



Brexit poses enormous challenges for the agri-food and fisheries sectors by virtue of their exposure to the UK market. The most immediate impact has been caused by the significant drop in the value of sterling against the euro, while the possible longer-term impacts relate to import controls on animal, plant and products of animal and plant origin, as well as the certification of Irish agri-food exports to the UK in accordance with any UK requirements in this regard.

### 1. Agri-Food Sector and the Economy

#### Key Indicators for Agri- Food Sectors

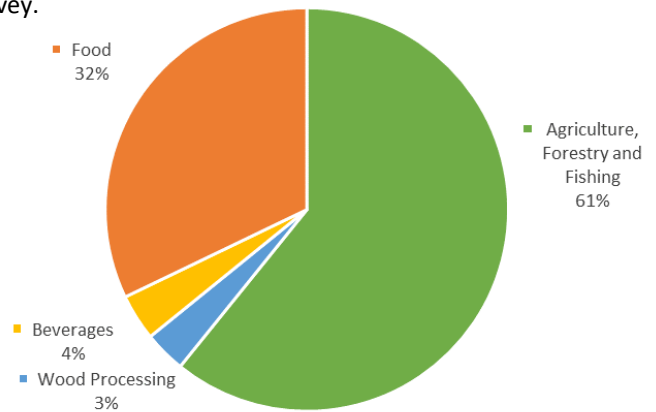
	% of Total
% of GNI* (Modified Gross National Income) (2018)	7.5%
% of Employment (2018)	7.7%
% value of total exports (2018)	10.0%

According to the 2016 Census of Industrial Production the Agri- Food Sector accounted for:  
12% of all Manufacturing Industry Turnover

