

8 Feb 2022.

**Carbon Budgets - Public Consultation**

Dear Sir or Madam,

On behalf of Dairy Industry Ireland (DII), and on behalf of the Irish Co-operative Organisation Society (ICOS), representing Dairy Processing (primary and secondary) and Co-op Sector, and as part of the Dairy Sustainability Ireland (DSI) initiative, we wish to make the following observations in relation to the budgetary process:-

1. The Dairy Processing/Co-op Sector recognises that addressing climate change and protecting the Environment is a serious issue for our society, economy and for the domestic and international consumers of Irish agri-food products.
2. The Government's Climate Action Plan Securing our Future sets out detailed measures to meet greenhouse gas emissions and carbon reduction targets for each sector of our economy with detailed objectives for agriculture to achieve reductions of between 21.7% to 30% for agriculture and which have also been set out in the Ag-climatise policy statement.
3. Similarly, the 2030 Vision for Ireland's agri food sector is striking in its ambition that Ireland will become a world leader in sustainable food systems over the next decade, and that this will deliver significant benefits for the Irish Agri food sector, for Irish society and for the environment

4. DII and ICOS are committed to working constructively and positively with our dairy suppliers and our Boards, with the Government and state agencies, and with our partner dairy and agri stakeholders to seek to achieve the objectives of Food Vision 2030, and to seek to achieve consensus on a road map to implement Ag-climatise and to meet Govt climate action targets.
5. It is the case that the Processing sector, working with dairy suppliers, have been supportive of achieving strong sustainability outcomes over recent years specifically with the Bord Bia Origin Green programme and the Sustainable Dairy Assurance scheme, with the ASSAP program focused on water quality improvement which is currently being expanded, and with processors own sustainability programmes, including strong carbon intensity reduction programmes, which are being considerably strengthened at present. We are strongly supportive of delivering the Teagasc MACC curve on GHGs emissions reduction.
6. it is also the case that dairy suppliers and the dairy industry are generating strong economic benefits to rural Ireland - Ireland outside the cities, with direct economic benefit of €5.6 billion which through economic multipliers produces €13.1 billion in output into the Irish economy so that the dairy sector is a very significant contributor to the rural economy supporting jobs across the supply chain and acting as a pillar to economic and social life, in places where foreign direct investment doesn't reach.
7. Our challenge now is to build on this economic success and on the sustainability programmes we have delivered, to meet and overcome the new sustainability challenges which society and the also the market have asked of us collectively, to meet and overcome
8. The Dairy Processing/Co-op Sector commits to working collaboratively across sectors to identify and implement effective decarbonisation initiatives e.g. potential exists to establish partnerships across agriculture and energy sectors given the potential of renewable and biofuel generation on-farm currently. The Sector would welcome support and facilitation of cross-industry collaboration by Govt.
9. It is recognized that in addition, new approaches and mechanisms, will be needed to progress and advance the achievement of low carbon objectives for Irish society, the economy and the agri-food/dairy sectors.

This will require an openness to new approaches and new solutions and the Dairy Processing and Co-op Sector will support and participate in the development of such new approaches and solutions.

10. It is suggested that as part of a whole of Govt/whole of Sector joined up approach, that there would be strong benefits in aligning CAP, Govt and industry investment to support climate/sustainability objectives.

11. It is recognized that in the implementation of low carbon strategies, there are significant co-benefits for other environmental priority areas including ammonia, water quality, and bio-diversity as well as co-benefits for soil productivity improvement which will improve farm productivity and farm incomes.

We look forward to working with Govt and with all stakeholders with all of the stakeholders to seek to achieve a consensus on these important and critical issues for agriculture and for society.

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Dairy Industry Ireland

Irish Co-operative Organisation Society