



Case Study - Ireland's Programming for Smart and Competitive Supply Chains

Introduction

The [Rural Development Programme \(RDP\) for Ireland](#) outlines Ireland's priorities for the use of the €3.92 billion of public money that is available for the 2014-2020 period (some €2.19 billion of which comes from the EU budget). It notes that, "Ireland is clearly a strongly rural country in population and territory terms."

Ecosystems management is the dominant priority of the Irish RDP. The restoring, preserving and enhancing of ecosystems related to agriculture and forestry so as to contribute to increased biodiversity, better water management and the prevention of soil erosion account for almost three quarters of planned expenditure.

The Irish RDP also highlights, "the presence of a competitive and dynamic agri-food supply chain." However, when it comes to the EU's rural development Priority 3 - Food chain and risk management and in particular the challenges for primary producers in integrating themselves into the food chain, rather than utilise [Focus Area 3A](#) - Improving competitiveness of primary producers, agricultural holdings will instead receive support via the LEADER mechanism (for participation in quality schemes, local markets and short supply circuits, and producer groups/organisations).

For Priority 3 the focus lies on risk prevention and management, with all of the [funding being spread over three measures under Focus Area 3B](#) - Risk prevention & management. A large majority of the funding under FA3B is divided equally amongst Measure 1 - Knowledge transfer and information actions and Measure 4 - Investments in physical assets, with just over 10% allocated to Measure 2 - Advisory services, farm management and farm relief services.

The RDP is designed to combat disease outbreaks by building on the current animal welfare systems in place. Accordingly, a targeted advisory measure has been included to complement the other elements of knowledge transfer, which are integrated across the RDP. It targets areas where the economic rationale for managing the risk of animal disease is particularly prominent. The measure incorporates both training of the advisors and farm-specific delivery. The outputs will enable farmers to better manage the risk of disease outbreak and are detailed in an action plan agreed with the advisor.

A standout feature of the Irish approach is thus the focus on the knowledge transfer & innovation. The capacity to

develop or enhance smart and competitive supply chains will be increased, notably through the participation of 26 600 farmers in Knowledge Transfer Groups. These are interactive groups where farmers share best practice and improve their knowledge on a range of issues such as animal health and welfare and risk and financial management, tailored to their individual farms. The Priority 1 work and the RDP's focus on ecosystems management is fully aligned with Ireland's food and drink strategy and research priorities all of which aim to strengthen the added value of Ireland's food and drink offering.

Agri-food policy framework

Food Wise 2025

The Department of Agriculture, Food and the Marine national strategy outlines the key actions required to ensure that the agri-food sector (primary agriculture, the food and beverage industry, fisheries and fish processing, forestry and forestry processing) maximises its contribution to overall economic growth, job creation and environmental sustainability over the coming decade.

The intervention logic of Ireland's RDP has been guided by the department's 2025 Agri-Food Strategy Committee. The committee, which harnessed the collective insights of leading industry stakeholders, has set a course for smarter greener growth over the next decade for the agri-food industry. As Ireland's largest indigenous industry, agri-food is deeply embedded in the landscape, history and culture of the country.

The committee's report - Food Wise 2025 – provides a roadmap for the future development of the sector. It foresees an agri-food industry that acts more strategically and achieves a competitive critical mass in the international marketplace while targeting more quality conscious consumers who will recognise and reward Ireland's food producers for their sustainable production and high quality produce.

The long-term vision is one of 'local roots, global reach' based on the continued development of the sector where efficient and environmentally-friendly production delivers sustainable export growth on global markets. The Food Wise 2025 vision will benefit primary producers, processors and the food manufacturing sector, as well as the wider economy.

Key targets

Food Wise 2025 has set ambitious targets for the Irish agri-food sector to:

- increase the value of agri-food exports by 85% to €19 billion;
- increase added value in the agri-food, fisheries and wood products sector by 70% to in excess of €13 billion;
- increase the value of primary production by 65% to almost €10 billion; and
- create 23,000 new jobs along the supply chain from primary production through to high added value product development.