Source: Central Statistics Office

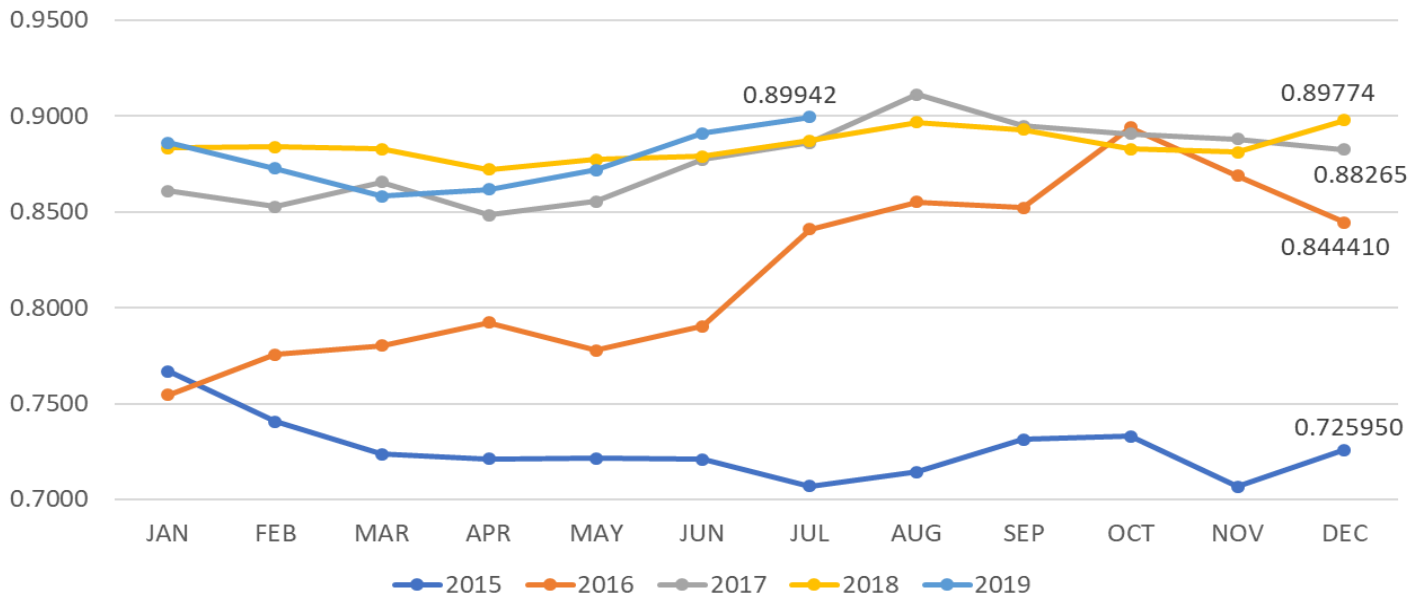
#### Employment

Employment in the agri-food sector on average accounted for approximately 173,000 jobs, or 7.7% of total employment in 2018, according to the CSO Labour Force Survey.



Source: [CSO Labour Force Survey](#)

#### Exchange Rates Monthly Average (EURO/STG)



Source: Central Bank



Agri-food sector trade is broken down into 26 categories identified and agreed by Department of Agriculture, Food and the Marine and the Central Statistics Office. Products and Raw Goods are categorised using combined nomenclature (CN) codes, a European harmonised system used to classify goods for customs and trade reasons. These categories include non edible Agri-food items such as Forestry and Animal Hides and Skins (not included as part of Bord Bia trade statistics), along with traditional Food and Beverage products. In 2018 the Department undertook a review of how Agri-food sector products are classified. This resulted in the addition of a number of CN codes and the creation of two new Agri-food sector categories; Wood Based Produce and Fruit & Vegetable Based Produce .

While every effort has been made to ensure the accuracy of the data contained within, in view of the volume of statistical data collected as part of agri-food trade statistics, some errors in respect of individual products may occur. Where these anomalies are identified, the Department will liaise with the Central Statistics Office to highlight and amend the information as required.

