

Oireachtas Joint Committee on Agriculture

Compliance with the Nitrates Directive: Implications for Ireland

Wed 6th March – 5.30 pm

Teagasc Attendees:

Prof. Frank O'Mara (Director); Prof. Pat Dillon (Director of Research); Dr. Stan Lalor (Director of Knowledge Transfer)

Teagasc welcomes this opportunity to address the Joint Committee on Agriculture, Food and the Marine. This opening statement has confined its comments to addressing the six questions posed on the invitation to attend this evening's meeting.

1. What are the anticipated economic effects for the agricultural sector that would result from a further decrease to the Nitrates Derogation?

Teagasc published a report on "The Impact of Nitrogen Management Strategies within Grass Based Dairy Systems¹" in February 2023. This report indicated that, without mitigation, farm profitability would be reduced by up to 29% (€700 per hectare) on the most severely affected farms (Band 3) due to the combined effects of the introduction of banding and reducing organic N from 250 to 220 kg per hectare. This report did not analyse the impact of reducing stocking rates below 220 kg/ha, but it is clear that further reductions in maximum stocking rates would further significantly reduce farm profitability. Over 2,000 farmers were affected by the cut to 220 kg/ha, but further reductions would affect even more farmers, and the impact would progressively increase as the level of stocking rate cut increases. (New mitigation measures recently introduced have not been considered).

2. What are the anticipated social effects for the agricultural sector that would result from a further decrease to the Nitrates Derogation?

Apart from the impact on farm profitability, further cutting the maximum stocking rate would likely reduce national milk production and increase average milk processing costs in the processing sector. These farm level and processor effects would impact negatively on the competitiveness of the dairy sector, and on rural communities. They could also be an additional barrier to new entry into dairying and add to the challenge of generational renewal already faced. This has the potential to further increase the competition for land which has been cited as a concern amongst farmers.

3. Is it possible to maintain Ireland's Nitrates Derogation at its current level, while ensuring that there are improvements to Ireland's water quality?

Yes. While acknowledging that there are waters in the country that must be improved, the overall water quality in Ireland is relatively good compared to other EU countries (EEA, 2021) - over half (54%) of surface water bodies have satisfactory (good or high) ecological status. Challenges include:

¹ <https://www.teagasc.ie/publications/2023/the-impact-of-nitrogen-management-strategies-within-grass-based-dairy-systems.php>

1. Allowing sufficient time for new measures to show improvements in water quality (a total of 39 individual measures were transposed into NAP (Nitrates Action Plan) Statutory Instruments in the 4 years since 2020),
2. Having sufficient slurry storage on farms so that farmers can maximise its nutrient use efficiency and reduce its impact on water quality.

Some of the main criteria for Ireland receiving a derogation were our long growing season, high percentage of grassland, and high potential for N uptake annually. Despite some evolution of farming systems in Ireland over the past two decades, the core success of these production systems is still their capacity to utilise high levels of grass produced over a long growing season by grazing animals. Therefore, the fundamental basis underpinning Ireland's justification for a derogation remains in place.

4. Is the Nitrates Action Programme fit for purpose in protecting Ireland's water quality?

Up to now the Nitrate Action Programme has very much depended on the enforcement of measures/regulations that led to a reduction in chemical N application rates; changes to slurry management and soiled water storage; higher livestock N excretion rates plus banding and extended closed period for chemical fertiliser. There now needs to be a greater focus on engagement of all farmers and key stakeholders at catchment level to raise awareness and apply targeted measures to reduce nutrient losses to water. Targeted measures are needed because Ireland's landscape is heterogeneous in terms of factors controlling N and P transfer pathways, and weather, soil type, and hydromorphology have a big impact on nutrient loss to water.

5. Are there additional supports required to ensure farmers can be compliant with the Nitrates Action Programme?

Some key supports which would assist farmers in improving compliance include:

- Increased information and training for farmers, including accessible information on the status of water in their area and appropriate mitigating actions.
- Increased professional support to identify issues on farms and to design solutions, such as the ASSAP (Agricultural Sustainability Support and Advisory Programme).
- Teagasc are also currently working on proposals through which increased support can be targeted towards farmers as part of a wider water quality campaign.
- The new Water EIP scheme will support correction of issues identified on some farms.
- Teagasc are currently carrying out a survey on slurry storage capacity on livestock farms. This is indicating that slurry production is higher than current slurry storage requirements stipulate. Financial supports such as access to TAMS grants, low-cost credit, and continuation of accelerated capital allowances will be critical to rectifying this problem.
- Stability in regulation. At present, the fear of additional cuts in maximum stocking rate limits is a significant obstacle to investment in farms to prevent nutrient losses to water.

6. Are there additional resources required to ensure the measures required by the Nitrates Action Programme are adequately enforced?

Teagasc does not have a role in enforcement but the role of independent and consistent advice to farmers is key to farmer's awareness of measures and regulations, and to the adoption of practices to implement the 'right measure in the right place'.