
- Availing of Agri. flex in response to a significant drop in commodity prices due to Covid-19 is not deemed a Forbearance measure.

#### General:

 BOI are closely monitoring the impact of Covid-19 on farmers cash flow and urge farmers to contact the Bank if cash flow is becoming a problem.

#### **Ulster Bank Supports** Support for all Customers

- Fund is to support farmers who have been impacted by the outbreak either directly or through supply chain problems
- Sectoral experts are on hand to offer practical advice to all customers on steps they can take

to mitigate the worst impacts of the outbreak

• Support for personal customers includes mortgage and loan repayment deferrals; access to fixed term savings with no breakage fees; and increases in overdrafts

#### **Business support**

- €500m of Working Capital Support focused on meeting the needs of SMEs/farmers.
- Temporary emergency loans with no arrangement fees.
- Capital Repayment Holiday on variable rate lending or a realignment of payments for customers who are seeing short term liquidity
- Short term overdrafts or an increase/ extension of existing overdraft facilities.
- Ulster Bank's team of Relationship Managers are proactively speaking to business customers offering help and support as they form their plans to mitigate the impact of Coronavirus.
- Proactive outreach to those SMEs that may be

- experiencing short-term trading issues due to Coronavirus to ensure they are able to access the best possible range of support.
- Specific sectoral insight and advice from dedicated Sector Banker specialists.

#### Personal support

- Mortgage and loan repayment deferral for up to 3 months
- Allowing customers access to fixed term savings accounts early without breakage fee
- The option to apply for an increase in overdraft and credit card limits
- Increased cash withdrawal limit
- Cash advance fees will be waived for impacted customers that use credit cards to access cash in an emergency
- Advice and support from Financial Planning Managers for any customer with concerns or questions about the impact of the Coronavirus on their finances.

# Covid-19 Impact Margaret Butler, Dairy Ingredients Manager, Bord Bia

As has been widely reported, Covid-19 has created a significant surge in staple food demand as Government measures require people to stay at home. At farm level in Ireland, milking and milk collections continue as normal, albeit under the guidelines of social and physical distancing.

At farm level in Ireland, milking and milk collections continue as normal, albeit under the guidelines of social and physical distancing.

Irish processors have forecast year on year growth of approximately 5% which would see us surpass eight billion litres for the first time.

EU 27 milk collection is reportedly up 1.4% for January with Irish milk up close to 8% for February. Favourable weather conditions in Ireland during March are expected to contribute to a strong finish to Q1.

However, as the EU and USA gear up for spring flush, market sentiment for dairy ingredients remains negative as buyers cite the uncertainty and ambiguity present in the marketplace as a result of Covid-19.

Reports from Irish industry suggest ingredient demand is reasonably good however, pricing remains bearish.

The latest Dutch Quotation (1/4/20) saw further declines for SMP, WMP and butter but no change for whey. This represents the ninth consecutive week of decline in Dutch Dairy prices. EU Butter is reported to be trading in or around €3030/mt with Gouda at €2550/mt.

The most recent Global Dairy Trade Event (GDT 256 on 17 March), was down 4% overall. SMP and WMP show the most significant declines at -8.1% and -4.2% respectively.

Challenges around congestion at Ports and accessibility to freight and equipment (eg. Reefers) has been well documented since early February and continues to pose a challenge for exporters of Dairy Ingredients. Reduction in staff levels at sea ports, in line with physical distancing measures deployed around the world, has led to elongated turnaround for containers and processing of documentation. The Nigerian Port authority is the most recent to announce a temporary waiver of demurrage costs owing to the unprecedented backlogs

The effect of Covid-19 on currency volatility has been evident with the USD remaining top performer in March.

Aside from the multiple challenges associated with Covid 19, the so-called oil war also poses a challenge for dairy ingredient exporters as markets dependent on oil revenues watch prices plummet dramatically. China after close to

a three month economic pause, is getting back to work. However, Rabobank has estimated that total dairy



import volume in China will fall by 19% in 2020. This is based on lower demand in foodservice channels, a build-up in milk powder stocks, on top of larger carryover stocks, as well as further expansion in local milk production through 2020.

