



**An Roinn Talmhaíochta,  
Bia agus Mara**  
Department of Agriculture,  
Food and the Marine

# Market Access Report 2019-2020





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Food and the Marine

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Published: November 2020

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**Acknowledgement**

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(Meat Market Access Section, DAFM).

## Foreword

# by Minister Charlie McConalogue T.D.



I am pleased to introduce my Department's second Market Access Annual Report. This report provides an overview of the substantial progress made in accessing markets in countries outside the European Union for Irish food producers and my Department's ongoing efforts in this area during 2019 and to date in 2020. Market development is a key theme of Food Wise 2025 – the rolling industry-led strategy for the agri-food sector<sup>1</sup> – and will be an essential component of the next iteration of the strategy.

The work of the Department on market access is focused not only on the development of new non-EU or third country markets but also on the equally challenging work of enhancing or retaining access to existing international markets, as we seek to expand our global footprint while maintaining our position as a quality food producer and supplier.

The Department's market access endeavours involve work at political, diplomatic, administrative and technical levels. Market access and development is a continuing collaborative effort drawing on the expertise of staff in different divisions and functions across the Department. It includes veterinary, laboratory, inspectorate and administrative staff engaged in completing market access questionnaires for importing countries, facilitating incoming inspection visits by their auditors, participating in diplomatic meetings, agreeing export health certificates and so forth. Our success in gaining and retaining market access is directly related to Ireland's excellent reputation for food safety and our enviable national herd health status.

Overall, agricultural exports to countries outside the EU have increased from around €3.7 billion to €4.3 billion in the period 2016 to 2019. This represents an increase of €627 million or 17% in a four-year timeframe. The value of Irish meat exports to non-EU markets in this period increased by nearly 50%. Between 2010 and 2019, agricultural exports to third country markets increased as an overall proportion of our total agri-exports, from 23% to 30%. This is a good indicator of industry growth and progress over the past decade.

In 2019, two of the five most valuable destination markets for Irish food – the USA and China – were non-EU markets. Likewise, ten out of the top twenty markets for Irish agri-exports were non-EU markets. This includes countries as cultural and geographically distinctive as Canada, Japan, Nigeria, Philippines, and the United Arab Emirates. These facts underline the importance of finding and growing new markets for the future prospects of the Irish agri-food industry.

A handwritten signature in black ink that reads "Charlie McConalogue". The script is fluid and cursive.

**Charlie McConalogue T.D.**  
Minister for Agriculture, Food and the Marine.

<sup>1</sup> The umbrella term 'agri-food sector' is used to denote primary agriculture, horticulture the food and beverage industry, fisheries and fish processing, forestry and forestry processing.

## Minister of State's Foreword

## by Minister Martin Heydon T.D.



**In recognition of the need to support Irish food and drink exports competing in global markets, I am very pleased to have been appointed Minister of State in the Department of Agriculture, Food and the Marine with specific responsibility for new market development.**

The focus on securing new markets for Irish food while maintaining and enhancing existing markets is consistent with the overarching Food Wise strategy for the agri-food sector. A core aspect of my role, as I see it, will be to develop political relationships with counterparts in key third country markets to complement and to advance the market access work being done by my officials.

The agri-food sector must constantly adapt and change in response to major European and International policy developments such as CAP reform, Brexit and now the Covid-19 pandemic.

In responding to the UK's Brexit vote in June 2016, the Department greatly expanded its already wide range of market access activity. Those systems and skills are now more relevant than ever before as we work to ensure the operation of Ireland's agri-food industry and maintain global food supply chains in the midst of a worldwide pandemic. The measure of this capability can be seen in the market access achievements in the course of 2019 and to date in 2020. These successes included:

- securing the approval of 14 additional beef plants to export to China bringing to 21 the total number of approved beef plants;
- expanding our access to the Japanese market with an agreement on the lifting of the 30-month age restriction on beef exports;
- the opening of the Japanese market to Irish sheepmeat products;
- the opening of the Mexican market for frozen Irish pigmeat;
- renegotiating bilateral dairy certificates with several third country authorities;
- hosting four third country audits and inspections; and

- agreeing health certificates for the export of breeding, fattening and slaughter cattle with Algeria and Egypt.

The report contains more detail on these successes and on markets opened or enhanced for other commodities during 2019 and to date in 2020.

