ASSOCIATION OF FARM & FORESTRY CONTRACTORS IN IRELAND (FCI)

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Email: 2030strategy@agriculture.gov.ie

Ref: Agri-Food Strategy 2030 – Environmental Impacts

Dear Sir/Madam,

The Association of Farm & Forestry Contractors in Ireland (FCI), the national association representing Agricultural/Farm & Forestry Contractors in Ireland, has examined issues in relation to the scope and level of detail to be included in the environmental report of the Agri-Food Strategy 2030 as it relates to the increasingly important role that Farm & Forestry Contractors play in Irish agriculture. FCI believes that Farm & Forestry Contractors have an important role to play in evaluating the environmental consequences of proposed plans or programmes developed as part of the Agri-Food Strategy 2030 so as to ensure environmental issues are fully integrated and addressed at the earliest appropriate stage of decision making, with a view to promoting sustainable development.

The importance of the Farm & Forestry Contractor sector is seen by the growth in annual turnover to close to €700 million, (Source: Teagasc Farm Management Survey - Average Spend on Contractor Services per Farm €4,585 over 137,000 farms).

Farm & Forestry Contractors in Ireland have a key role to play in providing cost-effective and efficient mechanisation services to allow Ireland to remain a world leader in the production, management and marketing of low carbon, high-quality sustainable and traceable food. Through our judicious investments in modern low-emission and high output farm machinery, Farm & Forestry Contractors are playing their part in supporting in maximising farm production efficiency whilst minimising the effects on the climate and reducing the environmental footprint of agriculture. This fact needs to be recognised in the Agri-Food Strategy 2030.

Our FCI members are early adopters of scientific research and the best practices at farm level. Contractors have also a track record of working in partnership with their farmer clients and farm advisors, as we strive to achieve national climate goals. We believe that Farm & Forestry Contractors can play a very significant part in a national collaborative effort to ensure a just lower carbon transition for all Irish farmers. This strategy needs to be recognised and incorporated into the Agri-Food Strategy 2030.

As the providers of a dominant amount of the mechanisation services on Irish farms we can work together in new technical and management partnerships with farmer clients and their advisors, to ensure long-term sustainability, from an economic, social and environmental perspective. All such partnership discussions must now include the knowledge and expertise of Farm & Forestry Contractors to adequately inform farm advisory programmes.

Support for Farm & Forestry Contractors to invest at a more rapid pace, in newer more fuel efficient machinery systems that guarantee a reduction in the average carbon footprint, and lower ammonia emissions needs to be examined. At FCI we believe that the Department of Agriculture, Food and the Marine should use the opportunity for the review of the Agri-Food Strategy 2030 to help the agri-food sector achieve the maximum possible progress in climate change mitigation and adaptation, and reduction of greenhouse gas emissions, consistent with commitments at EU level. Farm & Forestry Contractors can play a significant role in achieving this vital progress.

At FCI we would contend that the uniquely valuable Farmer: Contractor relationship brings huge performance improving added value to the production on Irish farms, because the very survival of the Farm & Forestry Contractor depends on the performance on the farm. This investment in the profitability of Irish farms, through constant Farm & Forestry Contractor tangible investment in more efficient machines and better work practices, is more far more intrinsically linked to the continued growth in decades of Irish farm output than some of the advice provided by those operating at arm's length from the farm gate.

Ammonia Reduction

The recent Department of Agriculture, Food and the Marine (DAFM) report outlined that the latest EPA figures indicate that total annual national emissions are 60.51 Mt CO2eq and the agriculture sector contributes 20.6 Mt CO2eq of this, in effect 34% of national emissions. EPA projections indicate that the total national emissions out to 2030 will increase by 6% unless we take steps to change the way we do things.

Farm & Forestry Contractors in Ireland support the action of enhancing soil fertility and nutrient efficiency by reducing nutrient loss to the environment during slurry spreading. As contractors are the dominant providers of slurry spreading machinery systems and apply the bulk of the 40 million tonnes (Mt) of animal manures produced annually on Irish farms, we believe that working in partnership with farmers, the Department of Agriculture, Food and the Marine and advisory services that the target of 60% of all slurry spread by low emissions slurry spreading by 2022; 75% by 2025; and a longer-term ambition of 90% can only be achieved through active policy partnership programmes with Farm & Forestry Contractors.

