

MARKET ACCESS & INTERNATIONAL TRADE IN IRISH MEAT

Bord Bia – Meat Prospects Seminar

Friday 6th January, 2017

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Agri-food is a key sector in the Irish Economy



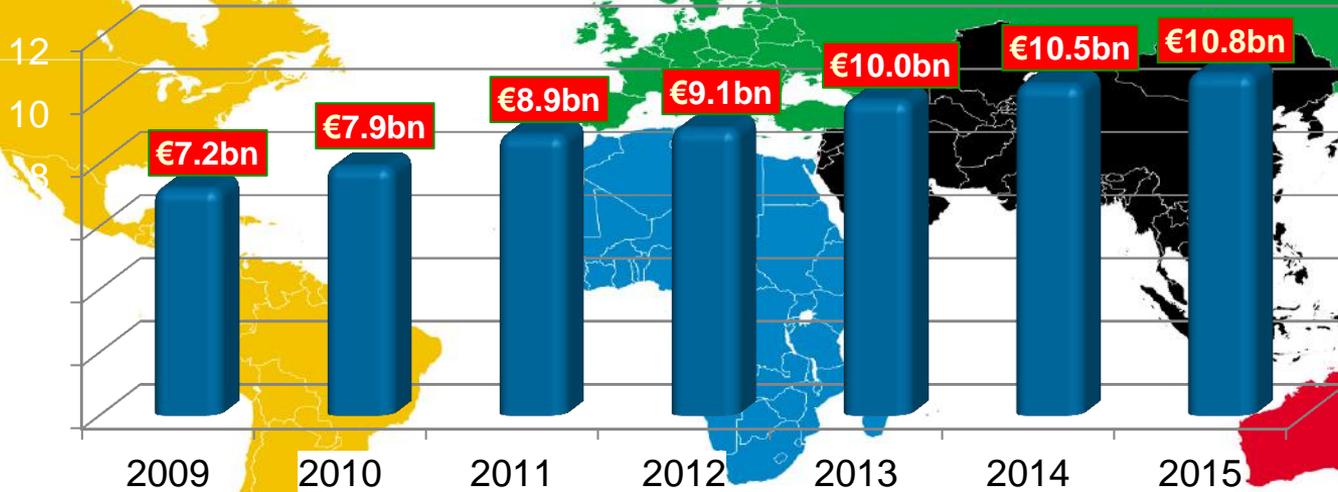
7.6% of Ireland's GDP

8.4% of employment

12.7% of merchandise
exports

Irish Agri-Food Exports 2009-2015

Food Harvest 2020



Food Wise 2025

#FoodWise2025 Strategy

Increase the value of agri food exports by 85% to €19 billion

Increase value added to the sector by 70% to €13 billion

Increase the value of primary production by 65% to €10 billion

Deliver a further 23,000 jobs in the agri food sector by 2025

Context & Background

- ❑ 2017 Economic Forecasts - ESRI
 - Economic growth (GDP) 3.5%
 - Unemployment 6.8%
 - Private Consumer Expenditure €100.8bn
 - Exports of Goods & Services €376.3 bn
- ❑ Risks and opportunities:
 - ❑ Performance of key emerging economies
 - ❑ Chinese economic performance
 - ❑ Geopolitical problems e.g. Russian ban, North African instability
 - ❑ Offensive and defensive interests in TTIP/Mercosur
 - ❑ Brexit and the unique exposure of the agri-food and fisheries sectors

Brexit

- ❑ Unique exposure of the agri-food and fisheries sectors
- ❑ High Dependence on UK Market
 - ▶ 43% (€5.1 billion) of agri-food exports in 2015 went to UK
 - ▶ 14% of total merchandise goods exports in 2015 went to UK
- ❑ Various Impact Analyses show negative results (Alan Matthews, Teagasc, ESRI)
- ❑ DAFM response and wider Government response
- ❑ But final impact will depend on post-Brexit EU-UK trade relationship

Brexit – Short Term Impacts

- ❑ Uncertainty
 - ❑ Article 50 Notification
 - ❑ UK Approach to Negotiations
 - ❑ Separate ‘Exit’ and ‘Future Relationship’ Negotiations
 - ❑ Transitional Arrangements
- ❑ Fall in value of sterling against the euro
- ❑ DAFM & Integrated Govt Response:
 - ❑ Sharper Focus on Market Diversification
 - ❑ Consultative Committee on Brexit
 - ❑ Bord Bia Food Company Support Strategy & Enterprise Ireland Industry Plan
 - ❑ Budget 2017 measures
 - ❑ Staffed Brexit Unit within DAFM
 - ❑ Agricultural attaché network