I would like to thank everyone who has worked so hard to ensure our ongoing success in a highly competitive and ever-changing environment. I must acknowledge the work of officials throughout my Department, in Bord Bia and the Irish Embassy network abroad and all other stakeholders in the agri-food sector. In particular, I want to mention the contributions to the Department's market access endeavours of two dedicated public servants - Dr Dave Nolan and Dr Ciarán O'Sullivan - both of whom recently retired from Veterinary International Trade Division. While the role of the Department is to open up these markets, it is up to the industry - with the support of the Department and Bord Bia's marketing expertise - to capitalise on those opportunities. Ultimately, the sector is about all those people on the ground making sales, dealing with overseas customers, shipping product and contributing in different ways to the global footprint of Irish food. Of course, this export success is built on our strong reputation for quality, safe and nutritious food, produced in an environmentally sustainable and welfare friendly way, by Irish farmers and fishers.

Lastly, I encourage all stakeholders in the food supply chain to continue to work together on market development, and I look forward to working with you in securing, expanding and maintaining the export markets on which we depend for our living standards.

A handwritten signature in dark ink, appearing to read 'Martin Heydon'.

**Martin Heydon T.D.**  
Minister of State

## Overview of agri-food exports in 2019

**Table 1:** Overview of agri-food exports

Agri-food exports 2018 & 2019 by country	Jan-Dec 2018		Jan-Dec 2019	
	Exports		Exports	
Country	€000	Tonnes	€000	Tonnes
United Kingdom	5,578,289	4,300,439	5,468,127	4,406,090
United States	1,022,308	190,930	1,232,665	214,803
Netherlands	1,052,164	416,634	1,150,428	502,400
France	866,299	273,706	938,403	307,509
China	794,341	229,410	917,902	296,002
Germany	758,337	216,214	788,408	223,309
Italy	375,525	113,049	403,287	107,028
Belgium	293,455	98,072	296,554	109,381
Spain	291,203	74,245	291,021	74,078
Poland	143,671	48,814	167,335	51,921
Nigeria	110,975	90,455	162,773	99,173
Sweden	153,005	45,686	152,432	45,211
Denmark	147,513	65,990	145,495	61,516
Japan	114,807	45,804	132,577	48,324
Canada	108,201	27,183	118,613	27,604
Saudi Arabia	108,049	23,110	85,734	24,893
United Arab Emirates	56,987	21,287	83,532	34,402
South Africa	80,789	50,909	82,777	53,648
Philippines	61,231	41,524	79,226	43,839
Australia	58,820	25,322	72,705	21,009
	12,175,969	6,398,783	12,769,991	6,752,140

- The table opposite sets out, in value terms, the top 20 agri-food markets for 2019 and provides a comparison with how these markets performed in 2018.
- Although China's ranking as the fifth most popular destination for Irish agri-foods remains unchanged from 2018, the value of agri-foods exported to China increased by 16% from €794 million to just under €918 million in 2019. Pigmeat represented the largest element of this increase with exports increasing by almost €100 million in 2019 compared to the 2018 figure. Demand for imports of pigmeat into China increased significantly as a result of the ASF outbreak in the region.
- In terms of market diversification, it is noteworthy that 2 of the top 5 destinations for Irish agri-foods are non-EU markets – the United States and China.

Note: all data in this report is sourced from the CSO unless otherwise acknowledged.





*“DAFM’s market access efforts include work at political, diplomatic, and technical levels.”*



# Chapter One

## Seven point action plan on Market Access

## Seven-point action plan on Market Access

In April 2017, the Minister for Agriculture, Food and the Marine, Michael Creed T.D. outlined a seven-point action plan to increase international market access for Irish food and drink exports. This report provides an overview of the substantial progress made since then in terms of market access for Irish agri-food exports.

### 1. Establishment of a High-Level Market Access Committee

This internal DAFM Committee has been established and is chaired by an Assistant Secretary General. It meets regularly to review progress on current market access applications, deal with issues arising in existing markets and to prioritise work on future applications.