We believe that it is important to support the role of the Farm & Forestry Contractor to invest in new slurry spreading Low Emission Slurry Spreading (LESS) technology in the same way that farmers are supported. Contractors will do most of the work, provide economies of scale on farms and use more modern, low emission tractors to power this machinery. We believe that in the absence of equality and fairness in support programmes for investment in LESS machinery, that all grant aid for the systems should be suspended immediately.

Currently, the Department of Agriculture, Food and the Marine (DAFM) oversee and administer the Targeted Agricultural Modernisation Schemes (TAMS) which supports capital investment in a number of target areas. FCI believes that current TAMS grants for the purchase of low emission slurry spreading equipment should be withdrawn and replaced with more targeted grants for increased farm nutrient storage.

Irish Farm & Forestry Contractors have not invested in higher technology slurry management machinery to the same extent as their European counterparts due to the presence of the farmer-focused machinery grant aid system which is making investment in more accurate and more efficient spreading systems that incorporate Precision Farming systems with high levels of transparency, uncompetitive.

FCI believes that there must be more investment in education for farmers on slurry management rather than on the purchase of slurry spreading machinery. FCI believes that there is a need for farmers to understand that not all animal slurry is the same. There are significant operational differences in slurry agitation and spreading for current low emission slurry spreading systems, based on real-world Irish conditions where baled silage is being fed to animals in slatted sheds.

FCI believes that currently in the region of 40% of slurry on Irish farms is not suitable for use with the dribble bar/trailing shoe system. This confirms that there needs to be some changes to the management of the slurry, not to the machines. Many trailing shoe systems are not considered to be farmer friendly, due to maceration blockage issues. These machines can only function to their optimum design specification in the hands of skilled Farm Contractor operators.

FCI believes that the current GLAS grant aid scheme should be extended to all farmers to use Farm Contractor based Low Emission Slurry Spreading (LESS) systems. FCI proposes a voucher grant support system for the use of Farm Contractor LESS systems. If all LESS slurry spreading was grant aided based on Farm Contractor invoices, not just to the GLAS farmers, the cost to the Government would be significantly less. The cost to the state of the current GLAS limited voucher system at €1.20/ cubic metre for 50% of the slurry to be spread by LESS systems would be €15 million per annum and it would be guarantee that the low emission systems were being used and would be fully traceable.

The scale of Irish farming (farm size) does not justify the investment in Precision Farming technology, which will be essential for all farms in achieving compliance. This approach would support Farm Contractors to invest in the use of the technology, such as the John Deere HarvestLab system, and costing in the region of €20,000, it would help to provide assured traceability of the quantities and quality of animal manure products spread on farmland.

This grant/voucher proposal would also allow the creation a national register of Farm Contractors under the scheme who could then avail of technology updates through Knowledge Transfer systems (from which they are currently excluded) to ensure continuous improvement in the standards of manure application strategies.

FCI is suggesting some flexibility to use the splash plate spreading system for part of the work of slurry spreading, but only early in the spring. There are often practical difficulties in spreading the first loads from slatted shed slurry pits, due to under capacity issues which in turn lead to agitation difficulties. These sheds do not have the capacity to allow for the dilution of high dry matter slurries during agitation prior to spreading and these high dry matter slurries cannot be effectively land spread using the current LESS machine systems.

Precision Farming (PA) Technology

There should be support to stimulate the wider use of PA technologies will be necessary to eliminate the negative impacts of the small farm scale. If no such supportive action to improve the uptake of PA technologies for farms below 100ha (average farm size in Ireland 32.4ha) were to be taken, it could become increasingly difficult for these farms to compete with farms in the USA, Canada and New-Zealand or even with larger Irish farms, all of which invest in PA technologies. Not only could smaller Irish farms thus lose their competitiveness. They might struggle to comply with greening targets and EU environmental policy goals.

