# Crops Forum 2026

# Key Performance Indicators

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# Key developments in Irish agriculture in recent years

- **Higher prices** for key **inputs** since **2022**
  - Particularly fertiliser, fuel, feed, contracting charges
  - but also in capital items such as buildings and machinery
- **Rising Beef prices -** in 2025 2026
- **Rising Sheep prices** - on a long term upward trend for several years
- **Volatile milk prices -** but averaging at a high level in recent years
- Subdued cereal prices
  - due to successive large global harvests
  - 2022 an exception to this due to Russia's invasion of Ukraine

# Whole Farm Analysis

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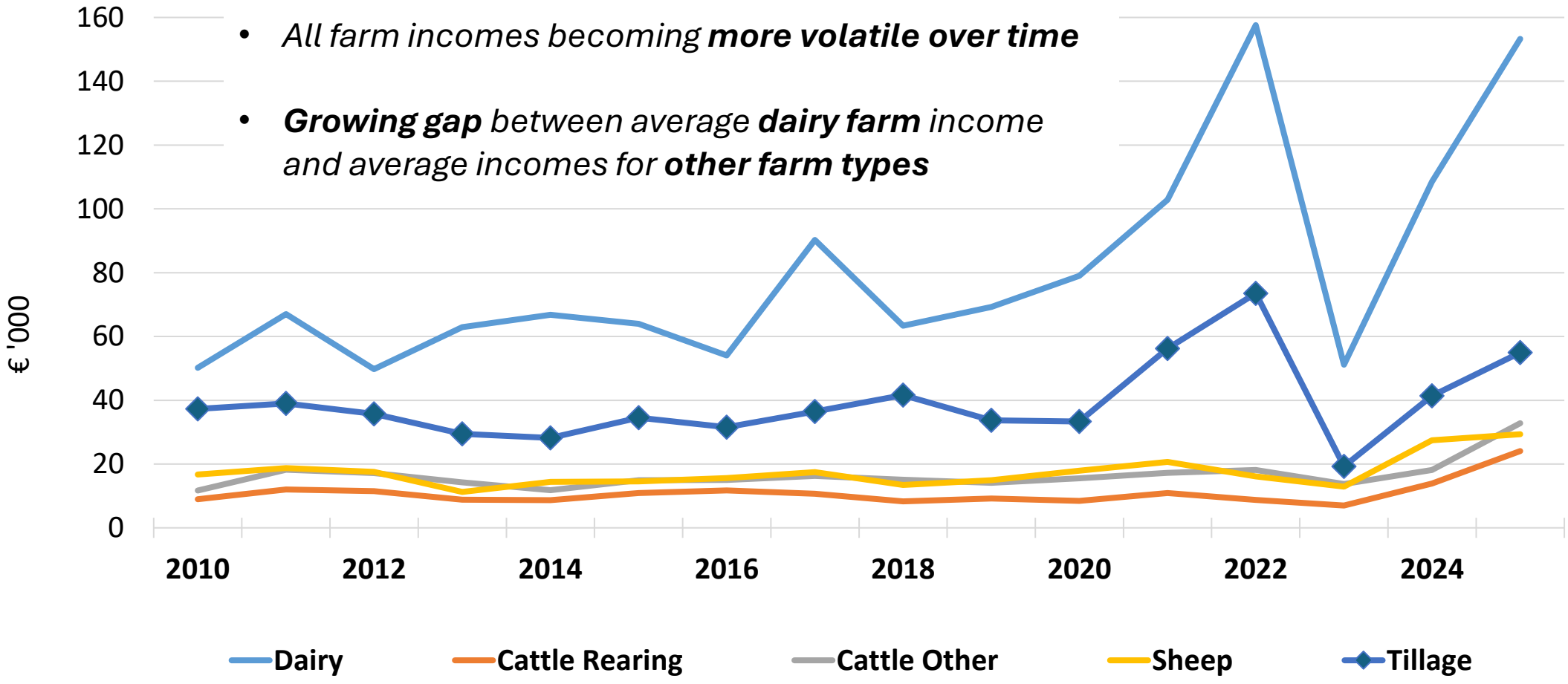
# Evolution of average family farm income (by system) 2010 - 2025




Source: Teagasc National Farm Survey

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# Share of Tillage Area on NFS Cereal Farms 2025

- *The **largest farms** tend to have the **largest share** of the farm in **tillage production** (more specialised in tillage)*

**Figures within the chart are numbers of hectares**

Source: Teagasc NFS

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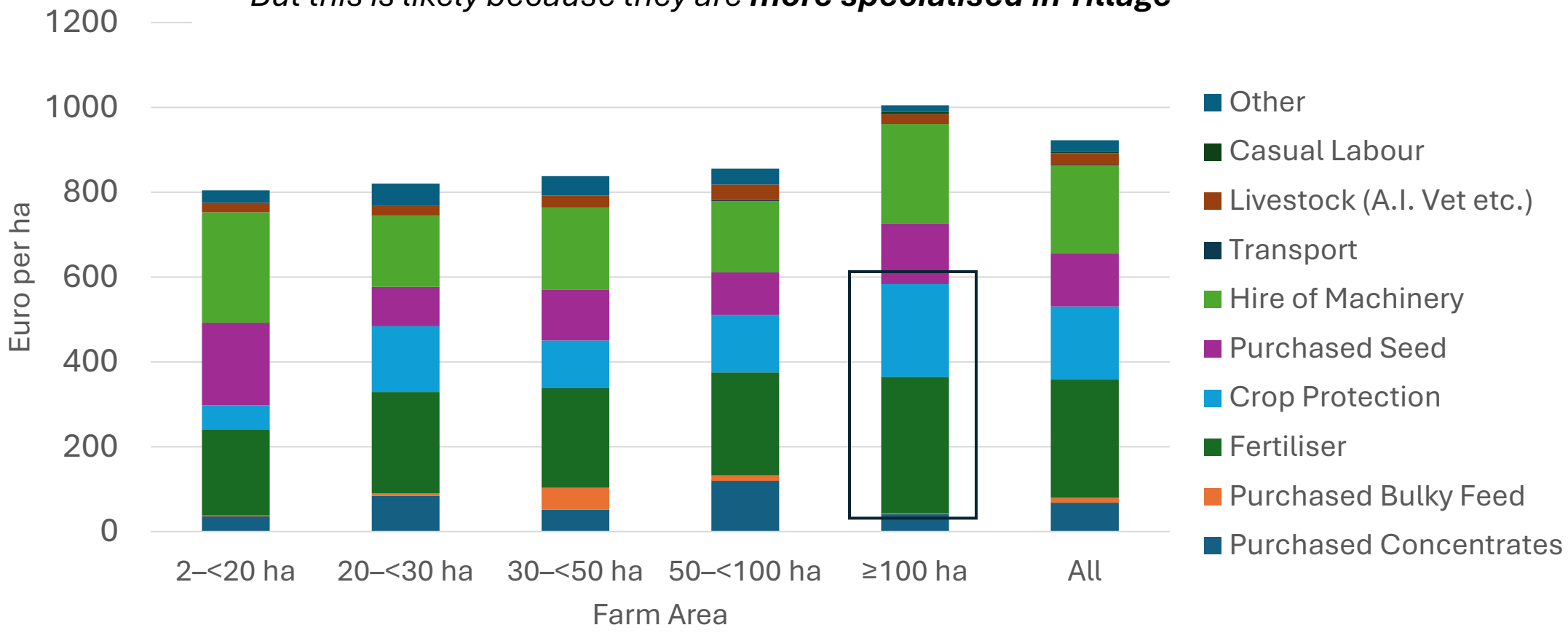
# Tillage Farm Direct Costs per Ha (by Farm Size) 2025

- *Direct Costs per ha are **higher on larger farms***
- *But this is likely because they are **more specialised in Tillage***

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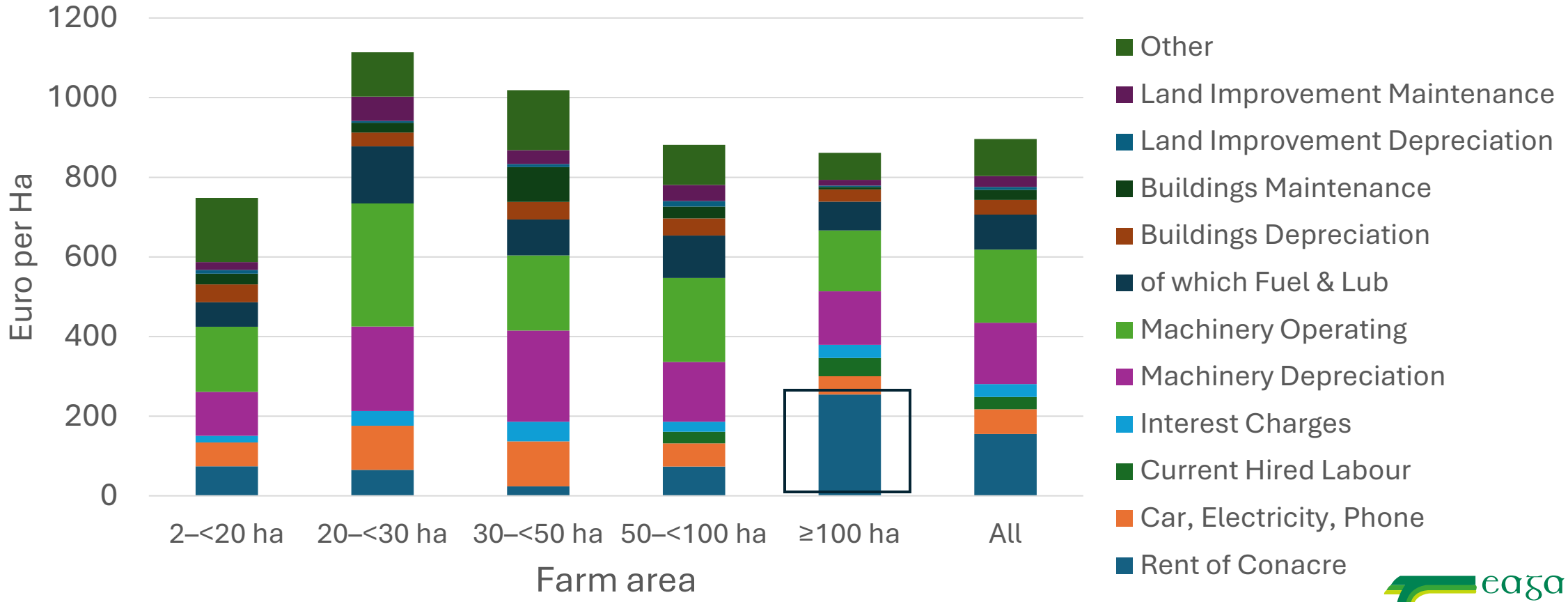
# Tillage Farm Overhead Costs per Ha (by Farm Size) 2025