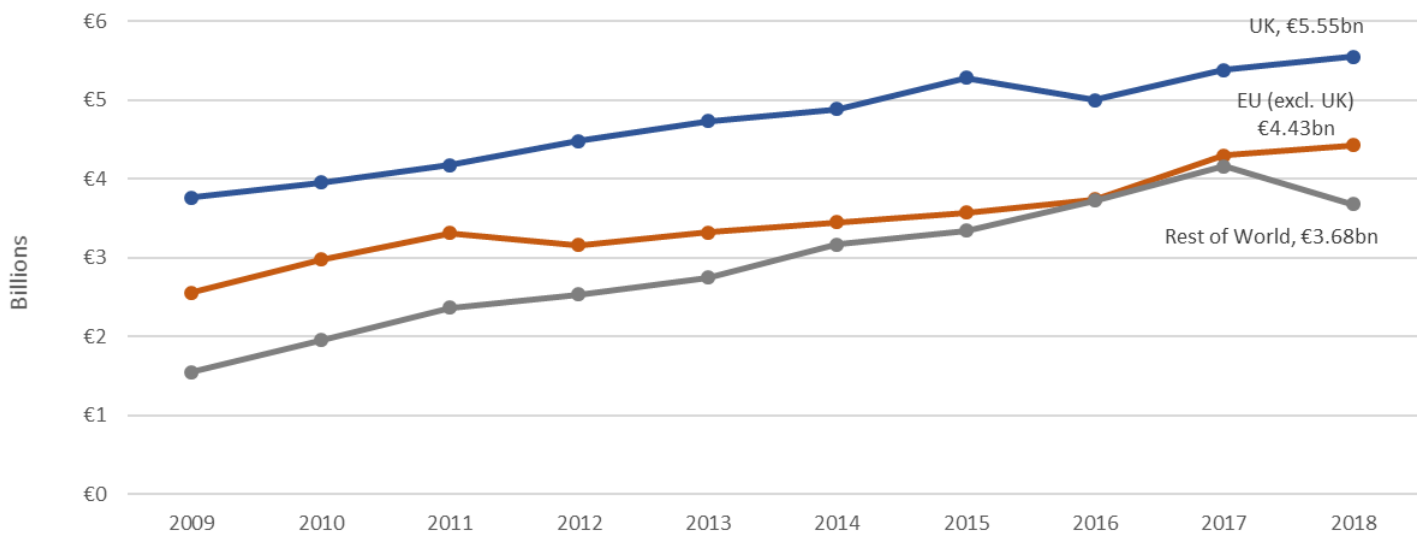


### 2. Agri-Food Trade

The Agri-food sector accounted for 10% of the value of total Irish exports in 2018. Between the period 2009 – 2018 Agri-food exports increased by 73% from €7.8 billion to nearly €13.7 billion. While the value of Agri food exports was down slightly (1%) from a record €13.8 billion in 2017, the volume of exports was up by 4% .

The United Kingdom (Great Britain & Northern Ireland) remains Ireland’s largest trading partner with 41 % of total agri-food sector goods and 68% of Prepared Consumer Food (PCF) products exported there in 2018. In 2018 total agri-food exports to the UK were €5.6 billion while imports totalled €4.5 billion, giving Ireland a trade surplus with the United Kingdom of approximately €1.1 billion.

#### World Wide Agri-Food Exports, 2009 - 2018



Source: CSO Trade Statistics

#### Top 15 Agri-Food exports and imports by Category, 2018

	Great Britain	Northern Ireland	United Kingdom	Great Britain	Northern Ireland	United Kingdom
	Exports (€000s)			Imports (€000s)		
<b>Beef</b>	€1,090,860	€113,928	€1,204,788	€107,521	€13,383	€120,904
<b>Dairy Produce</b>	€908,003	€113,641	€1,021,644	€371,025	€260,554	€631,579
<b>Pigmeat</b>	€427,465	€43,063	€470,527	€152,970	€7,735	€160,705
<b>Cereal &amp; cereal preparation</b>	€312,845	€84,648	€397,493	€625,367	€77,125	€702,492
<b>Forestry</b>	€275,492	€85,599	€361,091	€69,224	€28,575	€97,799
<b>Live Animals</b>	€242,941	€79,592	€322,532	€171,785	€8,256	€180,041
<b>Beverages</b>	€211,156	€76,099	€287,255	€317,855	€89,535	€407,390
<b>Coffee, Tea, Cocoa &amp; Spices</b>	€248,456	€16,927	€265,383	€314,313	€8,708	€323,021
<b>Animal Foodstuffs</b>	€160,972	€76,952	€237,924	€194,310	€118,873	€313,183
<b>Poultry</b>	€207,544	€29,488	€237,032	€154,992	€14,312	€169,304
<b>Miscellaneous Edible Products &amp; Preparations</b>	€131,722	€15,634	€147,356	€320,427	€7,484	€327,911
<b>Fruit &amp; Vegetables</b>	€111,830	€28,579	€140,410	€181,469	€17,076	€198,545
<b>Fruit &amp; Vegetables Based Products</b>	€97,486	€14,437	€111,923	€224,496	€29,473	€253,970
<b>Sheepmeat</b>	€57,162	€680	€57,842	€25,747	€247	€25,994
<b>Other agri-food</b>	€238,560	€49,876	€288,436	€476,105	€75,272	€551,378
<b>Grand Total</b>	<b>€4,722,494</b>	<b>€829,142</b>	<b>€5,551,636</b>	<b>€3,707,605</b>	<b>€756,610</b>	<b>€4,464,216</b>

