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# *Manifesto 2011*

*UFU's NI Assembly Elections 2011 Manifesto*

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# UFU's NI Assembly Elections 2011 Manifesto

## The Importance of the Agri-food Industry to the Northern Ireland Economy

The agrifood industry is increasingly gaining recognition as a vital part of our economy in Northern Ireland. The industry has traded very strongly during the recession and currently has a turn over of £3.2 billion annually. We are exporting £1.2 billion worth of local food and drink to Great Britain and almost £1 billion outside the UK, with over 90,000 jobs being sustained. The NIFDA 'Value of Food & Drink Industry' Report highlights that there are major growth opportunities in the industry, with the potential to grow agri-food sales by 40% over the next ten years and to create up to 15,000 new jobs over the period. At present, the food and drink industry is responsible for 20% of our private sector employment. It is clear that the agri-food sector is a significant and important part of the Northern Ireland economy.



John Thompson,  
UFU President

## Key Ways to Support the Agrifood Industry

- Support the development of a **reformed Common Agriculture Policy (CAP)** that adequately supports Northern Ireland's producers.
- Ensure that any confusion around **land eligibility** for EU support schemes is addressed properly and urgently.
- Protect the future of the **Less Favoured Area Scheme**.
- Ensure that the **DARD 2011-2014 budget** is set strategically and protects front line services.
- Press for the urgent implementation of the **Groceries Code Adjudicator**.
- Make **animal/plant health** a priority and work to ensure all-island policies and procedures are co-ordinated effectively.
- Press for decisive action to be taken in Northern Ireland to deal with **Bovine TB**, including addressing TB in wildlife.
- Ensure **reduced, consistent, and joined up regulation**.
- Recognition and support for the industry to ensure effective delivery of the **'Northern Ireland Mitigation Strategy for Greenhouse Gas Emissions'**
- Government support for co-ordination, barrier removal and market development for **renewable energy systems**.

## Common Agriculture Policy (CAP) Reform Post - 2013

Political discussions have now begun in earnest at Regional, National and EU levels on the future of the CAP after 2013.

The UFU wants to see a CAP that supports vibrant rural societies based around viable food production and sustainable management of natural resources by farmers. This must be coupled with an agriculture industry which secures a fair return for all its produce from the market and readily attracts young people into farming.

The UFU supports the EU Commission's three main objectives of: viable food production (particularly food security); sustainable management of natural resources; and balanced territorial development. However, it is essential that the **EU's CAP Budget is at least maintained at its existing level** while the supply chain continues to fail to cover the cost of producing food to the standard demanded by EU consumers. Equally, it is essential that there is an **equitable distribution of this Budget** between Member States and Regions with **flexibility for regional adaptation** of the existing direct payment system over an **adequate transitional period**. We agree with the **two Pillar structure** of CAP support but strongly believe that **Pillar 1** should continue to be primarily directed at the economic production role of agriculture and that there is already enough 'greening' in Pillar 1 provided by cross compliance. Any **additional 'greening' should be confined to Pillar 2** and be voluntary and incentivised rather than obligatory. However, should the 'greening' proposal be progressed, it is essential that it does not add further costs.



Food production must assume a much higher priority in political agendas.

The UFU also supports the EU Commission's intention to confine further financial support to **'active' farmers** while recognising that there are some potential problems in delivering this. Specifically, we have concerns around both the potential creation of additional bureaucracy and the impact on 'conacre land' so more detail will be necessary before a final decision can be made.

The UFU welcomes the EU Commission's recognition of the **genuine difficulties endured by farmers in the supply chain** and its support for an improvement in the farmers' position within it. However, to effectively realise this major objective, we have called for an overarching policy to be put in place that: **addresses competition law; improves transparency; and establishes a European Ombudsman.**

Future **EU Trade Policy** has the potential to undermine all of the major objectives of CAP reform unless it is developed in a way that is consistent with the aims of the CAP. **Food production and the food system must assume a much higher priority in political agendas** across the world in order to ensure global food security. While this process is ongoing it is imperative that the **existing range of EU Agricultural Market Measures remains.**

The EU Commission's proposal for the **simplification of the CAP's associated cross compliance requirements** is welcome but it is essential that new measures are not added or existing ones enhanced and also that **tolerance levels and proportionality are applied to the present cross compliance penalty system.**

In relation to **Rural Development (Pillar 2)**, the EU Commission's intention to continue the existing framework structure is welcome but **more flexibility to develop regionalised programmes** is necessary if we are to effectively address the Commission's key objectives of **climate change and innovation.**

It is vital that the UK obtains a more **equitable share** of the total available EU Rural Development funding and that **compulsory national co-financing continues.** The **abolition of the modulation mechanism** to shift funds from Pillar 1 to Pillar 2 and the provision of **support for young farmers** are critical.