Some commentators fear that a second wave of the virus cannot be ruled out. Were this to manifest, the mooted global economic recovery forecast for latter part of 2020 would be hampered.

Bord Bia is taking a structured and strategic approach to the challenges faced by the industry as a result of the Covid-19 crisis. Bord Bia's Navigating Change strategic response plan aims to provide practical supports to the Irish food and drink industry during rapidly changing circumstances. The plan divides our response



9

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FOR ICMSA MEMBERS

### Ornua's strong 2019 performance

- Operating Profit Up 21.5% - Kerrygold reaches €1 billion in annual retail sales

As a huge COVID-19 response effort is mounted to keep markets for Irish dairy open & protect farmers from global trade fallout, Ornua, Ireland's largest exporter of dairy products, today published its operating and financial results for year ended 2019. The co-operative delivered a very strong trading performance in 2019 with Group Turnover up by 11.5%, reaching €2.3 billion, Group EBITDA\* of €71.8 million up 18.7% and Operating Profit\* of €49.1 million up 21.5%. This performance was achieved against a backdrop of significant external challenges and places Ornua in a strong financial position to manage the unprecedented challenges presented by COVID-19.

### Commenting on the 2019 results, John Jordan, CEO Ornua said:

"We are pleased to report a strong trading performance for 2019, despite a challenging global environment characterised by economic uncertainty due to US tariffs, Brexit and market volatility. Post year-end this trading complexity has increased significantly due to the impact of the global COVID-19 pandemic.

Kerrygold had a stand-out year in 2019, becoming the first billion-euro Irish food brand. The strength and impressive growth of Kerrygold allowed Ornua to pay a brand premium of €18.5 million to our Member Co-ops for Kerrygold butter, cheese and milk powders. 2019 was a special year for our ingredients business too, as it marked the rebuild and opening of our €30 million state-of-the-art pizza cheese facility in Ávila, Spain."

## Commenting on post year-end trading and the impact of COVID-19, John Jordan added:

"Our key focus for 2020 is to support our 2,400 strong team, our customers, our Member Co-ops and farmers as we face the challenges of COVID-19 together. We are firmly focussed on protecting the health and safety of our people, keeping our factories running safely to serve our customers and ensuring markets for Irish dairy remain open.

Despite the expected drop in global dairy demand, Ornua will continue to purchase product from Member Co-ops in line with 2020 agreements – over €1 billion in dairy product purchases. This will see Ornua carry the risk and cost of stockholding on behalf of our Members, going some way towards providing a level of security in these uncertain times. We are also working hard to maximise Kerrygold premium returns to enable us to continue to deliver strong product prices to our Members, and in turn Irish dairy farmers."

#### Financial Performance

Ornua delivered a strong trading performance in 2019. Group turnover was up 11.5% year-on-year and reached €2.3 billion with Group EBITDA\* of €71.8 million, up 18.7% year-on-year. Operating Profit\* stood at €49.1 million, up 21.5%.

Ornua is firmly committed to creating value for Irish dairy farming families through the delivery of strong product price returns. In 2019, Ornua purchased 340,000 MT of Irish dairy products from Irish co-ops. It paid a total Members' Bonus of €26 million, up 36.8% year-on-year. 400 million litres of milk equivalent were purchased by Ornua under fixed price contracts, helping protect Members against volatility. In supporting its Member Co-ops financing requirements, Ornua provided €350 million in working capital facilities via a Reverse

#### 2019 Financial Highlights

Key Performance Indicators	2019 € million	2018 € million	Year-on-Year change
Turnover	2,322.3	2,082.1	+11.5%
Group EBITDA*	71.8	60.5	+18.7%
Operating Profit*	49.1	40.4	+21.5%

2019 Operational Highlights

- Kerrygold became Ireland's first food brand to reach €1 billion in annual retail sales
- Purchased 340,000 MT of Irish co-ops' dairy products, to the value of over €1 billion
- Paid €18.5 million brand premium for Kerrygold product to Member Co-ops
- Paid a Members' Bonus of €26 million up 37% year-on-year
- Returned strong product prices as evidenced by the PPI, securing increased product commitments from Member Co-ops for 2020
- Provided €350 million in working capital facilities to Member Co-ops
- Purchased 400 million litres of milk equivalent under fixed price contracts from Member Co-ops
- Opened a €30-million pizza cheese production facility in Ávila, Spain

Invoice Discounting facility, which is supported by Ornua's international banking syndicate.