- *Overhead Costs per ha are **lower on larger farms** reflecting **economies of scale***
- *Offset to some extent by the **larger spend** on **rented land** on the largest farms*




Source: Teagasc NFS

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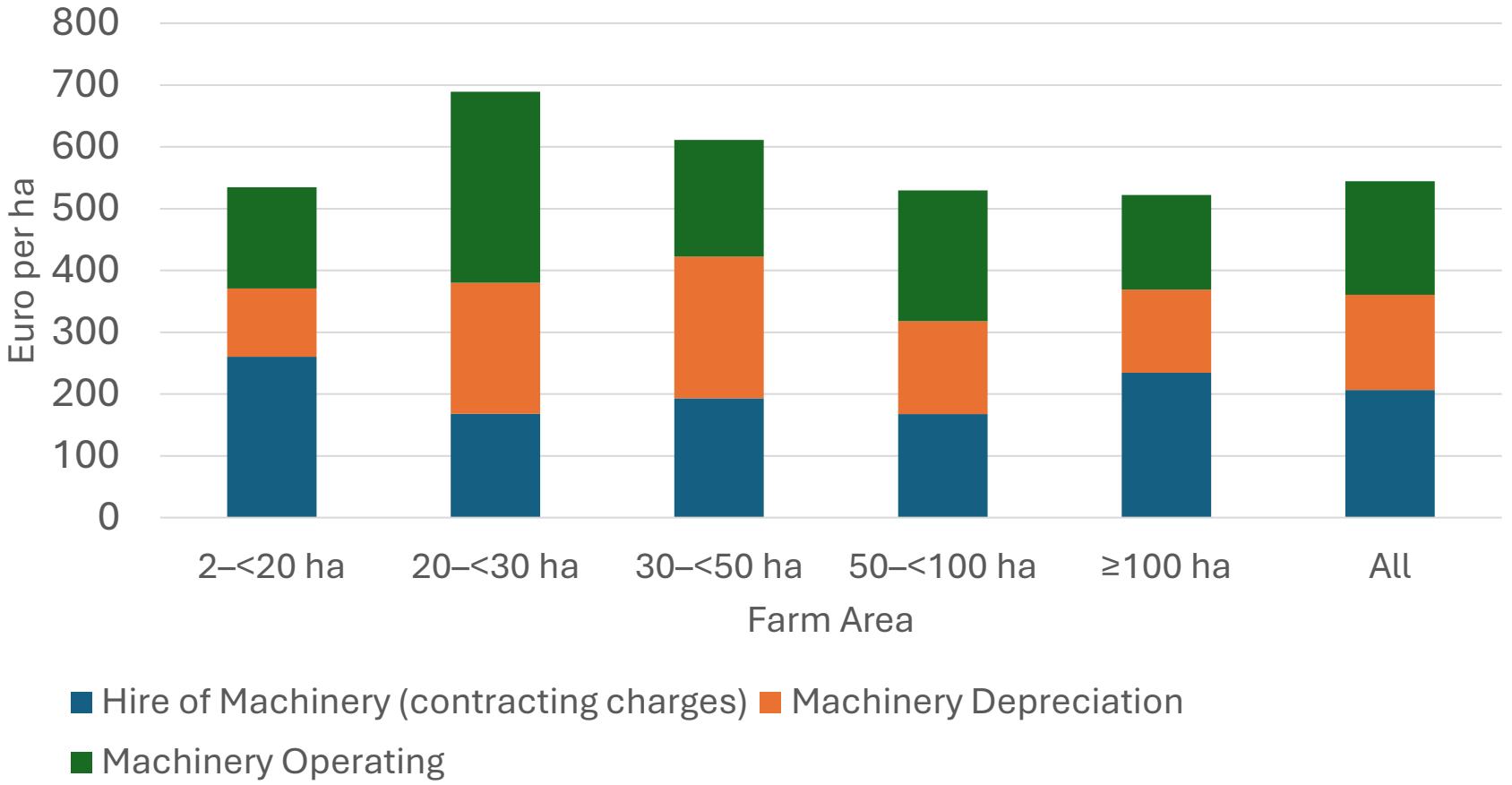
# Tillage Farm Machinery Costs per Ha (by Farm Size) 2025

- *Total **Machinery Related costs** per ha are **lower on larger farms***
- *Reflects **economies of scale***




- **Note: Machinery related cost inflation has been severe in recent years**
- **Total Machinery costs** increased by **47%** for the average farm in the period **2020 to 2025**

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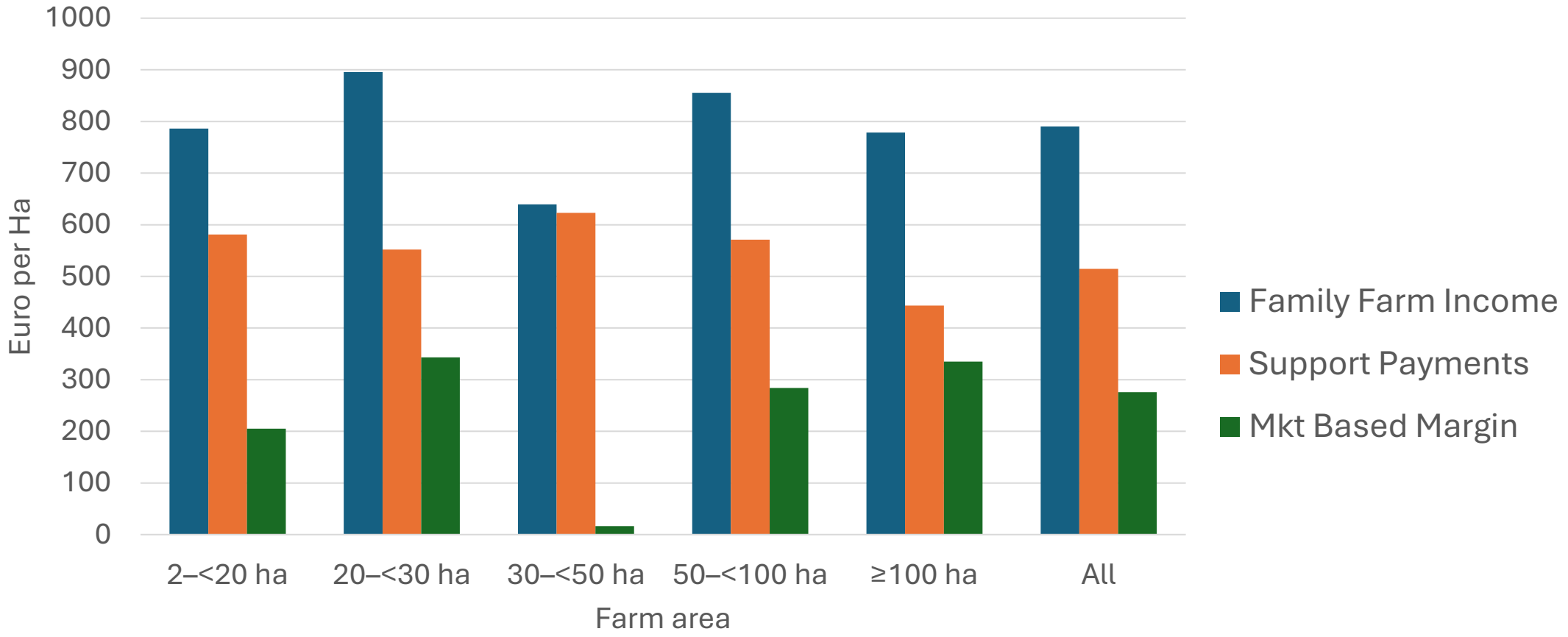
# Average Tillage Family Farm Income per Ha (by Farm Size) 2025

- ***Limited difference*** *in* ***income per ha*** *on smaller and larger farms*
- *But this is because* ***smaller farms*** *tend to have* ***larger support payments*** *per ha*