The UFU also welcomes the Commission's proposal to **retain future support for Less Favoured Areas (LFAs) within Pillar 2.**

## EU Disallowance / Land Mapping and Eligibility

The EU Commission recently imposed a major disallowance on DARD in relation to its concerns over the quality of DARD's land mapping system. The UFU fully **supports DARD's challenge in the European Courts on the disproportionate level of this disallowance.** Equally, we welcome the progress of the **Land Parcel Identification System (LPIS)** to address the criticism that was directed by the EU Commission at DARD on this issue.

We do, however, have **significant concerns around land eligibility for Single Farm Payment** and, in particular, on the **changing interpretation** of what type of land is eligible since the SFP Scheme was introduced in 2005. Equally, eligibility should be applied at a **'whole farm' rather than 'individual field'** level. It is essential that this matter is **addressed properly and with urgency** by DARD.



A reformed Common Agriculture Policy (CAP) that adequately supports NI's producers must be developed.

## Future Less Favoured Area (LFA) Support

The **EU review of the future LFA boundaries, based on amended EU criteria, is ongoing** but it has yet to be agreed and is now very likely to be introduced at the same time as CAP Reform from 2014. Throughout this process, the UFU's key objectives have and continue to be to **not only maintain as much of the existing LFA area in Northern Ireland as possible but also to retain the Severely Disadvantaged Area (SDA) and Disadvantaged Area (DA) differentiation which currently exists within it.**

Additionally, we welcome the recent decision taken by the NI Agriculture Minister to **leave the existing structure of Northern Ireland's Less Favoured Area Compensatory Allowance (LFACA) Scheme unchanged** for the remainder of the current NI Rural Development Programme which runs until the end of 2013. It was clear to the UFU from the outset that any possible changes to the NI LFACA Scheme did simply not make sense when further changes, arising from the EU's review, may be likely in the near future.

## Dard Budget 2011-2014

The UFU recognises that there are significant constraints in respect of overall funding resulting from the UK Government's spending cuts which it is using as its main policy to address the UK's Budget deficit.

While we believe the capacity of the agricultural and agri-food sectors to deliver for the NI economy on a range of economic, environmental and social priorities is such that a larger budget allocation for DARD could have been justified, our position has been taken based on accepting these budget allocations.

Our key focus is on the 'piecemeal' approach taken by DARD in developing their unrelated and potentially damaging spending and savings budget proposals. As a genuine alternative, the UFU has identified several key areas where we believe a **more strategic budgetary approach** would not only achieve the £43 million in current expenditure savings by DARD over the next four years but would also contribute to **supporting and growing industry competitiveness** and contribute to an overall **rebalancing of public/private sector employment.**

Our focus has been **preserving front line services** for farmers and **avoiding cost transfer** by tackling inefficiencies within DARD. The UFU's key alternative proposals are based around savings generated by **private sector delivery** of the bulk of **frontline veterinary and animal health work** and also the replacement and ongoing operation of the **Animal and Public Health Information System (APHIS).**

We also question DARD's plans to allocate a significant amount of its budget for both the 12 regional DARD Direct Offices and a new DARD Headquarters. We would instead propose that an **evaluation of the effectiveness of the DARD Direct project is undertaken before any decisions on a new Headquarters are made.**



*The new UK Government's commitment to create a Groceries Code Adjudicator to enforce the UK Supermarket Code of Practice must be implemented as quickly as possible.*

If this alternative approach is adopted, the **need for the very significant changes in: service provision; animal disease compensation levels; and revenue generation could be avoided.**

The UFU has also identified **other strategic measures** which, although more difficult to accurately quantify and, particularly with any asset disposals, may only be realisable under longer time scales than is covered by the current budget proposals, could generate **additional savings**. These savings could be used to fund **'invest to grow' or 'spend to save'** initiatives aimed at shaping an Agricultural Department and an industry which is more competitive.