#### **Brand & Ingredients' Performance**

2019 was a momentous year for Kerrygold with the brand exceeding €1 billion in annual retail sales, becoming Ireland's most successful food brand. In 2019, the brand grew market share in its key strategic markets of the US and Germany. This success has allowed Ornua to pay a brand premium of €18.5 million to Member Co-ops for Kerrygold butter, cheese and milk powders in 2019.

2019 was a special year for Ornua Ingredients as it saw the rebuild and opening of its €30 million mozzarella and pizza cheese production facility in Ávila, Spain. The factory was opened two years to the day after it was destroyed by a devastating fire.

#### COVID-19

As with most businesses, Ornua expects COVID-19 to negatively impact on its business. The business uncertainty and disruption it is causing is severely impacting market sentiment. Consumer usage occasions have changed overnight with people at home cooking and baking. As a result, in retail, Ornua is seeing an increase in demand for its branded and private label cheese and butter. Meanwhile, demand for Ornua's foodservice products have fallen sharply caused by the temporary shutdown of the foodservice and hospitality sectors in Europe and the US.

The net impact of COVID-19 is a decrease in consumption of dairy products worldwide.

Operationally, Ornua's biggest challenge is to keep its supply chain operating to ensure markets for Irish dairy remain open at a time of great uncertainty. A huge COVID-19 response effort is underway to mitigate risk, keep markets open and serve our customers.

#### Measures include:

 Despite the expected drop in global dairy demand, Ornua will continue to purchase product from Member Co-ops in line with 2020 agreements – over €1 billion in dairy product purchases.

\*Before

exceptional items

- Keeping all Ornua factories operating and running safely. Should there be severe disruption or closure to Kerrygold factories, in Germany or Ireland for example, this would have a detrimental impact on the Irish dairy supply chain overall - resulting in a shortage of Kerrygold on supermarket shelves.
- Ornua is doing all under its control to protect its staff. Extensive risk mitigation measures have been put in place at each of its sites. The number of people on-site has been minimised. No site visits allowed. Where possible, people are working from home. Physical segregation of shifts and the offsetting of shift patterns have been implemented.
- Maintaining and securing additional storage facilities to spread risk locally and internationally.
- Securing additional international shipping containers at a time of global shortage.
- Reallocating staff from its ingredients business into its consumer business in order to ensure increased demand can be met.

#### **Looking Ahead**

Ornua has successfully diversified its product portfolio and geographical spread in recent years which will offset against some risk factors associated with the fallout of COVID-19. While the fundamentals of our business are strong, our outlook remains cautious until such time as the full scale and impact of this pandemic is known. Ornua is focused on continuing to protect our people, serving our customers and creating value for Irish farming families through this uncertain period.

# Brexit The Forgotten Issue That Still Needs To **Be Fixed**





rexit dominated our lives for over two years and had a seriously damaging impact on our farming incomes, particularly around our beef sector. Practically overnight, as the paramount importance of the Covid-19 Pandemic became apparent, Brexit slipped down the agenda to the extent that it has almost become a forgotten issue. Not by us, though. Brexit has not gone away and at the end of 2020 we are facing yet another deadline that has the potential to do even more enormous damage to our sector.

Given our current difficulties with Covid, I take no pleasure in adding to an already crowded list of problems, but we have to recognise the scale of this threat and insist that is addressed by our Government and the EU.