The committee brings together representatives from across the different functions and streams within the Department of Agriculture, Food and the Marine (DAFM) including the following divisions:

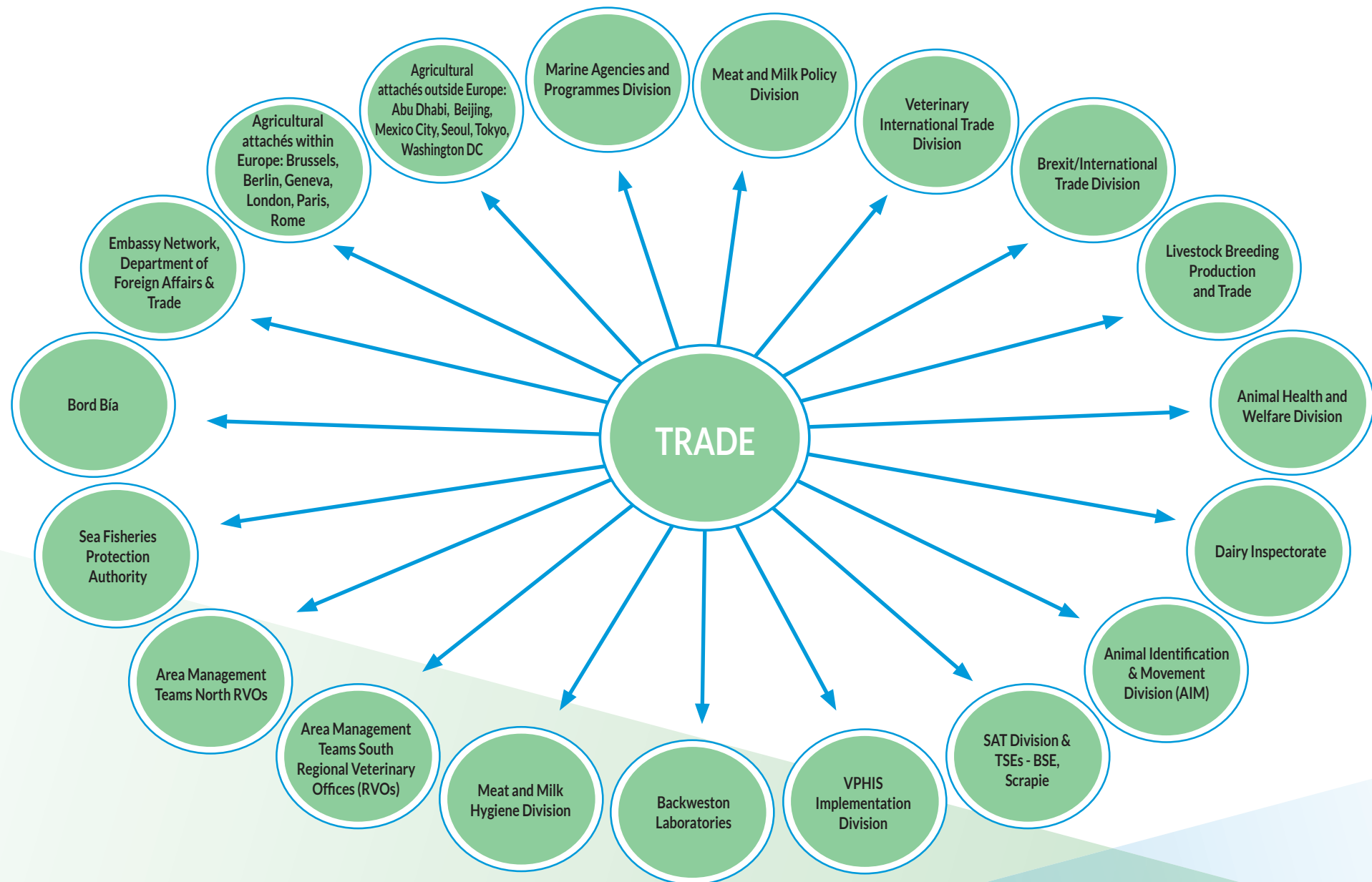
- Meat and Milk Policy;
- Veterinary International Trade;
- Marine Programmes;
- Dairy Controls & Certification; and
- International Trade.

Other divisions attend as required and Bord Bia also updates the committee as necessary. The Meat Market Access Unit within Meat and Milk Policy Division provides the secretariat to the committee.

### 2. The allocation of additional market access resources in DAFM

DAFM's market access efforts include work at political, diplomatic, and technical levels. This includes veterinary, laboratory and inspectorate staff, International Trade Division, Meat and Milk Policy Division and others, in completing market access questionnaires, facilitating incoming inspection visits, participating in diplomatic meetings, and agreeing export health certificates. All of this closely interconnected work facilitates the accessing of new markets and the maintenance or enhancement of existing markets. Please see overleaf for an Organogram showing market access and trade-related activity across DAFM and relevant stakeholders.