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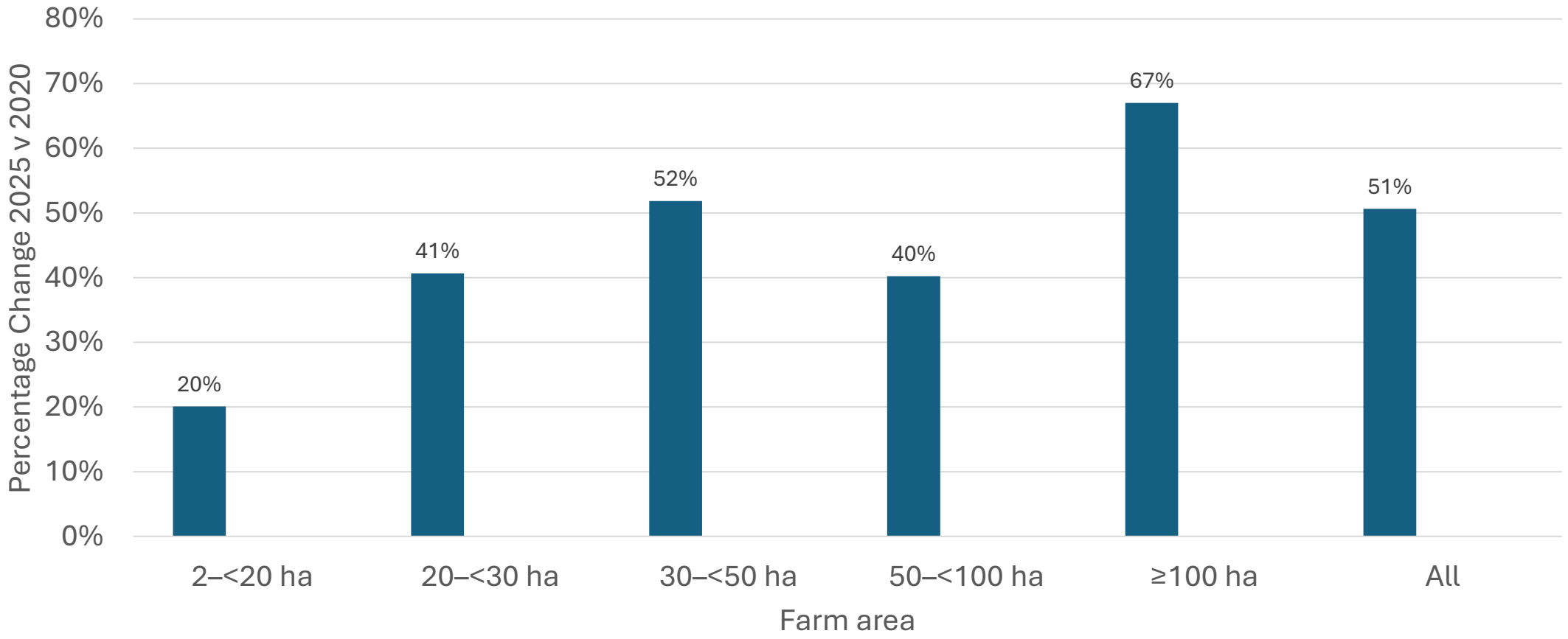
# Change in Tillage Family Farm Income per Ha (by Farm Size) 2025 vs 2020

- *The **largest farms** experienced the **largest % increase in income***

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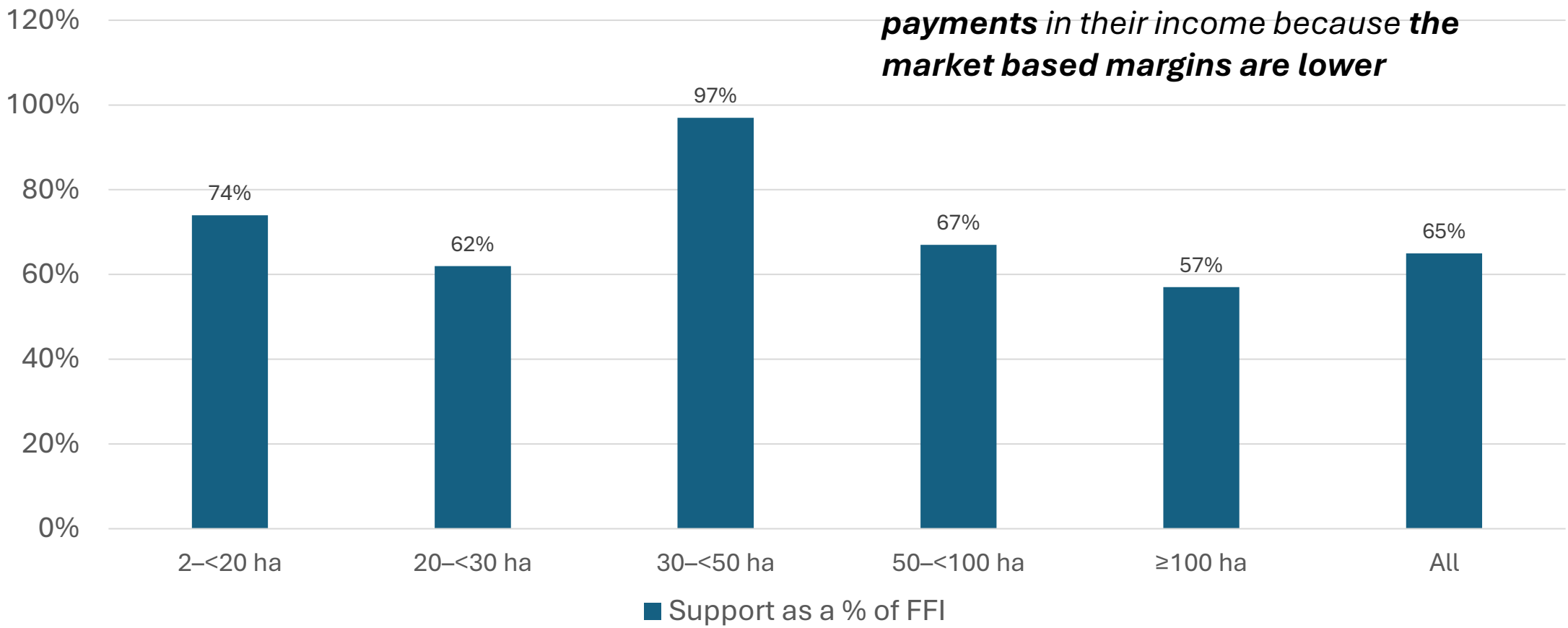
# Support as a % of FFI by Tillage Farm Size (2025)

- ***Mid sized farms*** *have a* ***high % of support payments*** *in their income because* ***the market based margins are lower***

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# Enterprise Analysis

Looking at the costs and margins associated with specific crops

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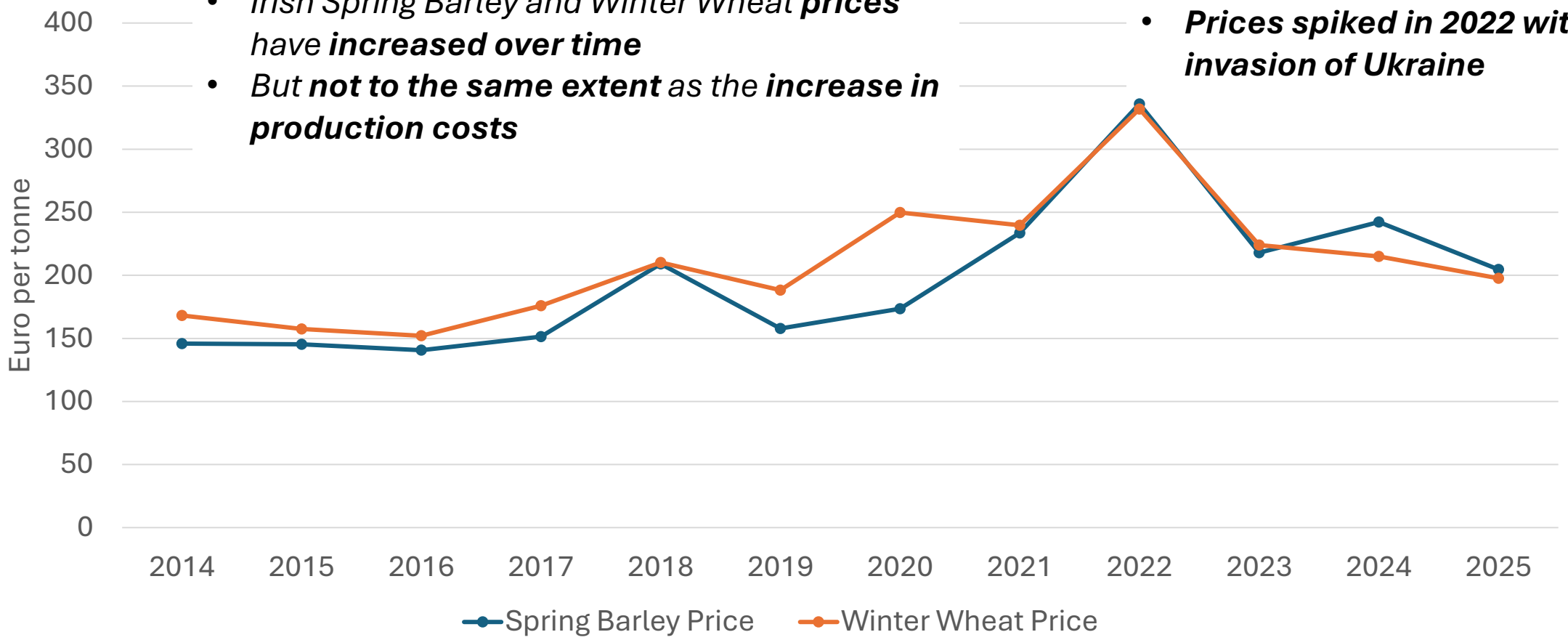
# Average Irish Cereal Prices 2014 - 2025