Brexit remains a hugely damaging uncertainty for our sector with over fifty percent of our beef exported to the UK and over thirty percent of our dairy exports. The UK Government has set a deadline of the end of 2020 to conclude a free trade agreement between the EU and the UK. To put it mildly, such a timeframe pre-Covid was hugely ambitious, but now such a timeframe seems extremely difficult - if not impossible. As it stands, if no deal is concluded by the end of this year, WTO tariffs will be applied to Irish food products entering the UK. There will be tariff free quotas which will provide some relief and the likelihood is that a lot of product will be sent to the UK in advance of this date, which will also cushion the initial impact somewhat. But as we move forward a WTO tariff arrangement would be a very difficult scenario for Irish food companies and farmers. As a sector, there has been a long-standing trade relationship with the UK and it is essential from our perspective that a tariff free trade agreement is concluded between the EU and the UK that maintains our current level of access.

So what are the solutions? Very simply, given the impact of Covid-19 on the EU/ UK and global economy, another shock of reverting to WTO tariffs at the end of this year would be a major blow and the simplest solution is for the UK to agree to an extension of the period to negotiate a free trade agreement during which no tariffs etc would be applied.

This is the logical solution but, unfortunately, the whole Brexit saga has been very short on logic. In the absence of such logic, the secondbest solution is probably some sort of a fudge in terms of an interim trade agreement or tariff free quotas, but all these brings risks and costs on farmers. We cannot have a scenario where WTO tariffs are applied from 1 January 2020 and our Government and the EU must ensure that this does not happen.

# Managing Construction Work on Farms

Construction activities are an important part of farm life. Farmers carry out construction work to build new facilities to accommodate increasing animal numbers, to improve labour efficiency or to simply repair facilities and buildings.

Making the decision to divert finite funds to this work must be carefully considered to ensure the proposed work will make a positive contribution to the farm.

Consideration must also be given to the potentially very dangerous nature of construction work. It is essential that farmers and building contractors construct buildings or carry out repairs in a safe manner to prevent serious or fatal accidents.

The Safety Health and Welfare at Work (Construction) Regulations, 2013 are in place to help create a safer place of work for all persons involved in construction work.

Farmers must ensure that the work is designed to be suitable for the intended purpose, is built in a safe manner and that it can be used and maintained in a safe manner after being built.

Some of the main safety measures include:

- A Risk Assessment must be carried out before work commences.
- The necessary building equipment, protective equipment, appropriate precautions and

safe systems of work must be provided and implemented. Systems for ensuring a safe site and good housekeeping must also be put in place.

- All construction workers including farmers must be trained and competent.
- Every new contractor or new employee to a site must undergo an induction process when they first arrive on site. This induction should inform the attendees about site rules and procedures, and the arrangements for their safety and welfare on the site, and also who the key duty holders are.
- Measures are taken to ensure the safety of members of the public and children.

For projects that are scheduled to last more than 30 days or 500 man days, involve more than one contractor or involve a particular risk, it is a legal duty of the farmer (the client - the person for whom the project is being carried out) under health and safety legislation to appoint, in writing, before design work commences, a competent Project Supervisor for the Design Process (PSDP). It is also a legal duty of the farmer (client) to appoint a competent Project Supervisor for the Construction Stage (PSCS) before any construction work begins,

While most farmers will hire people with appropriate training, experience and insurance for these roles, the farmer has the option to appoint themselves to these roles. The farmer



would however, need to have the competency to take on the role(s) or become competent. This is likely to involve having experience of similar construction projects, having a 'safe pass' course, completed and/or other appropriate training. They would also need to educate themselves on producing a safety file for the project where potential dangers would be identified and where planned preventative measures would all be documented. This is an onerous and legal responsibility so farmers need to prepare accordingly.

To find out more about the responsibilities attached to construction works check out the short document 'Build in Safety' which was compiled by FBD in conjunction with Teagasc and the Health and Safety Authority (HAS). Contact FBD, Teagasc or HSA offices to get a copy of this document or download from the publications section of the Teagasc website (www.teagasc.ie). For more detailed information visit the Health and Safety Authority (HSA) website at www.hsa.ie.

Francis Bligh Teagasc Health and Safety Specialist



# Covid Makes The Case For EU Food Supply Chain As A Critical Asset.

### Pat McCormack, President

As we struggle with the implications of Covid-19 and the human tragedies it's bringing, many of us are struck forcibly by the critical role played by two sectors, firstly, the health sector and the thousands of workers daily battling bravely against Covid-19 and, secondly, the food sector, daily delivering high quality food to all sections of society. The panic buying stopped as quickly as it started when people realised that our food industry can and will deliver food of the highest quality on a consistent basis.