## Market Access Stakeholder and Interdependencies





### 3. Market profiling exercise for potential third country markets for Irish exports

The work of DAFM on market access is focused on the development of new third country markets, but also on the ongoing work to maintain access to existing third country markets and to improve the terms of our existing access, which is equally important.

On meat exports, DAFM works closely with Meat Industry Ireland (MII), Bord Bia and other stakeholders to agree market priorities.

The table below sets out DAFM's meat market priorities for 2020.

**Table 2:** DAFM's market access priorities for 2020

	Beef	Pigmeat	Lamb	Poultry
Target Market	China	Mexico	China	Malaysia
	South Korea	Malaysia	Saudi Arabia	South Korea
	Vietnam	Thailand		Japan
	Thailand			

On dairy exports, for which market access is less of an issue, the department's work is aimed more at increasing penetration of existing markets, particularly those with higher growth potential in north and south-east Asia. The focus markets include China, Japan and South Korea as well as Indonesia, Malaysia, Philippines, Singapore and Vietnam.



#### 4. An intensified programme of trade missions

Trade missions undertaken since the launch of the action plan in 2017 included the USA, Mexico, Japan/South Korea, Saudi Arabia/UAE, China, USA/Canada, Indonesia/Malaysia, Vietnam, and the UK. Trade missions in 2019 focused on Turkey, Japan / South Korea and China. Total Irish agri-food exports to these four countries amounted to €981 million in 2019 (339,647 tonnes). All these markets have significant growth potential.

2019 also saw visits to more traditional markets including the Netherlands and the UK. In November, in the Netherlands, the Minister met representatives of the Dutch veal industry, visiting their facilities and receiving re-assurances both on animal welfare and capacity issues. In December, during a visit to the UK and a further visit to the Netherlands, Minister Creed met senior representatives of supermarket chains which are important outlets for Irish food produce.

DAFM and Bord Bia undertook a joint trade mission to Algeria and Egypt in early February 2020. A number of other trade missions targeted at priority markets – such as China, the Philippines and Vietnam – had been planned for late 2020. However, the advent of Covid-19 and its subsequent restrictions have dictated that these trade missions be progressed through a virtual format. Therefore, in conjunction with Bord Bia, it is planned to hold virtual trade missions in early November with Vietnam, Indonesia, Thailand, Malaysia and the Philippines.

#### 5. Barriers to Trade

Ireland is one of the most globalised economies in the world, particularly in terms of agri-food. DAFM actively works and engages with various competent authorities in third countries in order to remove various technical barriers to trade and to improve certification conditions.

In relation to meat, DAFM has undertaken a review of existing export markets in which certification conditions present barriers to trade or additional costs for exporters. This review was carried out in collaboration with industry and a number of priority markets were identified that would be visited by a high-level DAFM team to resolve outstanding issues on market entry.





## 6. Increased engagement with the European Commission

Many of the major market access successes in recent years, such as achieving beef access to China and to the USA, have arisen as a result of intensive bilateral negotiations with individual third countries and lengthy engagements at political, diplomatic, official and technical levels.

DAFM also actively engages and works with the European Commission to achieve common goals. There is a high degree of crossover between market access priorities agreed by DAFM and the Commission's priorities. Examples include free trade agreements recently concluded by the EU with Mexico and Vietnam which will provide new export opportunities for Irish agri-food products in those markets. Those countries are among the Department's 2020 target markets for pigmeat and beef respectively.

DAFM actively supports measures to encourage a common approach to resolving issues relating to market access for EU products internationally. This is particularly important in ensuring that any EU veterinary health certificates that are agreed, and could replace bilateral certificates, are not less favourable than previously agreed bilateral certificates.



*The Berlaymont Building  
Headquarters of the  
European Commission.  
Source: glassdoor.ie*





**Some examples of engagement, from a market access perspective, with the EU Commission include:**

- Various incoming study visits to Ireland have been organised in conjunction with the Commission and some have included a visit to the Commission's offices in Grange (Directorate F, Health and Food Audits and Analysis, Directorate-General Health and Food Safety).
- DAFM attendance and participation in the DG Trade's Sanitary and Phytosanitary (SPS) market access working group, which is held in Brussels three times per year, through both the relevant policy and veterinary divisions. These meetings provide an important forum for sharing and information among experts at European level.
- Ongoing informal contacts at official levels by e-mail and telephone are an essential part of the engagement process with the Commission.
- A member of the Meat Market Access (MMA) team and the Head of Veterinary International Trade (VIT) attend these meetings normally held in Brussels. However during Covid-19, the SPS Market Access meetings are held via webinar on a shorter and more frequent basis.