To achieve its targets, Food Wise 2025 has identified over 400 recommendations to achieve sustainable growth and these require a concerted and coordinated approach by primary producers, industry, government departments and state agencies.

The attraction, retention and development of talent right along the supply chain is being supported by training to foster the necessary technical and entrepreneurial skill-sets. The greater focus on market development driven by consumer-insight is to ensure that Irish product offerings answer the specific needs and requirements of consumers in different markets. And productivity improvements are expected to flow from innovation and the adoption of the latest technologies.

Agri-food is a strategic industry

The agri-food sector is Ireland's largest indigenous industry, contributing €26 billion in turnover and generating 12.3% of merchandise exports. The sector accounts for around 170 000 jobs or 9% of total employment, and makes a particularly significant contribution to employment in rural areas.

Advisory services

Achieving agri-food targets and the route to smart and competitive supply chains necessarily implies a coordinated approach. Food, research and agricultural priorities need to be coherent. Advisory services and knowledge transfer are therefore an essential component in joining the dots and building capacity. Such services are needed to add value and allowed for sustainably-produced primary materials, which will support local employment growth and ensure the viability of local producers while protecting natural resources.

Food Wise 2025 stresses the need for ongoing improvements at both producer and processing levels. For both there is a clear expectation that future profitability and viability is dependent on technology-led productivity improvements.



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Education, research and knowledge transfer

A variety of bodies deliver education and advisory services to farming, forestry and rural enterprises in Ireland. Farm advisory services are generally viewed as performing well. Knowledge transfer was identified by the Irish government as an area of strength which can be built on. The next step is to ensure that advisory services are founded on the best available knowledge base, possibly via the provision of continued professional development for advisors.

Knowledge Transfer Groups

[Knowledge Transfer Groups](#) are an important new support for farmers in addressing a range of competitiveness and sustainability challenges facing the sector. A €100m scheme, co-funded by the EAFRD, Knowledge Transfer Groups will be implemented for some 26 600 farmers across six sectors: beef; sheep; dairy; tillage; equine; and poultry. These groups will build the knowledge and skills base to underpin continued growth and competitiveness in the agri-food sector.

The new scheme builds significantly on the previous approach and is designed to ensure the farmer and advisor engage in one-to-one discussion on key aspects of a farmer's business such as controlling input costs, environmental sustainability, breeding and herd health. It is complemented by group-based discussion and the sharing of experience and information between farmers.

Research, development and innovation

Research, Development and Innovation (RDI) are seen as central to maintaining competitiveness of Irish supply chain participants in the long-term. RDI plays a critical role in meeting the diverse demands of global markets – such as growing consumer interest in how food is produced – and in developing sustainable agriculture systems.

The Irish government remains committed to RDI and agri-food research in particular. Actionable outcomes have included:

- the development of a new genotyping chip for use in dairy and beef cattle breeding that will help to position Ireland at the forefront of global efforts in genomic selection;
- research findings highlighting the comparative animal welfare attributes of Irish grass-based beef production systems to be used for marketing by Bord Bia (Irish Food Board); and
- the halving of tri-chloromethane (TCM) levels in Irish butter, an outcome that meant the Irish butter brand Kerrygold continues to meet the very high standard set by the German market.

Agri-food research also featured significantly in the Irish government’s national research prioritisation Exercise. Of 14 identified priority research areas which warranted investment funding, 5 related to agri-food and the marine.

Ireland intends to build on past success in securing available funding under FP7. Further research engagement is envisaged under the next Rural Development Programme (RDP) which currently includes funding for European Innovation Partnerships (EIPs) which are specifically directed at increasing links between research outcomes and practice in the field.

Translating research into reality: Gluten-free bakery products

For reasons such as an increased incidence of celiac disease there has been a significant rise in the demand for gluten-free products both in Ireland and abroad. Teagasc, the leading organisation in the fields of agriculture and food research in Ireland, has developed expertise in this area and collaborated with a number of bakeries to trial new ranges of high-quality products – such as novel gluten-free breads and confectionery-type products – on the Irish, European and international marketplace. Irish suppliers have since made inroads into the export market for gluten-free products.



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