As individuals and families, we are now living without many items and activities we thought were indispensable and we know – if we didn't already – that there are two things as human beings that we just cannot do without: a quality healthcare system and a consistent supply of safe food.

There has been deserved recognition of food retail and processing workers for their efforts in delivering high quality safe food. The role of the farmer has also been acknowledged, but notably to a lesser extent. Irish farmers on a daily basis are producing the essential raw materials for all our food products. They have rightly being designated as an essential service and we, as a nation, should be proud of the work of our farmers. I know I am.

The agriculture sector has taken a bashing over the last year, but I hope that our key role in producing food will be given the recognition and importance that it merits going forward. Perhaps even more important is that the EU food supply-chain from farmer to retailer will be seen as a critical asset for the EU and protected and structured in a sustainable manner. Sustainable' in that context means oversight of all the links in the supply chain under the three pillars of Economic, Environmental and Social. The EU has taken food security for granted for far too long and our food sector has been consistently sacrificed in



trade deals, the latest and most shameful example being the proposed Mercusor agreement.

We all earnestly hope that we will get through Covid-19 and recover from its effects as quickly as possible. We all have a role to play in this regard in terms of social distancing and obeying all the recommendations set out for us. But when it's over, I do hope that the EU does not forget what it should have learned in terms of sustainable food production and the importance of food security.

Today Irish farmers are producing top quality food while being uncertain about their economic sustainability; some sectors have already experienced significant and unjustified price cuts. Irish beef farmers, for example, have seen the price paid for their cattle slashed because of the crisis. A key problem for the beef sector is the importation of steak cuts which completely undermine the very Irish beef farmers who our politicians have rightly praised for their role in maintaining our food-supply chain. Can we not simply suspend these imports to stabilise our market and sustain our producers? In times of crisis, we need to make hard decisions and this should be one of them.

Also, the multiple retailers will see their profits soar due to Covid. Surely a level of solidarity is required at times of crisis? While the Tesco decision to hold beef prices is a start, I firmly believe that further steps are required from the multiples and the EU policymakers need to send clear signals that they realise that food security is important, that our primary food producers are a critical asset, and that they will get the support they've earned - and that they warrant anyway - through this current crisis.

We all need to play our part to protect our families and the wider community and that means not taking food security for granted, we need to properly recognise its importance and protect it.

Multiple Floods, Multiple Agencies
But No Single Authority Or
Strategy

This picture of the President, Pat McCormack, taken in the last days of February on the flooded farm of the Hynes family in Ahane on the Limerick side of the Shannon and near the city tells its own story, Although the flooding has been overtaken by other news, the damage it has inflicted on farmers bordering the Shannon was very serious – and this was the fourth occasions in less than a decade that extensive and prolonged flooding occurred. McCormack repeated his call for a single waterways authority to which all the other agencies, semi-states and local authorities involved must defer. He said that it was impossible to formulate a strategy to deal with the much more frequent and increased scale of the flooding if we have several agencies – often with conflicting aims and policies – all attempting to shape governmental response. "We have been saying for at least five years that we'll have to have a single waterways authority and they'll have to be given primacy with the others - and I'm specifically including the ESB here – all deferring to this single authority in terms of the 'what, when where and how' of flood planning and response. The present system isn't working and the farmers, like the Hynes family, are looking at massive damage lasting weeks if not months. It is indisputable that much of the damage here is down to the inactivity of other actors, often state agencies, and ICMSA's opinion is that the flooded farmers should have a fund established from which they could be paid compensation'", said the ICMSA President.