*“DAFM actively supports measures to encourage a common approach to resolving issues relating to market access for EU products internationally.”*



## 7. Market Access portal

The online Market Access portal provides a repository of market access and export information on open agri-food markets around the world.

The portal is available at:  
<http://www.marketaccess.agriculture.gov.ie/>

This portal was developed as part of the 7-Point Action Plan on intensifying international market access, which is a key pillar of DAFM's response to Brexit as well as the market development theme of the Food Wise 2025 strategy.

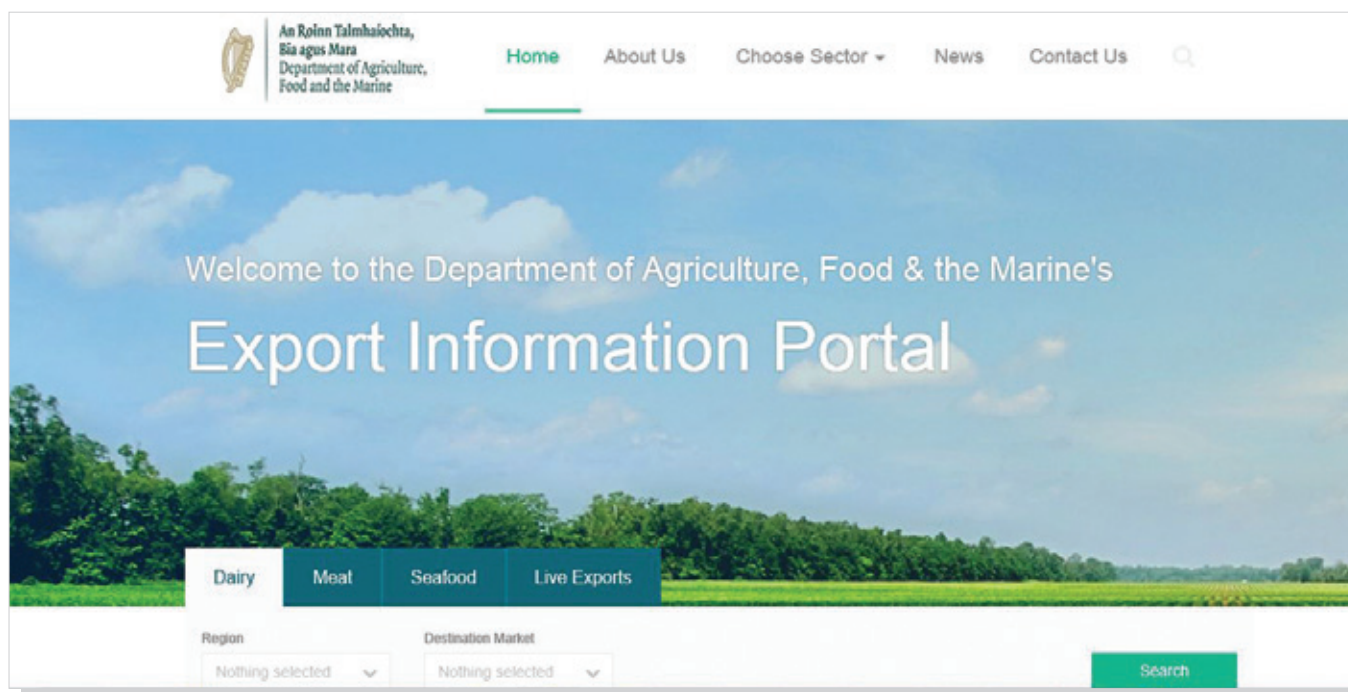
Agri-food exports totalled €14.5 billion in 2019, an increase of 6% on 2018 levels. Irish food products are exported to around 180 countries. These figures represent a broad range of commodities and products being exported to diverse destinations throughout the world. Therefore, the online portal provides an essential resource for exporters seeking to diversify market outlets for their products.

The portal provides information across the major agricultural sectors of dairy, meat, seafood and live animals. Content is reviewed on an ongoing basis and additional categories can be added as the need arises.