- *Irish Spring Barley and Winter Wheat* ***prices*** *have* ***increased over time***
- *But* ***not to the same extent*** *as the* ***increase in production costs***

- ***Prices spiked in 2022 with invasion of Ukraine***




Source: Teagasc NFS

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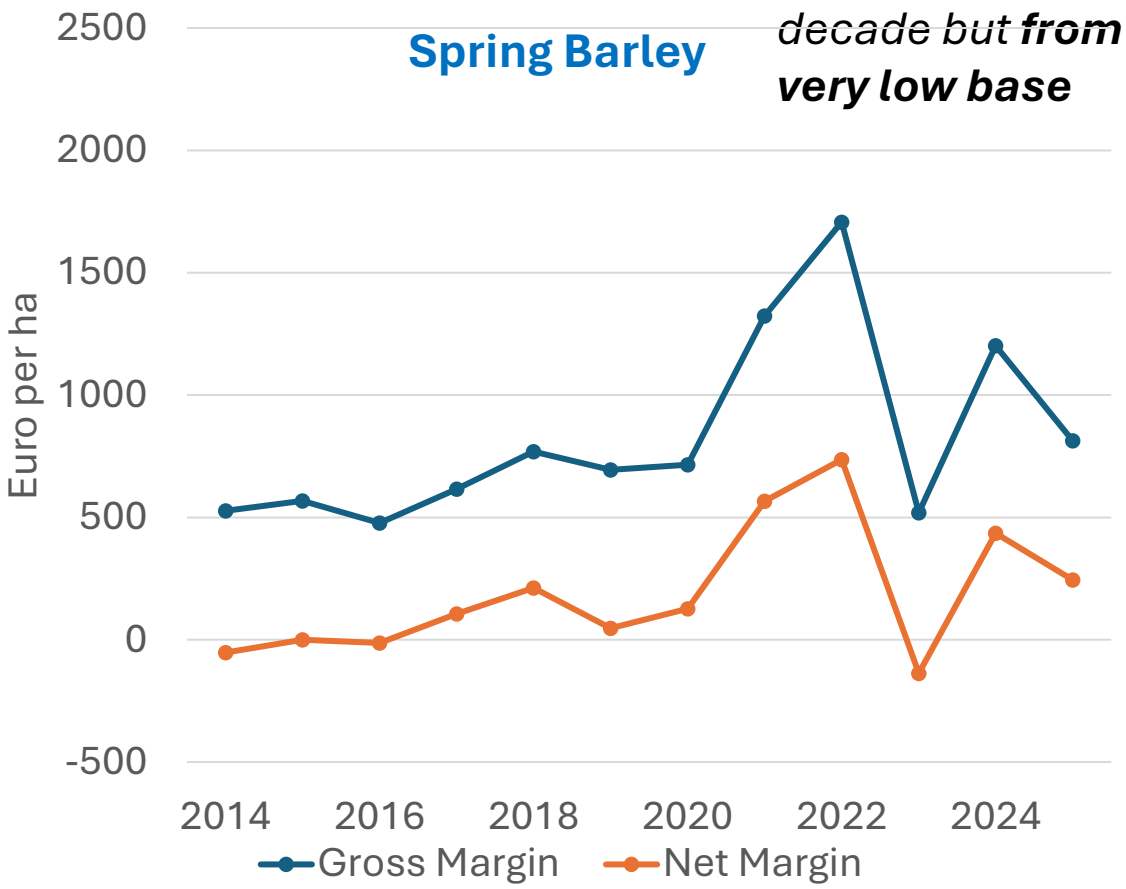
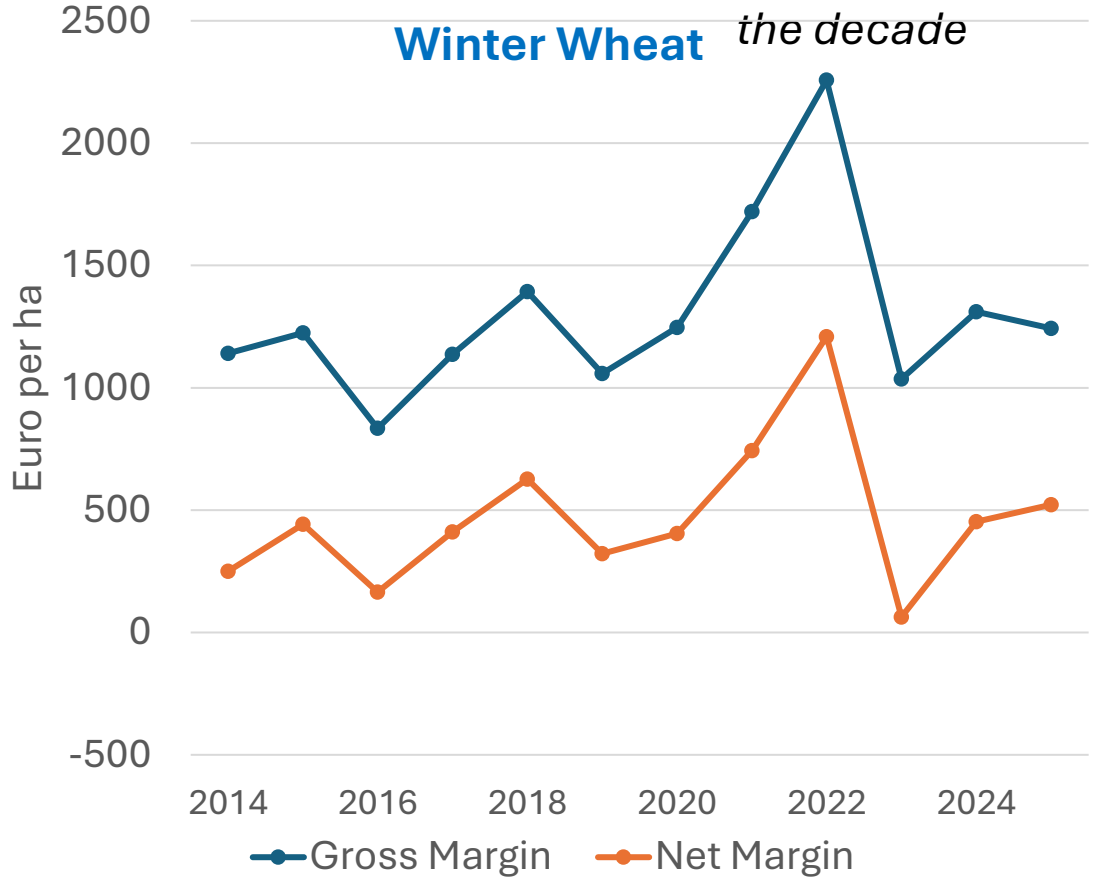
# Cereal Margins per Ha (2014-2025)

- ***Margins have risen*** *in nominal terms over the decade but* ***from a very low base***




- ***Margins static*** *in nominal terms over the decade*




Source: Teagasc NFS

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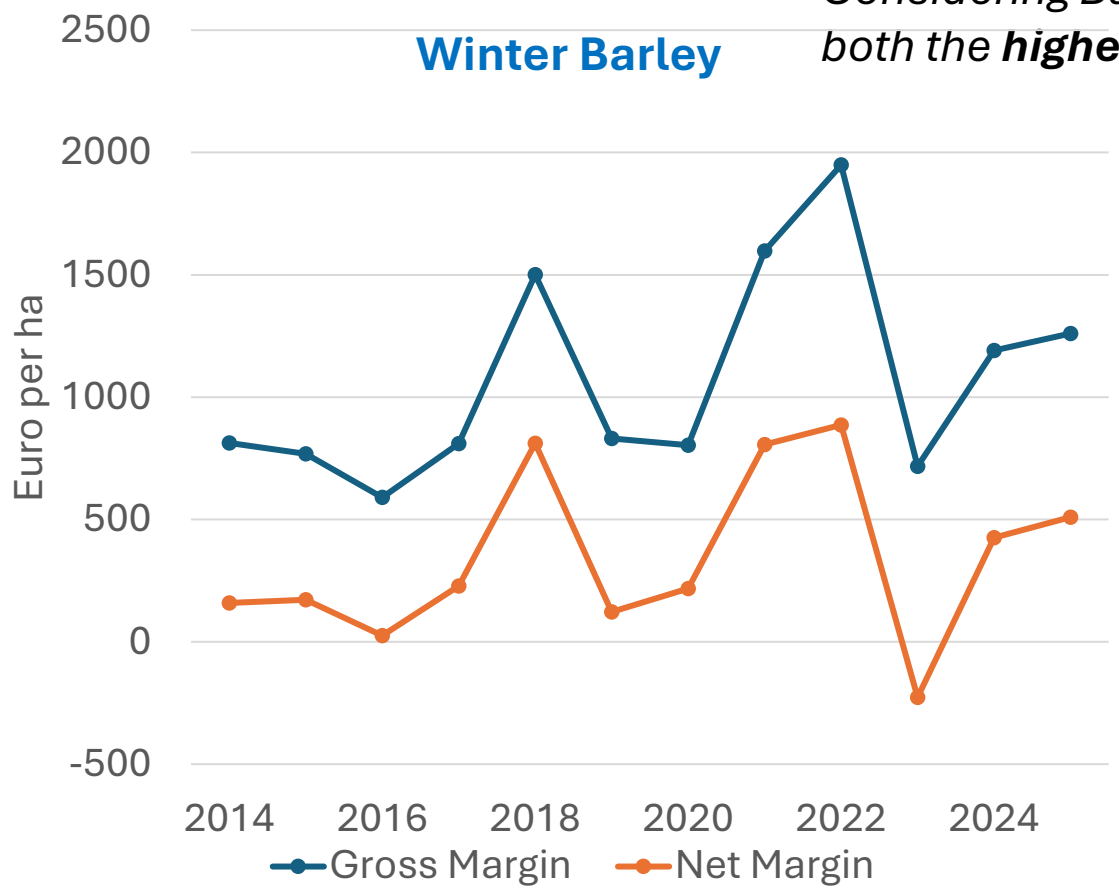
# Cereal Margins per Ha (2014-2025)