Source: CSO Trade Statistics

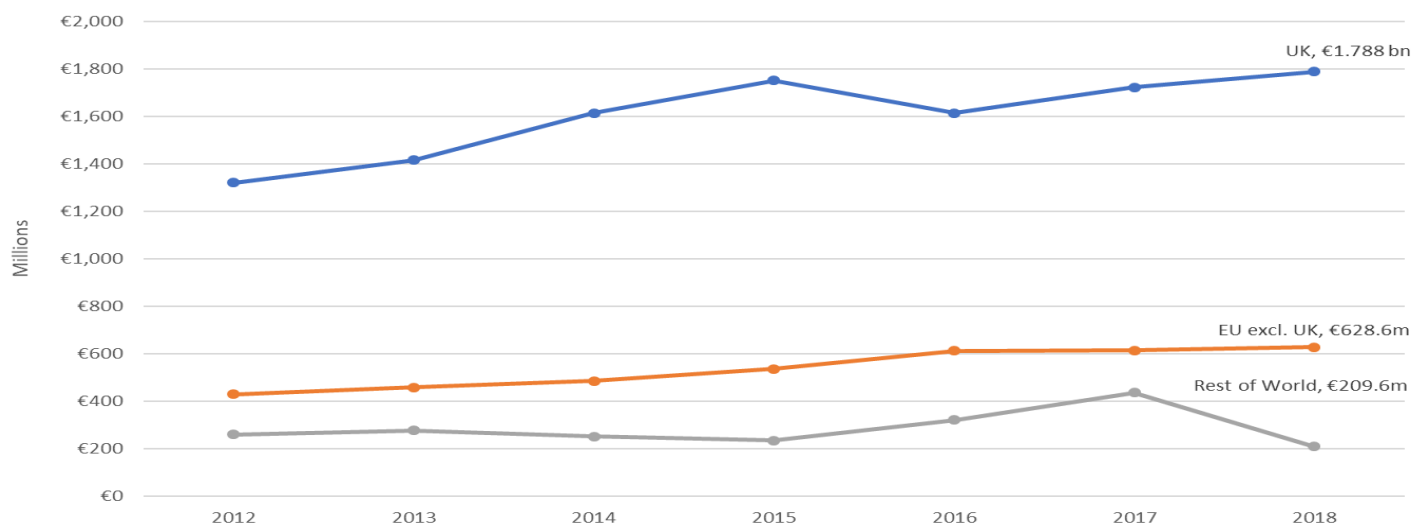


### 3. Prepared Consumer Foods Trade

Prepared Consumer Foods (PCF) are value added food and beverage products, which sell both domestically and internationally to retail, food service or other food companies. These goods are categorised into 15 areas identified and agreed by industry stakeholders, Department of Agriculture, Food and the Marine and the Central Statistics Office.

The Prepared Consumer Foods sector accounted for over €2.6 billion in agri-food sector exports in 2018, and €3.6 billion in imports. This resulted in a trade deficit of just over €994 million. Between the period 2012 – 2018 prepared consumer food exports increased by 30% from €2 billion to over €2.6 billion.

#### World Wide Prepared Consumer Food Exports, 2012 - 2018



Source: CSO Trade Statistics

While the majority of PCF products were exported to the United Kingdom in 2018 (68%), other significant markets for Prepared Consumer Foods included France, the Netherlands, Spain, Germany, Italy and the United States.

#### Prepared Consumer Food exports and imports by Category, 2018

(€000s)	Great Britain	Northern Ireland	United Kingdom	Great Britain	Northern Ireland	United Kingdom
	Exports (€000s)			Imports (€000s)		
<b>Meat Preparations</b>	€585,732	€51,120	€636,852	€277,625	€16,212	€293,837
<b>Chocolate-based products</b>	€224,219	€12,599	€236,819	€205,735	€6,626	€212,361
<b>Breads</b>	€117,529	€19,668	€137,196	€104,881	€2,047	€106,928
<b>Waters &amp; Juices &amp; Soft Drinks</b>	€112,238	€12,276	€124,514	€213,463	€13,282	€226,746
<b>Dairy Preparations</b>	€112,433	€4,117	€116,550	€77,499	€1,682	€79,180
<b>Pizza/Quiche</b>	€105,252	€4,327	€109,580	€36,425	€3,810	€40,235
<b>Other Food Preparations</b>	€92,992	€15,694	€108,686	€150,498	€6,558	€157,056
<b>Cereal based Products</b>	€37,585	€29,464	€67,049	€228,543	€29,132	€257,675
<b>Fruit &amp; Vegetable based</b>	€48,576	€13,821	€62,397	€193,689	€27,609	€221,298
<b>Extracts, Sauces, Soups</b>	€41,015	€9,971	€50,985	€197,863	€6,251	€204,114
<b>Sugar-based products</b>	€42,572	€5,828	€48,401	€94,795	€7,766	€102,562
<b>Fruit-based bakery</b>	€43,710	€1,603	€45,313	€31,183	€3,796	€34,979
<b>Biscuits</b>	€14,015	€1,781	€15,796	€96,255	€2,545	€98,801
<b>Frozen Confectionery</b>	€9,508	€2,141	€11,649	€58,158	€597	€58,756
<b>Savoury Snacks etc</b>	€6,001	€3,360	€9,361	€40,941	€4,020	€44,960
<b>Grand Total</b>	<b>€1,593,377</b>	<b>€187,770</b>	<b>€1,781,147</b>	<b>€2,007,554</b>	<b>€131,933</b>	<b>€2,139,487</b>