The information provided includes certification arrangements, exporter terms and conditions, individual country trading statistics and the typical products exported to individual markets. This information is updated on an ongoing basis when there are changes in trading conditions or when new markets become accessible. The portal also contains specific e-mail addresses for each sector where further information may be requested from DAFM staff.

The web portal allows food business operators and their agents to access market information without the need to contact DAFM staff.





### Home page of DAFM's market access portal

Traffic statistics has shown that the portal has been widely used since it was launched in May 2018. Traffic to the website increased significantly during 2019 with 84% of traffic represented by new users.

### Stakeholder interactions and the linkage of primary producers to the global marketplace

All of the stakeholders listed in the table on page 8 play a vital role in delivering primary produce to the end user in the marketplace. Here we present a case study focusing on one of those stakeholders; the Veterinary International Trade (VIT) Division.



Minister Creed and DAFM officials pictured at the launch of the 2018 report



## CASE STUDY: Veterinary International Trade Division

### International Trade

#### Market Access Meat

International trade policy and certification involving aspects of Veterinary Public Health, Animal Health and Welfare and Food Safety is set and agreed in relation to new and emerging third country markets and updated for existing markets, as required. Veterinary International Trade works closely with Meat and Milk Policy, Brexit and International Trade Divisions.

Product certificates are negotiated, agreed, amended and finalised with third countries. The Division attends market access meetings with industry and ensures trading issues are shared with the relevant stakeholders. The Division services EU Council meetings of Veterinary Experts (Potsdam) and international (CCFICS) meetings in relation to trade in products of animal origin. It also facilitates and participates in relevant third country audits and negotiates policy issues to expand market access, as required.



*Pictured above is the retiring head of VIT Division, Dr David W. Nolan SSVI, accepting an award with other colleagues on behalf of DAFM at the 2018 Civil Service Excellence and Innovation Awards on 22 November 2018 in St. Patrick's Hall, Dublin Castle.*

The Working Party of Veterinary Experts (Potsdam Group) is hosted by The Council of the European Union.

DAFM attends meetings of the 'Working Party of Veterinary Experts' on a regular basis and actively contributes to the forum where practical matters are discussed with subject matter experts on SPS, trade and market access issues. The Competent Authorities of the Member States discuss SPS Third Country Access and Free Trade Agreements with the European Commission SPS and DG Trade teams. One practical example of the output of the Potsdam Group is the Veterinary Agreement which allows Background Certificates to be issued between Member States where such certificates are required for Third Country exports.

The Division also facilitates and participates in relevant third country audits and negotiates policy issues to expand market access, as required. The Division develops information and procedural documents for both industry and DAFM staff to assist in meeting third country requirements. Ongoing liaison with Veterinary Public Health Inspectorate Service (VPHIS), and other functional areas is necessary to ensure what is deliverable on the ground.

## **VETERINARY INTERNATIONAL TRADE**

*The goals of the Division include achieving third country trade access for Irish produced products of animal origin and to maintain existing international markets. Commodities include livestock, livestock products, pets, poultry, horses, dairy products, animal feed, germinal products and animal by-products. Barriers to market access and trade are identified and contributions are made for their elimination.*

*The Division also hosts and leads trade missions and seeks to positively influence EU negotiations on trade agreements and WTO.*