- ***Margins** are **very volatile***
- *Considering Barley and Wheat - Winter Barley that has delivered both the **highest and lowest margins** over the last decade*




**Average margins over last 12 years (2014-2025)**

| | Gross Margin | Net Margin |
|---|---|---|
| Spring Barley | 828 | 129 |
| Winter Wheat | 1,300 | 468 |
| Winter Barley | 810 | 345 |

Source: Teagasc NFS

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# Summary

- **Global production volumes** keep a **lid on crop prices**
- **Higher costs** clearly evident in recent years
  - Fertiliser, crop protection products, machinery
  - But higher costs are a reality for all farm types – not just tillage
- **Volatile tillage** farm **incomes**
  - with a trend over time that shows only a modest increase
- Enterprise level analysis shows
  - **larger tillage farms** do have economies of scale that deliver **higher margins**
  - But this is **offset by higher levels of support payments** on smaller tillage farms

# Points for discussion

- Aside from quality, farmers have **little influence on crop prices**
- Farmers need to **know their own costs**
  - Teagasc offers a **range of tools** to measure farm costs and farm profitability
- **Higher costs** are a **reality for all farms types**
  - How can cost issues best be dealt with?
- **Disparity** in income between **dairy and tillage** farms
  - conversation about the future of tillage farms in the context of succession
  - diversification, off farm income, enterprise mix
  - quality of life (relative to other farms types)

# End

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# Some details about the National Farm Survey

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# Farm size in the National Farm Survey

- The **National Farm Survey (NFS)** uses the EU FADN (Farm Accountancy Data Network) farm classification system
- Categorises farms based on **economic size** and **specialisation**
  - derived from the concept of **Standard Output (SO)**
- **Standard Output:** Every farm enterprise (e.g. dairy cows, cereals, sheep) has a Standard Output coefficient
- Average monetary value of output per hectare or per head, based on a regional reference period (currently a five-year average, updated periodically)
- Each farm's total SO is the sum of (area or head count) × (SO coefficient) across all its enterprises
- This total SO gives the farm's **economic size**, expressed in euro, and used to rank farms.

# Farm systems / specialisation (Type of Farming)

- Classification looks at what **share of total Standard Output (SO)** comes from which enterprises
- If a single enterprise accounts for **roughly ⅔** or more of total SO, the farm is classified as specialist in that system
- The main NFS farm categories are:
  - **Dairy** — specialist dairying
  - **Cattle rearing** (suckler/other cattle rearing)
  - **Cattle other** (cattle other, incl. finishing/other cattle enterprises)
  - **Sheep**
  - **Tillage** (cereals, general cropping)
  - **Mixed** — where no single enterprise reaches the ⅔ threshold, (a residual category

# A few NFS-specific notes

- **Classification is applied annually**
  - using that year's **SO coefficients** and
  - the **farm's actual enterprise mix**
- A farm can **migrate between systems** from year to year if its enterprise balance shifts
- The **NFS sampling frame** is representative of the **national population of farms**
  - allows NFS results to be weighted up to **represent the whole farm population** by system
- This system feeds directly into the **EU FSDN**
- So Ireland's **NFS** system definitions are **harmonised with the EU typology**

# Why have Tillage prices been in the doldrums?

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# Why are EU/Irish cereal prices stagnant in recent years?

- Differing global supply and demand situations across EU commodity markets

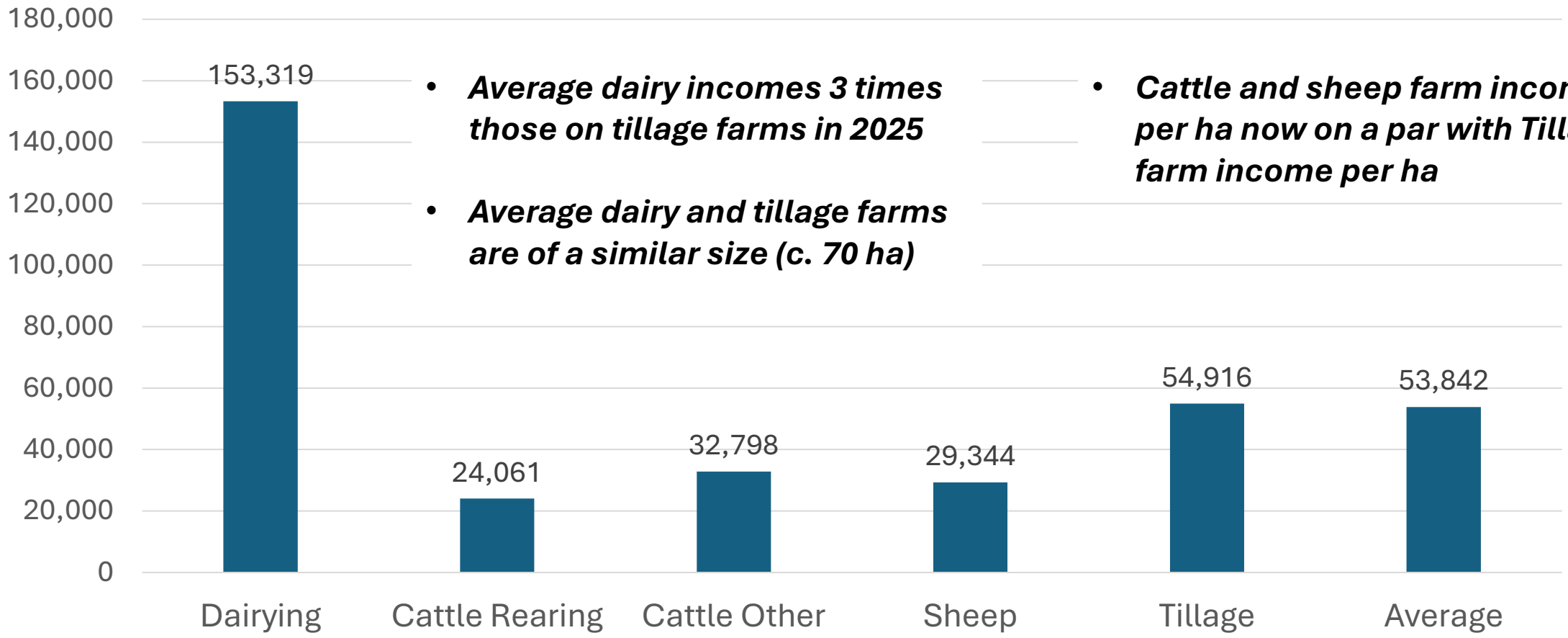
1. **EU dairy, beef and sheep sectors** remain somewhat **protected from global markets**
   - Import tariffs limit the volume of 3rd country imports onto EU markets

- **Tight milk, beef and sheep supplies** in EU (and global) market have allowed for rising prices
  - Even for commodities where demand is static or even falling in EU (e.g. beef and sheepmeat)

2. By contrast the **world cereals and oilseeds market** has seen **successive large harvests**
   - which have kept stock levels more than adequate

- **3rd country cereals and oilseeds imports** have **easy access** to the **EU market**
- There would need to be a scarcity of product to create high cereal prices
  - Circumstances don't exist for this at present

# Average Farm Incomes (by Farm System) 2025




- ***Average dairy incomes 3 times those on tillage farms in 2025***
- ***Average dairy and tillage farms are of a similar size (c. 70 ha)***
- ***Cattle and sheep farm incomes per ha now on a par with Tillage farm income per ha***