Source: CSO Trade Statistics



### 4. Brexit Challenges and Department Responses

#### CHALLENGES

- A number of analyses have been conducted on the potential impact of a UK exit from the EU on Ireland's agri-food sector. All of these analyses show that the result would be unambiguously bad for the sector, which is particularly vulnerable given its exposure to the UK market compared to other sectors of the Irish economy.
- The sector is already facing challenges from the impact of the significant drop in the value of Sterling against the euro, which has created difficulties for those most exposed to the UK market.
- Medium-term challenges will arise depending on the nature of the EU-UK trading relationship and the degree to which divergence in the regulatory environment arises.

#### RESPONSES

##### DAFM provided the following supports:

- DAFM provided the following supports:
- In Budget 2017 DAFM introduced farm-gate business cost reduction measures, including a €150m low-cost loan scheme, new agri-taxation measures, and increased funding under the Rural Development and Seafood Development Programmes.
- In Budget 2018 DAFM introduced a dedicated €50m package of Brexit measures, which included additional funding for Bord Bia and capital investment in the food industry, as well as contribution to a €300m (joint DAFM/DBEI) "Brexit Loan Scheme", at least 40% of which is available to food businesses.
- In Budget 2019 DAFM introduced a €78m Brexit Package which included €44m in direct aid to farmers, €27 million for capital funding for the food industry, and €7 million for additional staff and ICT hardware and software in the context of Brexit Preparedness.
- The "Future Growth Loan Scheme" will bring up to €300m of loans to the market and will support strategic long-term investment in a post-Brexit environment. It is available to farmers and the agri-food & seafood sectors. The loans are competitively priced and will be for terms of 8-10 years. The Scheme is open to eligible applications since 17th April 2019 and will complement last year's €300 million Brexit Loan Scheme.
- Market diversification strategy is being intensified through Minister-led trade missions. Minister Creed continues to be active in securing access to new third country markets for Irish food companies. Following successful trade missions to China in May 2018 and Malaysia in October 2018, Minister Creed has led a series of missions in 2019, beginning with Turkey in March, primarily covering live trade, China in May, and a joint country trade mission to Japan and South Korea in June. These missions included participants from across the agri-food sector and featured extensive trade contacts as well as high level political and technical discussions.

##### DAFM is moving its Brexit preparedness to a 'no deal' scenario through:

- A series of national stakeholder consultative meetings with individual sectors were held last year and followed a full meeting of the Stakeholders Consultative Committee in November. The aim of the meetings was to sharpen the focus on preparedness issues and enhance preparations for the future relationship discussion which will be undertaken by the EU27, should the UK exit from the EU.
- Active engagement with the Government's recently published updated Contingency Action Plan, with particular focus on import controls at ports and airports for live animals, plants, and products of animal and plant origin coming from Great Britain into Ireland, once the UK becomes a third country.

##### Further Information:

[Annual Review and Outlook, 2018](#)

[Factsheet on Irish Agriculture](#)

[DAFM Trade Factsheet](#)

##### Queries:

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