PA technologies are one of the most efficient tools to improve sustainability and productivity in farming. PA technologies offer solutions to produce more with less and enhance food security and safety. Practically, PA technologies provide farmers with extra sensors which give them more information on how to manage natural variations like weather conditions, pests, insect and fungal infestation.
Some of the most prominent environmental benefits of PA technologies are:

- Preventing ground water pollution by optimizing manure and chemical spraying
- Reducing fresh water withdrawals with precision irrigation
- Limiting crop damages by responding rapidly and effectively to pest, fungal infestation
- Allowing new types of poly culture (critical to stimulate biodiversity, noticeably for pollinators)

Some PA diagnostic technologies are already highly affordable and thus available to smaller farms thanks to smart phones or tablets and their applications. Such applications can directly signal a problem on the field or connect to an online service for further probing.
Other fundamental PA technologies are less available to smaller farms and should therefore be promoted by the Agri-Food Strategy 2030. These technologies can be divided in three categories:

1. Guidance Systems
2. Variable Rate Applications (VRT) & Nutrient Sensing
3. Precision Livestock Farming (PLF) Technologies

Each of these technologies offers distinct advantages in terms of sustainability and profitability for farmers.

Fuel use & CO2 Reduction in Farm & Forestry Contracting in Ireland

Farm & Forestry Contractor services provide a unique value-added component to the chain of Irish agricultural production ensuring the competitiveness of Irish agricultural production through the use of efficient and modern lower carbon machinery systems. We estimate that the proposal to increase Carbon Tax to €80 per tonne will add a minimum of an extra €100 million to the cost of our services at the final stage of this tax with incremental increases from the level

proposed this year of €6/tonne, which in itself will mean increases in the costs of our services to Irish farming as we can no longer absorb the increasing fuel costs.

CO2 emissions are highly correlated to fuel use. Almost all of the carbon in diesel fuel is emitted in the form of CO2 efficiency in converting fuel (diesel) into usable energy is one of the main demands of Farm & Forestry Contractors. Therefore, improving fuel economy has been and will be one of the main drivers for innovation. As a result CO2 emissions in agricultural machinery applications have substantially decreased in the last decades.

Summary of Achievable CO2 Reductions

Farm & Forestry Contractors remain excluded from the Carbon Tax Rebate System, (Finance (No.2) Act 2013 Edition - Part 23) which is open solely to farmers. This is despite the fact that our members carry out 90% of the farm mechanisation work on Irish farms consuming close to 350 million litres of green diesel annually valued at €262 million. This alone is 62% of the total energy bill for the entire Irish agricultural sector based on the total expenditure on energy and lubricants increased by €33.8 million (+8.7%), increasing from €390.2 million in 2017 to €424.1 million in 2018. (Source: Dept. of Agriculture Annual Review & Outlook 2019).

Farm & Forestry Contractor Agricultural Knowledge and Innovation Systems

Agricultural Knowledge and innovation Systems (AKIS) have a key role to play in meeting challenges faced by agriculture and rural areas. Farm & Forestry Contractors are often excluded from this process so that new technology systems are not being address to the key operators so that new technology opportunities are insufficiently applied in practice especially among smaller farmers. There is need involve Farm & Forestry Contractors in new knowledge and innovative solutions to achieve quicker innovation and better uptake of existing knowledge to achieve climate and productivity objectives. Farm & Forestry Contractors can play an important role in supporting the digital transition in agriculture through the use of scale-efficient farm machinery resources.

Summary

The Association of Farm Contractors in Ireland (FCI), research has shown that Farm & Forestry Contractors in Ireland employ close to 10,000 people operating machines on farms. Farm & Forestry Contactors use more than 350 million litres of diesel annually (61% of total agricultural energy consumption) in carrying out this farm work and operate more than 20,000 modern and fuel efficient tractors. Contractor machines harvest 90% of the Irish silage crops each year along with managing the sustainable spreading more than 20 billion litres of slurry, as well as establishing and harvesting many different crops.

Farm & Forestry Contractors can play a significant role in partnership with farmers, the Department of Agriculture, Food and the Marine and advisory services as we work together to provide workable solutions to the significant challenges that Ireland faces in attempting to its climate change and air quality targets. The important role of Farm & Forestry Contractors needs to be recognised and incorporated into the Agri-Food Strategy 2030.

Yours sincerely,

Richard White, National Chairman FCI

The Association of Farm & Forestry Contractors in Ireland (FCI) © is Irish member of CEETTAR, the European Farm & Forestry Contractors Association. FCI is a registered company limited by guarantee. Company Registration Number: C511007

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