Source: Teagasc NFS

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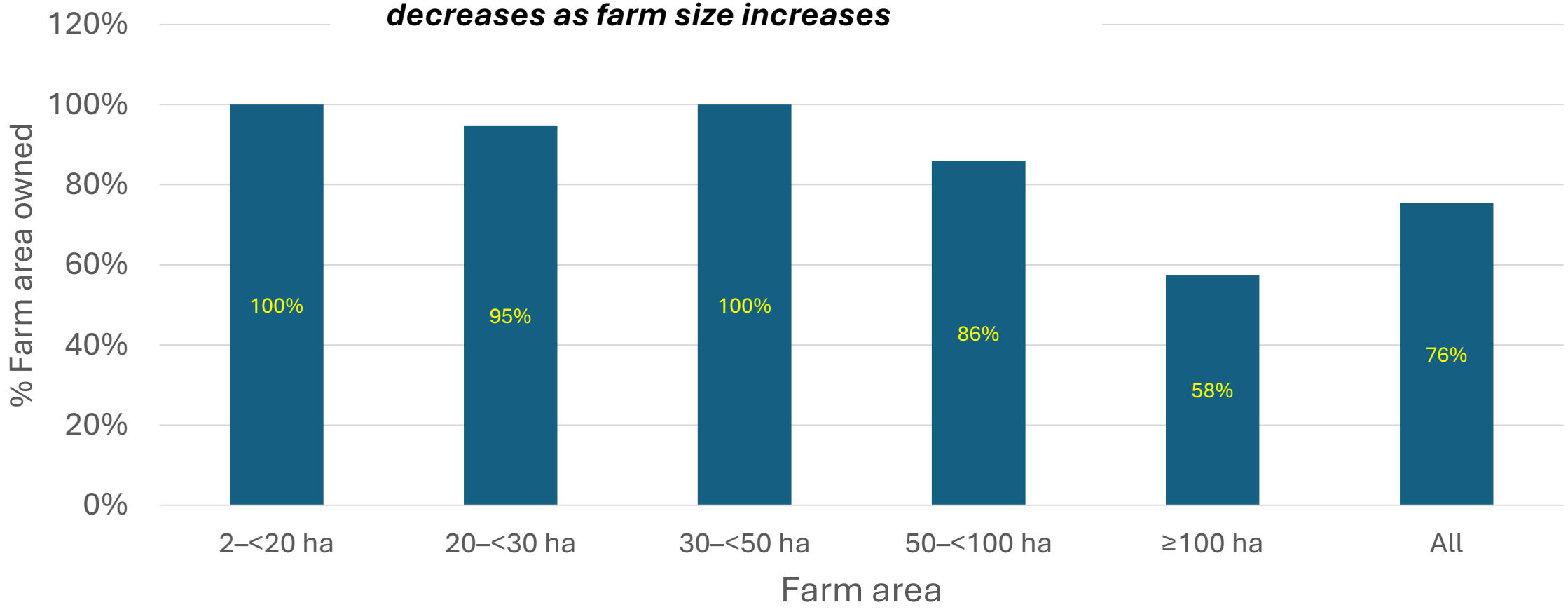
# % of Tillage Farm area that is owned (by Farm Size) 2025

- ***% of the tillage farm area that is owned decreases as farm size increases***




Source: Teagasc NFS

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# Enterprise Analysis (Additional Slides)

Looking at the costs and margins associated with specific crops

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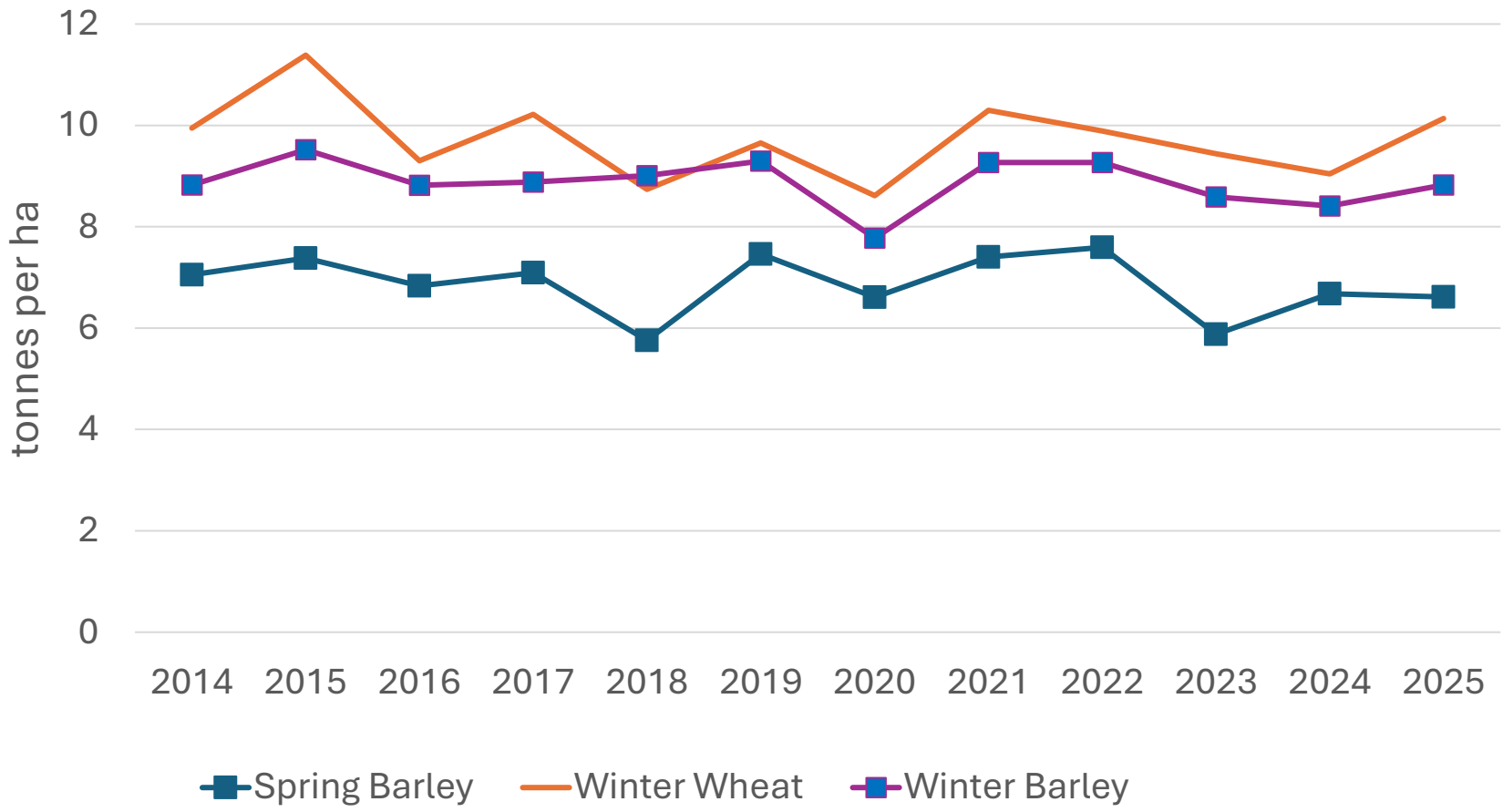
# Average Yield per Ha




Source: Teagasc NFS

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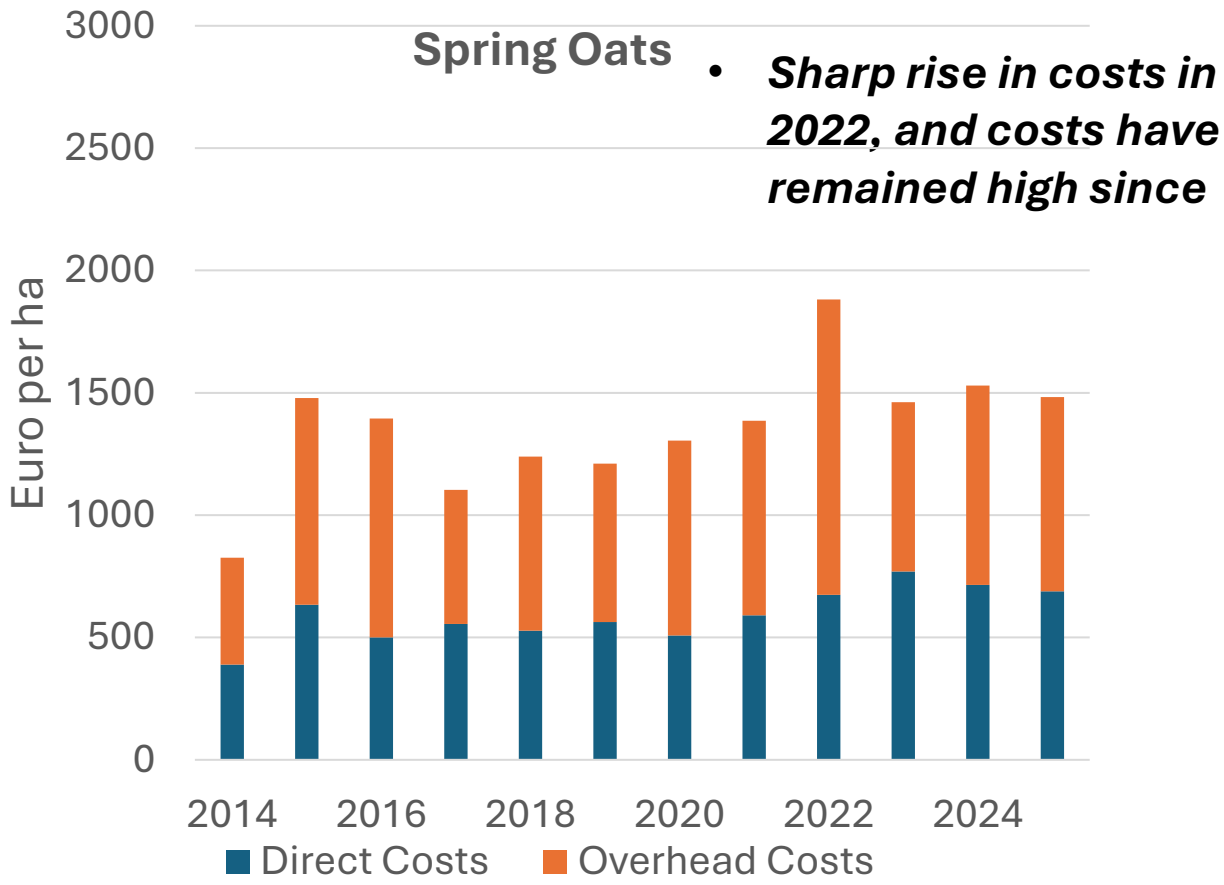
# Cereal Enterprise Production Costs per Ha




