

**IFA****IFA SUBMISSION ON THE DRAFT NATIONAL RISK ASSESSMENT 2014**

IFA welcomes the opportunity to input into the development of Ireland's first overarching National Risk Assessment. With over 85,000 members, IFA represents farm families and enterprises across all sectors and in all parts of Ireland. Continued stakeholder engagement, and the formal input of stakeholder bodies into identification of risk mitigation strategies, updating of the national risk register and monitoring of outcomes will be necessary to ensure a comprehensive and representative Risk Assessment process.

The submission outlines a number of risks we believe should be considered in the finalisation of the National Risk Assessment report.

Risk of a two-speed, regionally unbalanced recovery

- While 2013 saw a significant recovery in employment, this was not evenly spread. Areas with a large urban population, such as Dublin, Cork and Limerick have significantly lower unemployment rates, of 10-10.7%, than other regions, such as the Border, Midlands and the South East, with unemployment rates of 13.5-15.5%.
- Government policy must recognise the importance of CAP and farm schemes funding as a vital stimulus to the rural economy, providing direct and indirect employment across the entire country. The sustainability of many farm enterprises in the low income sectors, cattle and sheep, is under threat, and funding to these sectors must be provided in 2015 through farm schemes under the Rural Development programme.
- The remaining high debt burden on the SME sector is undermining the capacity of otherwise viable enterprises to function correctly and to deliver growth.
- There is a need for targeted measures for local enterprises outside the main urban centres, in regions which continue to experience high rates of unemployment, including providing opportunities for the development of alternative energy technologies.
- To mitigate pressures on infrastructure in urban areas, it is important that rural services and infrastructure are maintained and updated, including high speed broadband and properly maintained roads.

International trade

- There is a significant risk that the negotiation of EU-third country bilateral trade deals will be undertaken with insufficient regard taken of the negative elements of an overall deal for specific economic sectors, such as agriculture, at individual Member State level.
- An EU trade deal with the Mercosur bloc of countries would have an extremely negative impact on the Irish agriculture sector, in particular the beef and pigmeat sectors, with significant losses in employment, output and exports.
- The weakening of traditional export markets and growth in demand from non-traditional trading partners represents both a risk and opportunity.

Climate change and the agri-economy

- The latest communication from the European Commission regarding a policy framework for climate up to 2030 recognises for the first time the multiple roles of agriculture. These include the production of food, feed, raw materials and energy, enhancing the quality of the environment and contributing to climate mitigation and adaptations.

- In the negotiations for emission reductions up to 2030, it is critical that emission efficient and sustainable models of food production such as Ireland's, are recognised so that our agriculture and food industry can play its part in meeting the growing demand for food as the world's population increases. There must be differentiated treatment of the agriculture sector in the target negotiations.
- The economic growth potential of our agri-food sector, with its capacity to provide sustainably produced food, must not be undermined by adherence to rigid sector-based emission reduction targets.

Food safety

- As a major agri-food exporter, the health status of our national herds/flocks is very important. An animal disease outbreak (e.g. FMD, Newcastle's disease, PED) would have a very negative economic impact through lost output, reputational damage and potential closure of markets.
- As the largest net beef exporter in the northern hemisphere there is a significant economic risk in the event of contamination (e.g. e coli 0157) of processed meat.
- Mitigation measures in this area should include investment in reputational damage control, planning and promotion of national quality schemes.

Food security

- The movement away from ensuring the security of food supply as a key policy priority at EU level represents both an economic and social risk.