# Chapter Two

## Trade Missions





## Trade Missions

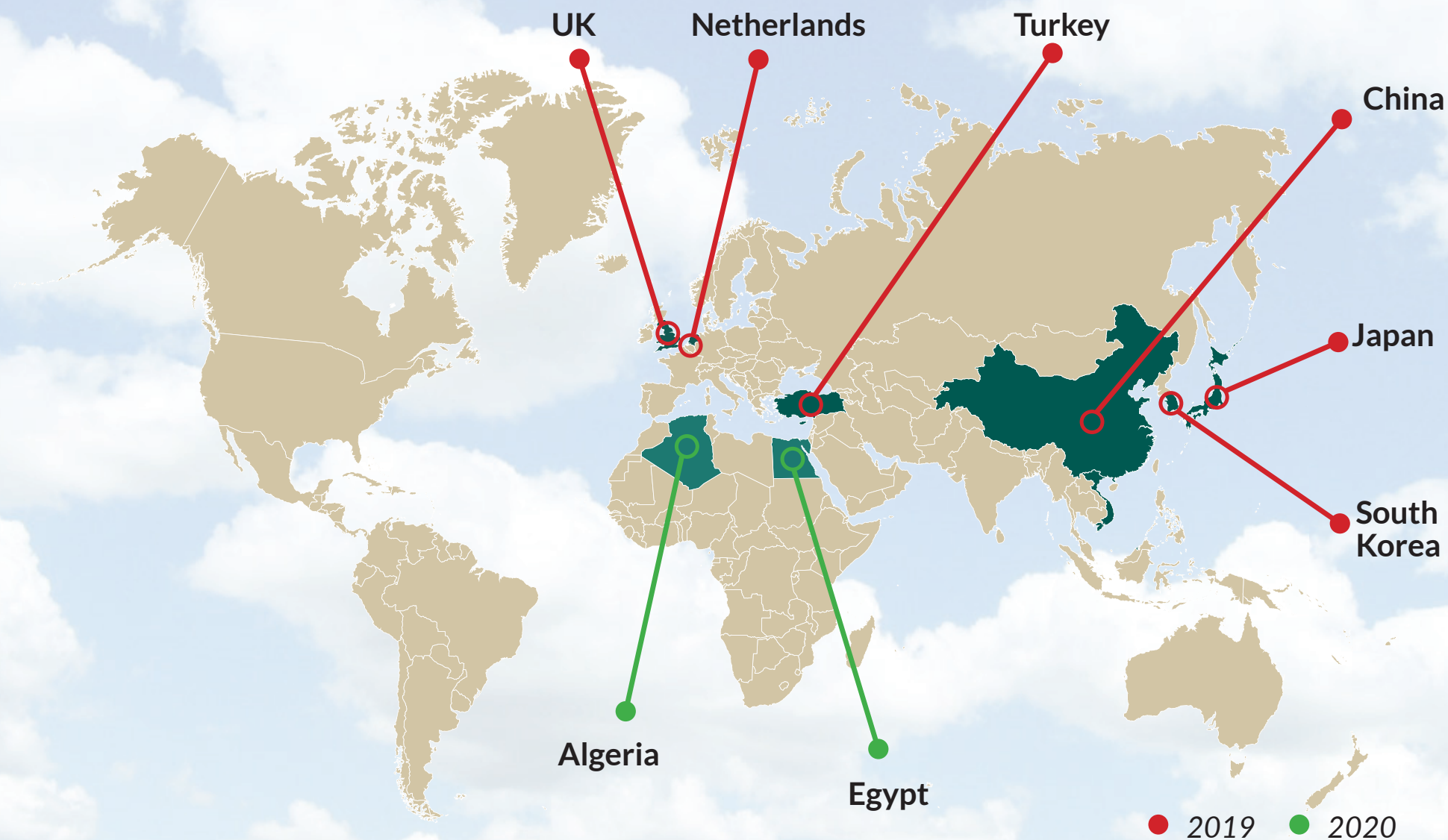
The Covid-19 global pandemic will have implications for the future conduct of trade and inward inspection missions. Greater reliance on technology has many advantages but presents significant challenges to the Department in the way it carries out its market access work. An increasing number of meetings are taking place online with both internal and external stakeholders. Virtual trade missions and trade shows will become the norm as we learn to live with the presence of the coronavirus. With the advent of the pandemic, it is essential to remain flexible and pivot to new ways of doing business when possible.

Trade Missions play an important role in our market diversification and export expansion strategy for agri-food produce. During his tenure, Minister Creed was very active in supporting DAFM's strategy of gaining a foothold and then developing a presence in as many global markets as possible.

In 2019, he led trade missions to Turkey in early March, China in May and November, Japan and South Korea in June and to the UK and Netherlands in November and December. The most recent trade mission was that to Algeria and Egypt in February 2020.



Trade Missions during 2019 to end September 2020.



## Turkey

The Trade Mission to Turkey took place from 6 to 8 March. The mission focused on the opportunities for live cattle exports and technical co-operation.

Minister for Agriculture, Food and the Marine, Michael Creed TD, met with his Turkish counterpart, Dr Bekir Pakdemirli, Minister for Agriculture and Forestry.

The meeting covered existing and future opportunities for technical cooperation and trade in agri-food products between Ireland and Turkey. Discussions focused on prospects for renewed live cattle exports from Ireland to Turkey which offers significant potential for livestock exports but import licenses were suspended in late 2018 by the Turkish Ministry due to oversupply in the market. The market has since reopened and Turkey was the second most important international market destination for live exports in 2019 accounting for 11,309 head of cattle.