Brexit - Longer Term Impacts

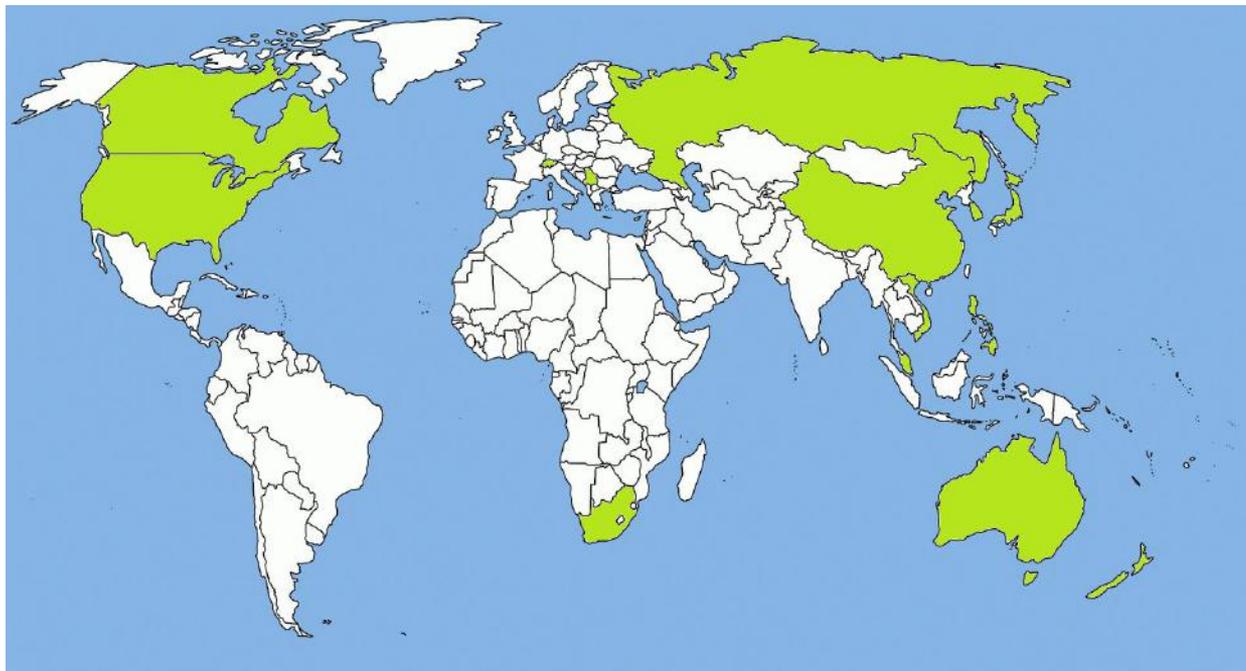
- EU-UK Trading Relationship
- Regulations and Standards
- Border Controls and Certification
- EU Budget and Implications for CAP
- Fisheries
- Northern Ireland Dimension

Market Access – Beef & Sheepmeat



**EU-28
+ 27 THIRD
COUNTRIES
(BEEF) 13
THIRD
COUNTRIES
(SHEEP) +
EXPORTS ON
GENERAL
CERT**

Market Access - Pigmeat



**EU-28
+ 18 THIRD
COUNTRIES +
EXPORTS ON
GENERAL
CERT**

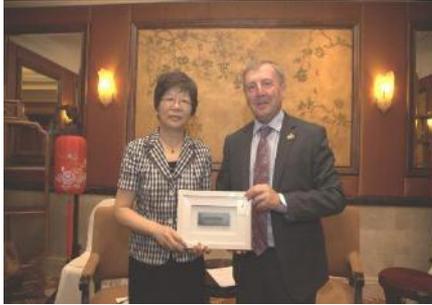
Markets Opened in 2016/2017

- Egypt – Beef (re-opened) & limited Sheepmeat
- USA – BIFG
- Canada – Beef & BIFG
- South Africa – Pork and Pork Products
- Israel – Beef (re-opened)
- Iran – Sheepmeat
- New Zealand – Beef and beef products
- Maldives – meats

Ongoing Market Access work for 2017

- ❑ Regular engagement and ongoing contacts with Industry, Bord Bia, DFA, Embassies abroad, network of agricultural attachés, European Commission etc. on market access
- ❑ Incoming Inspection Visits to be co-ordinated and managed
- ❑ Current priorities:
 - Potential incoming beef access Inspection visits from China & Korea
 - Potential incoming beef maintenance Inspection visit from Japan
 - Progress access negotiations with Korea, Vietnam, Thailand, Ukraine, Mexico and a range of other countries
- ❑ New DAFM market access arrangements to be put in place

China – a key and growing market



- Two and a half fold increase in agri-food exports from around €240m in 2012 to €610m in 2015 (Third largest market after UK & US)
- Pigmear Exports doubled in value terms from €37 m (2012) to €72 m (2015) (Doubling of fish exports at the same time)
- Dairy exports of around 50,000 tonnes (€395 m) in 2015
- Importance of partnerships and strategic co-operation with Chinese at Government, official and business levels



