Developing an Understanding of the Relationships and Methodologies in Contract Cropping Agreements

Lisa O'Toole^{1,2}, Prof. Michael Wallace² & Peter Doolan¹

¹Teagasc, Portlaoise, Co. Laois ²UCD, Belfield, Dublin 4

1. Background

- > Contract cropping is an agreement where a tillage farmer enters a contract with a livestock farmer to grow a crop such as maize or fodder beet (Teagasc, 2017)
- > Collaborative farm agreements such as contract cropping agreements have the potential to increase the economic, social and environmental sustainability of farming systems in Ireland
- > Food Wise 2025 suggests that collaborative faming agreements should become the norm to increase land mobility and promote optimum use of land (DAFM, 2015)

2. Research objectives

2

3

To identify the benefits and limitations of the methodologies used in contract cropping agreements

To identify the key factors required to develop trust between the trading parties

To produce a cost benefit analysis for various contract cropping agreements, as well as the income potential for different stakeholders

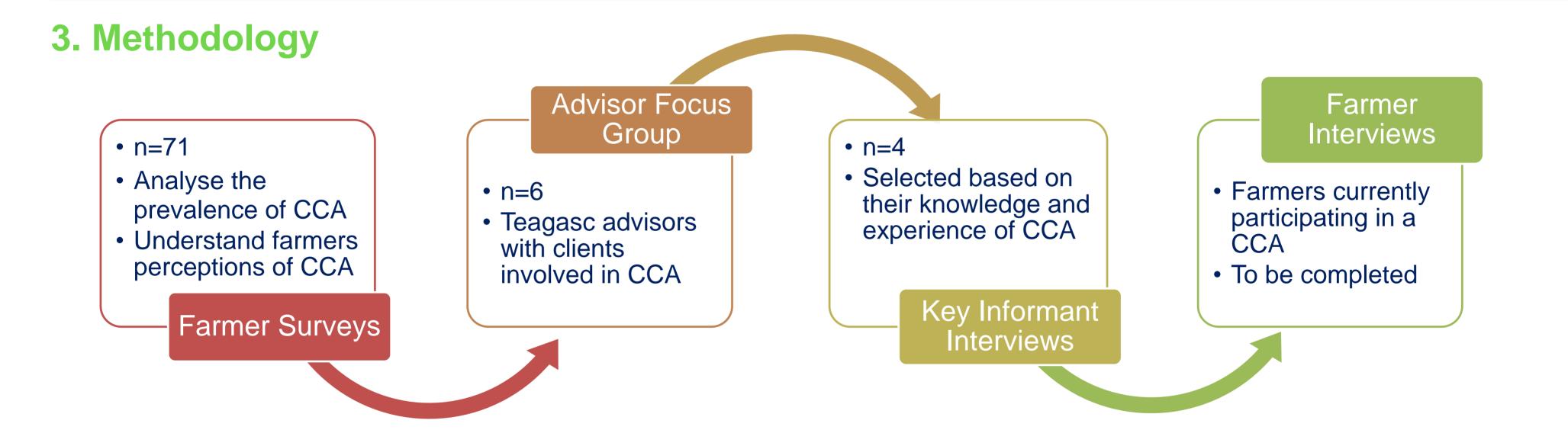
To devise practical recommendations for the



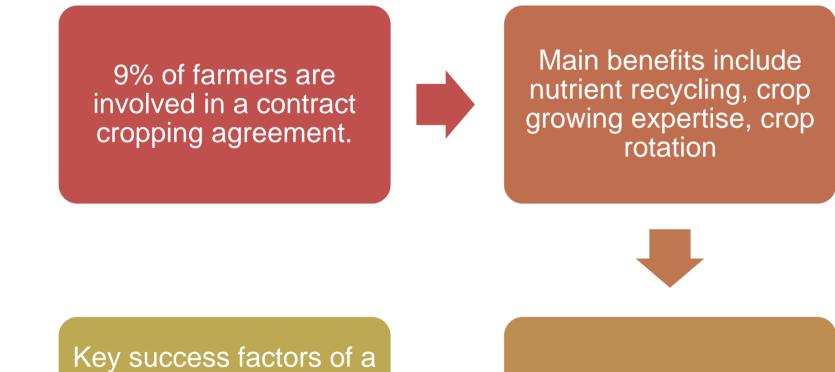
 \succ Literature on the operation of contract cropping agreements is

limited and points to an important knowledge gap

sustainable operation of contract cropping agreements



4. Key Findings



5. Conclusion

The findings thus far point to the potential of contract cropping agreements to improve the sustainability of both the tillage and livestock sectors through the following:

- Providing alternative market opportunities for the tillage sector
- Improving Ireland's self-sufficiency in animal feed concentrates

CAA: a predetermined price is agreed, decisions are made jointly

Main limitations include the security of payment



> Addressing the land constraint issues on intensive dairy farms

> Supporting Origin Green credentials by providing traceable animal feed

6. References

DAFM (2015). Food Wise 2025. [Online] Available at: <u>https://www.agriculture.gov.ie/foodwise2025/</u> [Accessed: 12/11/2019].

Teagasc (2017). Collaborative Farming Arrangements [Online] Available at: https://www.teagasc.ie/rural-economy/farm-management/collaborative-farming/ [Accessed: 17/11/2019].

Honesty and regular communication are key factors required to create trust

External factors e.g. policy implications and an external agent influence a farmers decision to enter a CCA



AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY



