

Economic Contribution

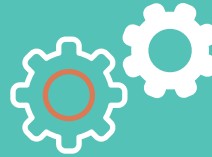
IRISH MEAT SECTOR AT THE HEART OF THE RURAL ECONOMY



The agri-food sector is a hugely valuable part of the economy, total agri-food sector exports in 2019 amounted to €14.5bn



The meat industry accounts for over 40% of Ireland's gross agricultural output, dominated by beef, followed by pigmeat, sheepmeat and poultry



The meat sector has a major impact on regional economy spend and rural economic activity with a significant multiplier effect



Meat processing in Ireland employs 16,000 people, with as many indirect jobs dependent on the meat sector, as well as contributing to the livelihoods of 100,000 farmer suppliers



€100m

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Ireland is the fifth largest net exporter of beef in the world and has earned a very strong international reputation for high quality produce



Under the Food Wise 2025 strategy, the meat sector has an ambition to grow export value by €1bn and is well on the way towards that target

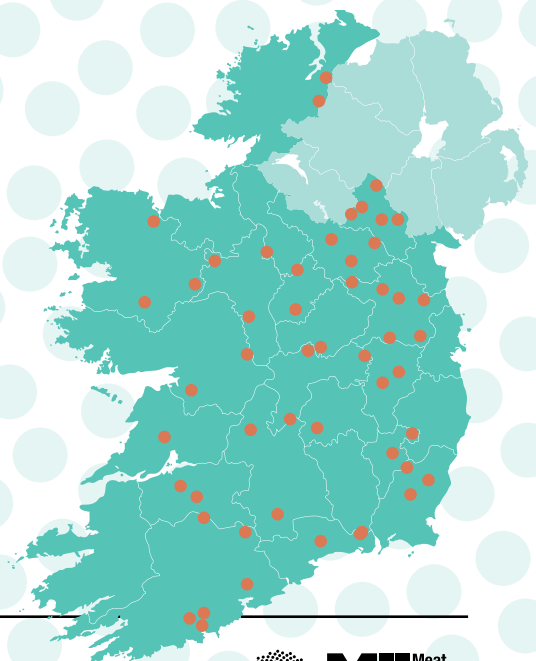
Overview

The agri-food sector in Ireland, from farm to fork is our most important indigenous industry, providing 173,000 jobs and accounting for 10% of Irish goods exports.

16,000 people are employed in the meat processing sector with at least as many indirect jobs dependent on the meat sector. In addition, it supports the livelihoods of over 100,000 farmer suppliers. The sector comprises approximately fifty major processing sites across the length and breadth of Ireland, with an average meat processing facility responsible for €100m of economy activity in the local area and 320 direct jobs.

As an industry, agri-food, including meat, is one of the oldest economic drivers in Ireland, and has proven durable through economic downturns like the dotcom crash in the early 2000s and the 2008/9 financial crash. The Irish meat sector positions itself as a world leader for sustainably produced, safe food, from modern processing facilities. It has earned a very strong international reputation for high-quality produce, underpinned by sophisticated supply chain logistics capability.

Location of Irish meat plants



Multiplier effect

In addition to direct employment in modern processing facilities a wide range of local suppliers, service providers, and haulage firms benefit from the economic activity the sector generates. Employment in the meat industry provides opportunity in areas of rural Ireland where there are often limited opportunities, and there is a multiplier effect whereby every job in a meat processing facility helps contribute to the sustainability of at least 2 other jobs.

Beef

Beef is the biggest category within the meat sector, accounting for 21% of food and drink exports from Ireland. Ireland is the fifth largest net beef exporter in the world and the largest exporter of beef in Europe.



Production (tonnes)	624,000	304,000	66,000	205,000
Exports (tonnes)	560,000	254,000	54,800	150,000
Exports (€ m)	2,250	941	294	306
% to UK (volume)	47%	38%	29%	61%

Pigmeat

The pigmeat sector is the third most important component of the Irish agri-food industry, and accounted for almost €950m exports in 2019. With 320 commercial pig producers producing 3.3m pigs annually, the Irish pig industry makes a valuable contribution to farm income, regional employment and export earnings.

Sheepmeat

Ireland is the fourth largest net exporter of sheepmeat in the world and the second largest in Europe. Almost 3 million sheep were processed annually. The sector is strongly export oriented and 2019 exports, to over 30 markets, were valued close to €300 million.

Poultry

Each year in Ireland, close to 100 million birds are produced and processed in seven export approved processing plants throughout the country. There are approximately 350 poultry farms supplying this important sector. The domestic market is the major outlet for Irish poultry meat but the sector also makes a very significant contribution to Irish meat exports.

Agri-food employment as % of total employment by region in 2016



Source: Central Statistics Office, Census 2016

Regional impact

Within any rural community, the meat sector is key to the local economy and has a very high local multiplier effect.

- **Approximately 16,000 jobs are directly provided by meat processing across rural Ireland with additional associated jobs in distribution, transport and services**
- **The spending associated with the meat processing sector is almost entirely deployed in Ireland, thereby avoiding leakage that would reduce the multiplier impact**
- **Rural towns do not benefit significantly from other Foreign Direct Investment and in many of the rural areas the meat processing plant is the largest local employer**

Food Wise 2025 strategy

The current Food Wise 2025 strategy has set ambitious growth targets for the Agri-Food sector with the aim of increasing export value by 85% to €19bn by 2025.

The meat sector has an overall ambition to grow exports by in excess of €1bn delivering new revenues and jobs through farming and value-added processing and in the wider economy. We are well on the way to delivering this target.

Global markets

Significant investment has been made by all Meat Industry Ireland (MII) members to continuously upgrade processing facilities and ensure that companies are in a position to compete not just on a European scale, but also increasingly on a global scale.

Ireland's strong environmental credentials in agriculture and meat production means we are well-placed to harness the growth opportunities

in international markets and emerging economies.

Investment

The sector faces increasing challenges including Brexit, COVID-19, increased sustainability requirements, a new Common Agriculture Policy and shifting consumer trends.

The meat industry invested in excess of €100 million in recent years in an on-going programme of investment to develop facilities and processing techniques to meet both customer expectations and cater for increased output and higher value-add generation. A new State supported capital investment programme is critical to meeting the challenges and opportunities ahead.

“A €1m increase in beef sector output generates a further €2.11m increase in the wider economy and supports an additional 16 jobs.”

– IFA (Hennessy et al.) Report August 2018

Conclusion

The meat industry continues to make an enormous contribution to the national economy, to farms across rural Ireland and to thousands working directly and in associated services that rely on these processing plants for their income and employment.

It is a sector that has invested heavily in its future in recent years and that investment is paying off in terms of growth of some 50% in output value since 2010, and we should look for continued growth in the future.