### AHI - Update On Programmes

#### **BVD Eradication Programme**

With over 1.3 million calves tested so far this year, 278 calves from 191 herds returned a positive result for BVD. Over 99.9% of all calves tested were negative. Since 2013 the number of calves born with BVD has dropped significantly, see graph below. Currently there are over 3,000 animals in herds that were born before January 2013 that have no BVD status. Herdowners have been contacted and we recommend that these animals are tested promptly. Last year, over 100 females (BVD negative) gave birth to BVD positive calves. For this to occur the females were transiently infected during the breeding season. This breeding season we ask farmers to be mindful of the spread of BVD during this time and maintain rigorous biosecurity standards especially when purchasing breeding stock.



#### **Johnes Disease Control Programme**

By the end of 2019, 1,661 herds have registered for the programme. This represents 9% of all dairy herds and 17% of the dairy cow population. Registration remains open for farmers. Farmers enrolled in the programme must test all animals over 2 years of age for Johnes, this is typically done through milk recording. Once results are back a DAFM funded vet visit is completed, which should inform the farmer on how to minimise the spread of Johnes disease in the herd. The most critical time for transmission of Johnes disease is within the first year of an animal's life. Therefore, minimising a calf's exposure to infected faeces and milk is critical.

A meeting of industry stakeholders took place in March to discuss the possibility of creating an IBR programme. IBR is caused by viral infection with Bovine Herpes Virus-I. When infected, animals display symptoms such as • Dullness and



reduced appetite, High temperature for 4-5 days, Milk drop, Inflammation inside the nose, Fluid discharge from nose and eyes, coughing etc. The disease is highly contagious, and the virus remain in the animal for life (similar to the cold sore virus in humans). Live exporters have expressed concern over the impact of IBR on the live export trade. They have stated that without a vaccination programme in Ireland, they could find it difficult to transport animals across Europe, especially in countries that are free of IBR or have a control programme in place. It is estimated that about 60% of dairy herds currently vaccinate for IBR.

### Can the COVID-19 virus affect animals?

nly a very small number of pets or other animals have tested positive for COVID-19. These animals have lived in the same households or in very close proximity to people infected with COVID-19.

As of 7th April, notwithstanding the pandemic in humans, there are currently only a very small number of reported cases (2 dogs in Hong Kong and I cat in Belgium) where pets have become infected. The dogs did not show symptoms and the cat had mild transient respiratory and digestive symptoms. In addition, 7 large cats in the Bronx zoo have tested positive for the virus. The lions and tigers had transient respiratory symptoms.

#### Can animals spread the COVID-19 virus to humans?

There is currently no evidence that animals can spread COVID-19 either to humans or to other animals. The exact origin of the outbreak of COVID-19 virus in the city of Wuhan in China in December 2019 is still unknown. Although scientific analysis of the viral molecule indicates that initial transmission to humans may have come from a wild animal source such as bats, the exact pathway has not be identified and there is currently no evidence subsequent to that of any spread of the virus from animals to humans.

#### Can the virus that causes COVID-19 be transmitted to humans through food?

There is no evidence to suggest that COVID-19 can be spread through the consumption of food according to the European Food Safety Authority (EFSA).

have shown that they were infected through the consumption of contaminated food. In previous human coronavirus epidemics, food was not found to be a source of infection. However, surface contamination

of food with the virus through sneezing or coughing for example is possible. It is important to observe good hygienic precautions when preparing food.

#### Do I need to take precautions when handling animals where there are no known cases of COVID-19 in my household?

Basic hygiene precautions should always be taken when handling animals, including regular handwashing, because animals can pass other diseases to humans, known as zoonotic diseases.

#### Do I need to avoid contact with companion animals or livestock if I am infected with COVID-19?

Yes, it is best that you do. The HSE currently advise that people infected with COVID-19 or self-isolating should remain indoors. Arrangements should be made for someone else to care for your animals.

There have been reports of a very small number of pets and zoo animals becoming infected with COVID-19 virus and it would be sensible to take precautions until further information is available. People who test positive for COVID-19 should avoid

close contact with animals and organise for someone else to care for all animals including livestock and pets.

If this is not possible, such as in the case of household pets, take additional precautions such as minimising close contact with companion animals and do not allow companion animals to lick you. Wash hands before and after any interaction with your pet animal and wear a facemask if possible. It is imperative that animal welfare standards are maintained and that animals in affected households are properly cared for.

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