China – beef access



- Ireland first EU MS to have beef ban lifted
- AQSIQ Inspection/Audit – January 2016
- Protocol and certificate to be agreed with Chinese authorities.
- Already submitted by DAFM
- Subsequent CNCA plant-specific inspection visit will be required

USA – Beef Access



- ❑ First EU Member State to get USDA FSIS approval and only MS exporting beef to USA
- ❑ Eight Irish plants approved to date
- ❑ Exports to end-2016 will be approx €30m
- ❑ 2315 tonnes to mid-Dec. 2016
- ❑ Beef Intended for Grinding (BIFG) approval – received July



USA – Sheep Access



- ❑ Fast track procedure (DG Santé & USDA)
- ❑ Letter of interest from Ireland to USDA was sent December 2015
- ❑ Next step requires US lifting of TSE ban
- ❑ **DAFM submission of SRT – August 2016**

Live Exports

- Turkey - delegation visited in May 2016
- Export health certificates for live cattle from EU to Turkey agreed
- Slaughter, fattening, male breeding & female breeding
- Almost 20,000 cattle exported in 2016
- Egypt - delegation visited in January 2016
- Immediate slaughter cert agreed
- Algeria - DAFM & Bord Bia visit in April 2016
- Fattening & Slaughter cert and Breeding cert agreed
- Signed by both CVOs at OIE in May 2016
- Morocco - DAFM & Bord Bia visit in April 2016
- Fattening cert agreed 2012, change to IBR vaccination 2016
- Revised fattening cert & breeding cert agreed Oct 2016
- Rwanda, Montenegro, Serbia



Ministerial Trade Missions

- ❑ Trade missions key to raising Ireland's profile as safe, secure and sustainable food producer.
- ❑ Securing new markets essential.
- ❑ Food Wise 2025 /Brexit - diversification of markets.

South East Asia

❑ 4 Countries – China, Singapore, Vietnam & South Korea led by 2 Ministers

❑ 42 Irish Companies involved



❑ Exposure to a combined market of 1.5 billion people with a growing middle class

North Africa

- ❑ 5 day trade mission to Algeria & Morocco
- ❑ 10 Irish companies accompanied.
- ❑ High level Political and commercial engagements secured.



Potential Trade Missions 2017

- ❑ **Gulf States – 25 February - 3 March**
 - ❑ **Saudi Arabia**
 - ❑ **Dubai & United Arab Emirates - Gulf Foods, Origin Green**
- ❑ **North America**
 - ❑ **Beef Access in US and Canada**
 - ❑ **Progress lamb access to the US**
 - ❑ **Discuss meat access to Mexico**
- ❑ **Asia/Africa**
 - ❑ **Progress in China/Vietnam/Korea/Thailand**
 - ❑ **South Africa and/or live exports to North Africa**

International Trade Negotiations





TTIP



- ❑ 15 Rounds so far have taken place.
- ❑ Ireland has both offensive and defensive interests
- ❑ 64,000t “other Countries” quota – 48,000t (75%) filled by 12 December 2016
- ❑ A number of key issues-GMO, Hormone treated beef-all have arisen.
- ❑ Negotiations in a natural pause.



CETA



- ❑ Already secured access for pigmeat and sheepmeat – Exports of €5m since Jan 2014
- ❑ Agreement achieved September 2014.
- ❑ 99% of all Tariff lines removed.
- ❑ Sizeable new market opportunities, particularly in Services & Investment.
- ❑ Agreement signed on the 30 October 2016.
- ❑ Beef exports for primal cuts to commence in 2017.



Mercosour



- Re-launched in May 2010
- EU- Mercosour trade negotiations of concern from an Irish agri. perspective.
- Draft offer by Commission initially had beef TRQ.
- Ireland successfully pushed for removal of the TRQ.
- Next round scheduled for March 2017



Vietnam



- Negotiations on EU-Vietnam FTA commenced in June 2012
- Provisional agreement announced July 2015.
- Full dismantling of 99% of tariff lines.
- Legal review to commence early 2016.
- Agreement in force expected for 2018.



Japan



- ❑ Negotiations commenced in Nov 2012.
- ❑ Slowing of TPP may accelerate EU-Japan negotiations.
- ❑ Japan has potential for imports
- ❑ Possible agreement for 2017

Other Bilateral Trade Negotiations



❑ Thailand – launched February 2013, no future rounds scheduled



❑ India – commenced June 2007, 12 full rounds



❑ Singapore – completed in 2015, ECJ decision



❑ Philippines – first round discussion in May 2016

Thank You

☐ Thank You

☐ More info: <http://www.agriculture.gov.ie>