



Drinks Ireland

Drinks Ireland represents Ireland's best loved drinks brands and entrepreneurs, including producers of Irish whiskey, gin, cream liqueur, beer, cider and other drinks. Drinks Ireland encompasses our category associations Drinks Ireland|Beer, Drinks Ireland|Cider, Drinks Ireland|Spirits, Drinks Ireland|Wine, Irish Whiskey Association.

Drinks exports from this state totalled over €1.4 billion in 2019.

As a major contributor to Ireland's food and drinks industry, Drinks Ireland wishes to make the following submission as part of the public consultation on proposed interventions as part of Ireland's CAP Strategic Plan.

Irish grain and malt supply to the Irish drinks industry

The Crops 2020 report from Teagasc found that the "Irish drinks industry is supported with grain production from more than 2,000 farmers producing approximately 300,000 tonnes of grain from approximately 45,000 hectares."

With specific reference to spring barley, the 2020 "Economic Impact Assessment of the Tillage Sector in Ireland" conducted by Prof. Michael Wallace for Tillage Industry Ireland found that the brewing and distilling industries utilised c.17% (250,000 tonnes) of Irish barley. This would tally with industry figures for barley usage.

In total, Irish produced malt and grain represents over two thirds of all the malt and grain used in Irish brewing and distilling.

The Irish brewing and distilling industries make an important contribution to the Irish tillage sector and to Ireland's agricultural economy. Equally, the Irish tillage farming sector and the Irish malting industry are important indigenous suppliers to the Irish drinks industry.

Sustainability of the Irish tillage sector

Drinks Ireland welcomes the Food Vision 2030 strategy's recognition that "the tillage and horticulture sectors are the most carbon efficient sectors of Irish agriculture and it is important that the area under cultivation in these sectors is at least retained, with an ambition to increase both."

It is important to recall the findings of the Teagasc Sustainability Survey 2017 that greenhouse gas emissions per hectare from tillage farming (2.0 tonnes Co2 eqv/ha) were approximately a quarter of the emissions from dairy farming (8.5 tonnes) and half of the emissions from cattle farming (4.2 tonnes).

Ireland's drinks industry and CAP

As exports of Irish drinks categories continues to grow, there is a need to ensure a sustainable supply of Irish produced malt and grain. We submit that this objective should be supported through Irish government policy, including CAP.

Recommendation:

Drinks Ireland submits that Ireland's CAP Strategic Plan should support a fair income for Irish tillage farmers and – while keeping with EU objectives – should support the delivery of Food Vision 2030 strategy target for increased tillage production, in turn ensuring sustainable supply of Irish produced malt and grain for the Irish drinks industry; including an increase in the area planted under spring barley.

Response to proposed interventions

(i) CRISS impact on tillage farmers

Drinks Ireland expresses its concerns that over a third (34-45%) of tillage farmers will be negatively affected by the proposed 'Complementary Redistributive Income Support for Sustainability' (CRISS) as set-out in the Department's 'CAP - Redistribution Modelling Exercise - August 2021'.

In the context of the general sustainability of the Irish tillage sector, particularly in terms of substantially lower emission levels compared to other farm systems, Drinks Ireland believes there is a strong case to review the proposed CRISS to reduce the impact on Irish tillage farmers.

Recommendation: Review the proposed CRISS to reduce the impact on Irish tillage farmers

(ii) Absence of Pillar 2 scheme to support sustainable supply of Irish produced grain for distilling and brewing

Drinks Ireland is disappointed that proposed interventions fail to include any specific scheme to support the sustainable supply of Irish produced malt and grain for the Irish drinks industry which in turn would have provided a further scheme of support to Irish tillage farmers. This is a missed opportunity.

We note the proposed Pillar 1 eco-scheme for 'Coupled Income Support for Protein Aid', and the proposed Pillar 2 intervention for a 'Suckler Carbon Efficiency Programme'. We believe these offer models that could be adapted to develop a further appropriate eco-scheme or intervention aimed at supporting the sustainable supply of eligible tillage crops for specific use in Irish malting, distilling or brewing; and/or develop and testing innovative solutions involving indigenous crops. The development of a further eco-scheme/intervention would support the CAP objectives of promoting shorter supply chain and reducing carbon emissions.

Recommendation: Drinks Ireland calls on the Department to immediately engage with farmers, the drinks industry and Teagasc to identify an appropriate proposal for an additional eco-scheme or

intervention for inclusion in Ireland's CAP Strategic Plan ahead of the deadline for submission to the European Commission.

(iii) GAEC 8 – crop rotation

Drinks Ireland is concerned in relation to 'Good Agricultural and Environmental Condition' (GAEC) objective no. 8 relating to "Crop rotation in arable land." This would require a change of crop at least once a year at land parcel level.

Recommendation: Drinks Ireland calls on the Department to review the GAEC 8 rule to minimise the potential impact on the planting of spring barley for use in the Irish drinks industry.

Need for implementation plan to increase tillage production

As stated, Drinks Ireland welcomes the Food Vision 2030 strategy's target for increased tillage production. However, we strongly believe that this target requires more detailed definition.

Drinks Ireland calls on the Department to commence work on the preparation of a detailed implementation plan to drive the delivery of this Food Vision 2030 target. This should address the objective of ensuring sustainable supply of Irish produced malt and grain for the Irish drinks industry; including an increase in the area planted under spring barley.

Membership of CAP Post 2020 Consultative Committee

Drinks Ireland would seek membership of the CAP Post 2020 Consultative Committee or any successor committee to oversee implementation of Ireland's CAP Strategic Plan, when approved.

Two other industry representative bodies - Meat Industry Ireland and Dairy Industry Ireland, are already on the committee. These two bodies are sectors of Ibec, as is Drinks Ireland.

Ends.//

For any queries or further information, please contact

www.drinksireland.ie