## Groceries Code Adjudicator

After many years of lobbying, the UFU welcomes the **new UK Government's commitment to create a Groceries Code Adjudicator to enforce the UK Supermarket Code of Practice**. This should at last create a mechanism where complaints can be made, anonymity assured and action taken if necessary to ensure business is conducted between farmers, food processors and supermarkets on an equitable basis.

The Adjudicator Bill is expected to go before the UK Parliament during this year and it is **essential that these plans are implemented as quickly as possible.**

## Animal / Plant Health

The **enhancement of Northern Ireland's high animal and plant health status** is imperative going forward. In particular, as animal/plant diseases do not recognise borders, it is essential that the Governments and industries in both Northern Ireland and the Republic of Ireland work closely to ensure that our **policies and procedures are co-ordinated effectively.**

Bovine TB remains the biggest animal health challenge facing the industry in Northern Ireland. The reservoir of TB in wildlife is now not only being addressed in the Republic of Ireland but is also being actively tackled in both England and Wales. **Decisive action must be taken** in Northern Ireland to deal with TB and this **must include properly addressing the reservoir of TB in wildlife.**

## Better Regulation

In May 2010, DARD and DoE responded to the **Report from the Independent Better Regulation Taskforce Review** which was published in June 2009. While both DARD and DoE accepted the vast majority of the Independent Panel's recommendations, DARD only began the process of establishing a Better Regulation Unit in May 2010. DARD also proposed that several of the key cattle identification, registration and movement recommendations should be considered further by another DARD/ Industry Working Group.



*A more strategic approach for DARD's 2011-2014 budget, which will contribute to supporting and growing industry competitiveness.*

In particular, the UFU still strongly holds the view that a **Charter of Farmers' Rights must be introduced**. This was at the very core of the UFU's 'Cut it Out' Campaign from its inception in 2006 and was one of the major recommendations from the Independent Panel which DARD subsequently rejected.

In 2009, the Independent Panel estimated that the financial burden caused by regulation on the NI agri-food industry could be **reduced by between £10 million and £15 million** in the period up to 2013 and DARD itself set its own target of **reducing the administrative burden on the industry by 25%** by 2013. There is an **onus on Government, and DARD in particular, to deliver.**

The UFU continues to support improved environmental protection. To achieve this, the resolution of environmental problems rather than focusing on environmental governance or structure is key. The UFU therefore remains **opposed to the creation of an independent Environmental Protection Agency (EPA) in Northern Ireland** on the basis that it will not only lead to additional cost and bureaucracy for the agricultural sector but will also **divert scarce Government resources from focusing on real environmental problems.**

The UFU has consistently sought the **abolition of the Northern Ireland Agriculture Wages Board (AWB)**. This is an additional layer of bureaucracy on top of the National Minimum Wage and a plethora of other employment legislation, which is already in place to protect workers. The AWB for England and Wales is to be abolished and **similar action must be taken in Northern Ireland.**

## Climate Change

The industry is working with DARD to develop a **Northern Ireland Mitigation Strategy for Greenhouse Gas (GHG) Emissions**. This Strategy will incorporate a range of **potential mitigation measures and practical steps, underpinned by scientific research**, and will be brought together in an action plan to support the delivery of an emissions reduction strategy. **Due recognition and support must be given to the industry by Government to ensure the effective delivery of this Strategy.**

Additionally, while progress is being made on the development of **renewable energy systems** within Northern Ireland, **more still needs to be done at NI Government level** particularly in the areas of co-ordination, barrier removal and market development. The capacity exists for the farming industry to play a major role in improving Northern Ireland's energy security in a truly sustainable way. This will enhance our economy by retaining additional financial resources within Northern Ireland, which are currently spent on imported fuel, and also creating significant numbers of additional jobs.

## Concluding Comments

The Northern Ireland agri-food industry is a bedrock of the NI economy. It has traded strongly during the recession and has the potential to be developed further. The Ulster Farmers' Union is urging politicians to recognise this and to **adequately invest in the industry to allow it to grow and to realise its full potential.**



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