- ***Sharp rise in costs in 2022, and costs have remained high since***

Source: Teagasc NFS

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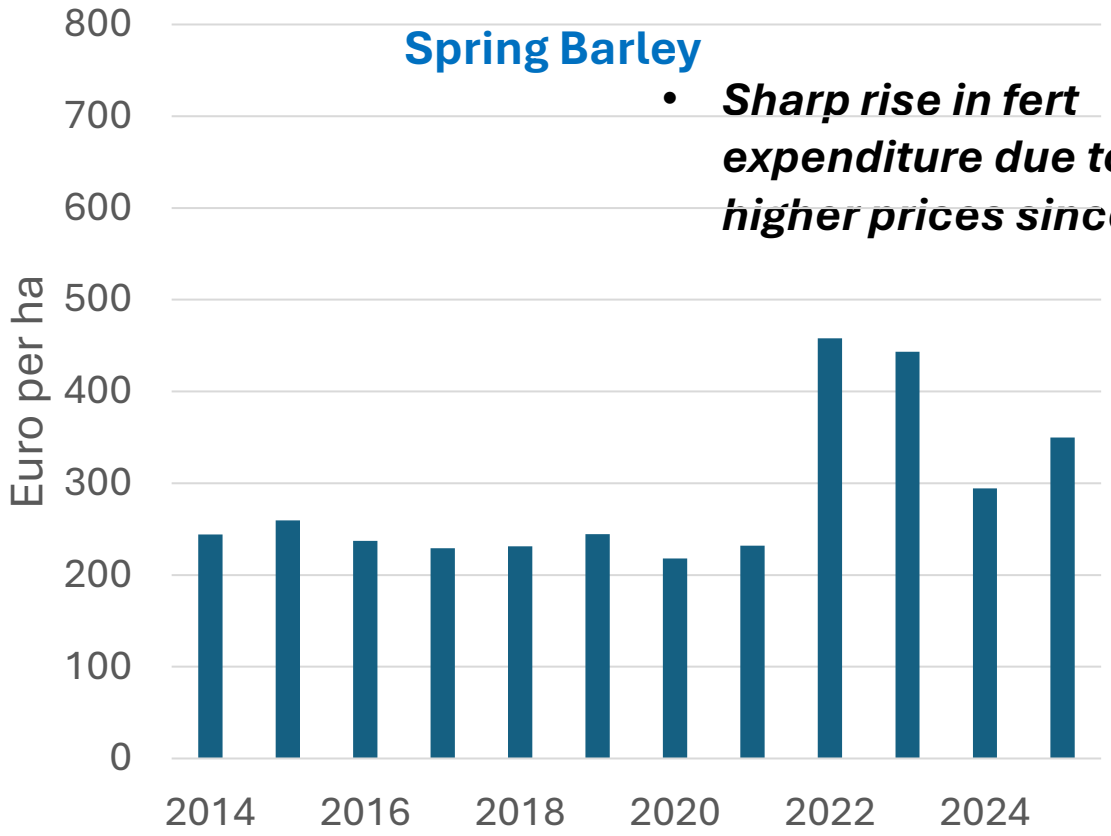
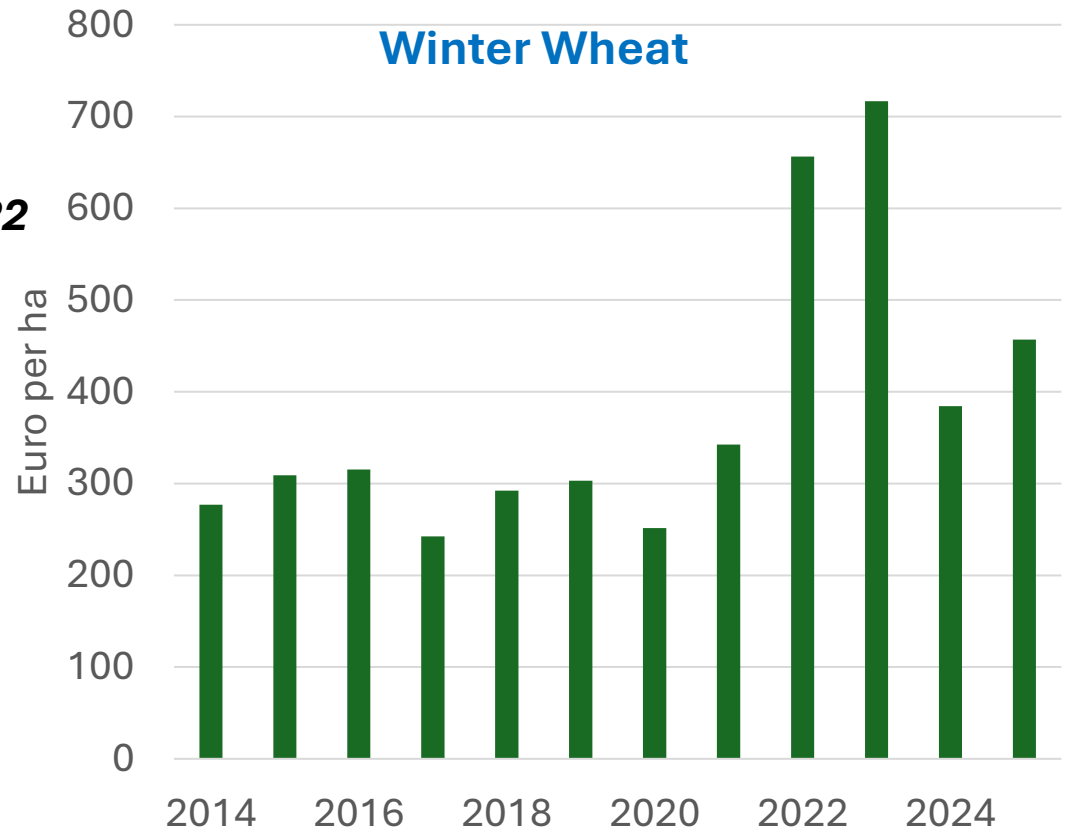
# Cereal Enterprise Fertiliser Costs per Ha




- ***Sharp rise in fert expenditure due to higher prices since 2022***




Source: Teagasc NFS

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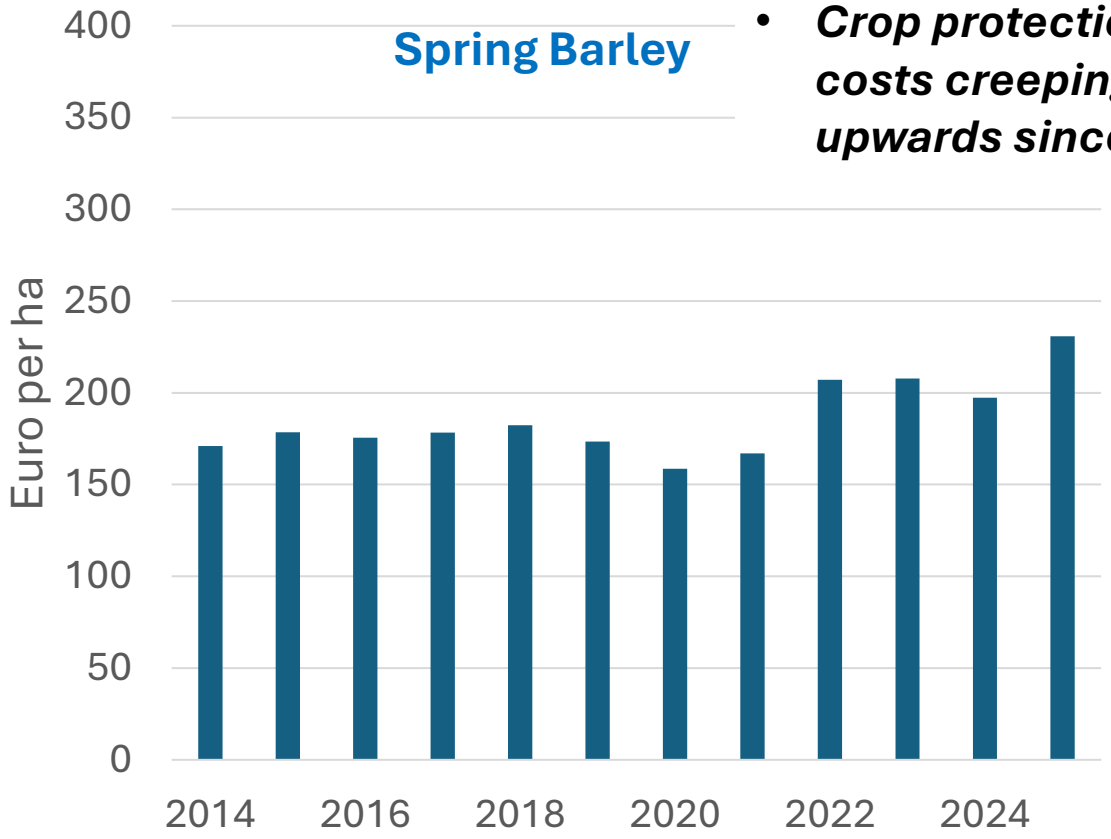
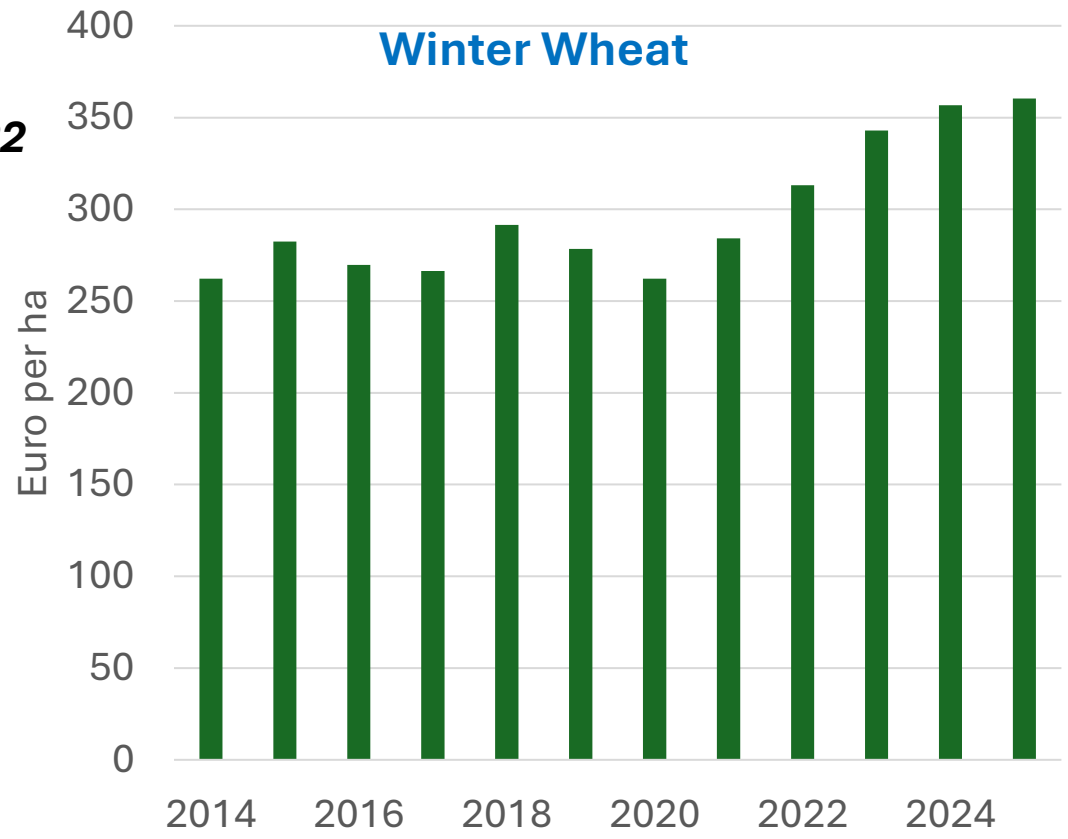
# Cereal Enterprise Crop Protection Costs per Ha




- ***Crop protection costs creeping upwards since 2022***




Source: Teagasc NFS

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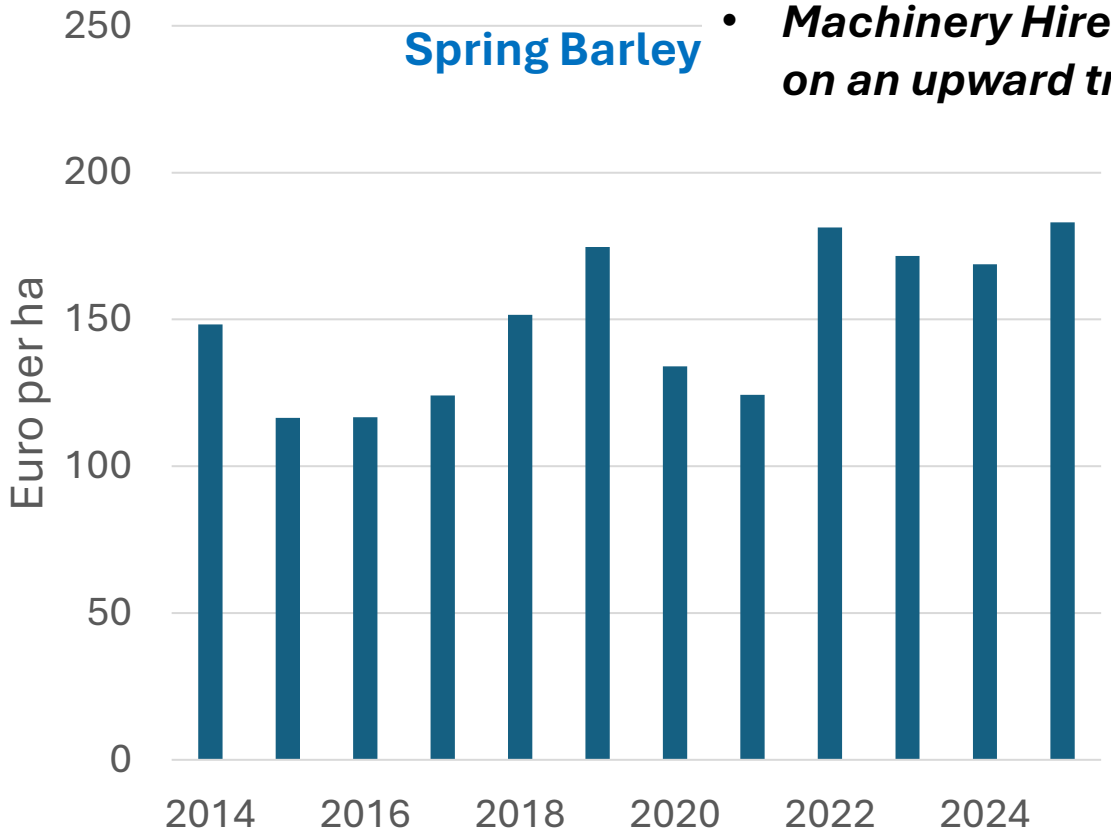
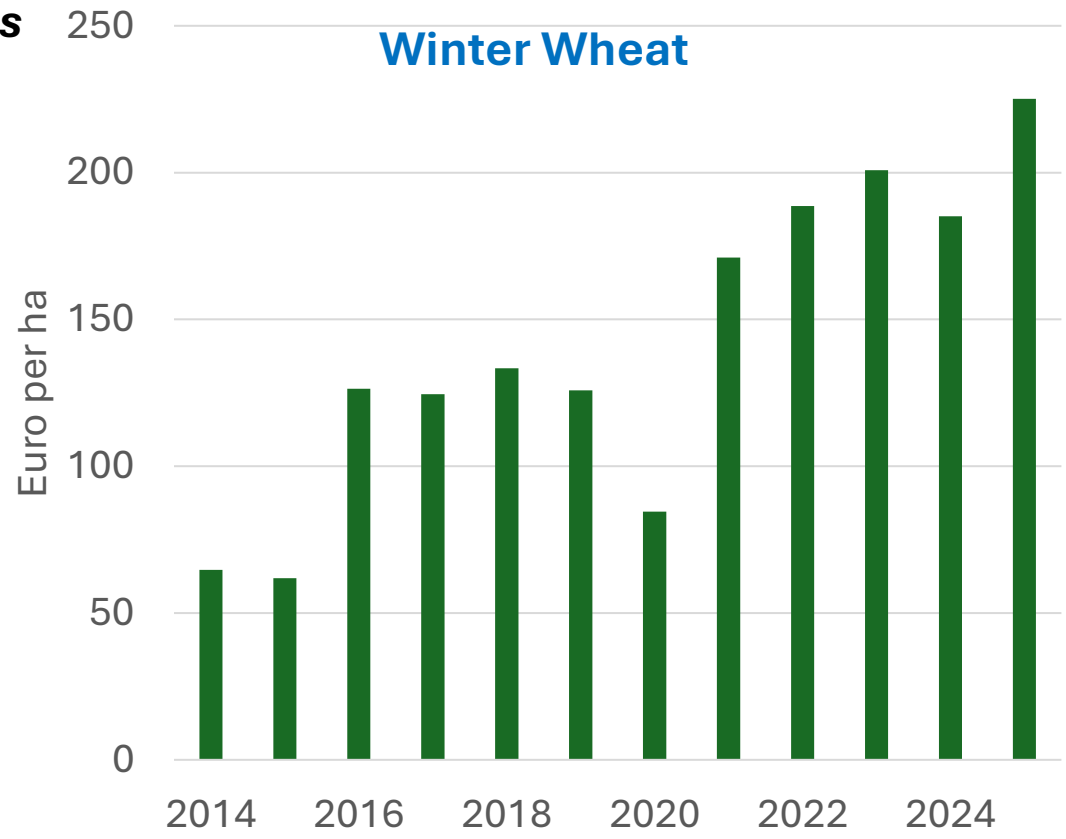
# Cereal Enterprise Machinery Hire Costs per Ha

- ***Machinery Hire costs on an upward trend***




Source: Teagasc NFS

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