*Minister for  
Agriculture,  
Food and  
the Marine,  
Michael Creed  
TD, meeting  
with his Turkish  
counterpart,*

*Dr Bekir  
Pakdemirli,  
Minister for  
Agriculture and  
Forestry.*



## China

Minister Creed led two trade visits to China in 2019, reflecting the importance of the China market for Irish exports.

“The Ireland-China partnership for the agri-food sector continues to develop, reflecting the strong strategic partnerships being built between Chinese and Irish companies”

The visit from 13 to 15 May 2019 included events in three Chinese cities: Shanghai, Beijing and Hohhot.

### Shanghai: 13 May

The Minister and the Irish delegation hosted industry meetings with key Chinese customers, prior to the opening on 14 May of SIAL China, Asia's largest food innovation exhibition, and the Irish Pavilion. The Minister, together with the Irish Ambassador to China, Department officials and Bord Bia hosted a number of networking events and a ‘China Focus’ seminar for Irish companies and their key customers, importers and distributors.

Bord Bia had a dual role in the sourcing of new markets in China; both for Ireland, and for the EU campaign to promote beef and lamb in China under the banner of European Beef and Lamb: Excellence in Food Safety and Sustainability.

### Beijing: Three Ministerial meetings in Beijing 14 May 2019.

The Minister met with Vice Minister Zhang Jiwen of the General Administration of Customs (GACC) and submitted further detailed documentation following previous technical discussions for 14 beef plants. Discussions on progressing market access for sheepmeat was a priority objective of the trade visit.

A direct outcome of the high-level discussions resulted in a commitment by GACC to carrying out an inspection of a further tranche of beef plants in August 2019 in addition to a sheepmeat systems audit and slaughter plant inspections.



Minister Creed also met his Chinese counterpart, Minister for Agriculture and Rural Affairs, Han Changfu for discussions in relation to technical cooperation and agricultural policy issues.

Minister Creed's third Ministerial meeting was with Vice Minister Ma Zhengqi of the State Administration for Market Regulation, which oversees the registration of infant milk formula and child nutrition products - a key export category for Ireland in the Chinese market.

#### **Hohhot, Inner Mongolia, China: 15 May 2019**

The Minister met the executive leadership teams of China's two leading dairy companies, Yili and Mengniu, in Hohhot, Inner Mongolia.

"Inner Mongolia is famous as the home of the Chinese dairy industry, based on a tradition going back thousands of years", Minister Creed commented. "Today's meetings provided a unique opportunity to interact with these global companies on their home territory".

Minister Creed led a delegation from his Department, Bord Bia and the Embassy of Ireland Beijing, together with representatives from some of Ireland's key dairy companies with significant experience in the Chinese market - Kerry Group, Glanbia and Dairygold.

The focus of discussions was on the opportunity for strategic business to business partnerships. Ireland's dairy offering, based on the best of nature and science, with a strong focus on bespoke dairy ingredients and solutions, resonated strongly with Chinese industry.

#### **11 – 13 November: Beijing and Shanghai**

The second trade visit to China took place in November, following the announcement in October of the approval of the final 14 beef plants to export to China. This latest batch of plant approvals brought to 21 the total number of Irish beef plants listed by the General Administration of Customs in China. This breakthrough marked a step change in Ireland's capacity to supply growing demand in the Chinese market on foot of which Minister Creed led another trade visit to China in November 2019. The visiting delegation included Bord







Bia CEO Tara McCarthy and officials from DAFM. Its objectives were to further deepen understanding of the Chinese trade customer and to develop business with some of China's leading beef and lamb processors, importers, retailers and online trading platforms.

The delegation visited Shanghai and Beijing for a series of high-level engagements with Government and trade representatives, culminating with the announcement of a retail promotion for Irish beef with Chinese online retailer, JD.com, which is China's second largest online platform with over 320m annual customers and the world's third largest Internet company by revenue.

The promotional deal followed conclusion of an EU-China Protected Geographical indicators agreement for Irish Cream and Irish Whiskey – a critical factor in supporting the future export growth of those products in China.



\* Source: Irish Farmers Journal

Pictured above is an Origin Green display at the HC Shanghai global trade show which was attended by Minister Creed and Bord Bia CEO Tara McCarthy. This trade show is the leading comprehensive exhibition platform in China.

Minister Creed also held a bi-lateral meeting with Vice Minister Hu of the General Administration of Customs China (GACC) where market access issues, and in particular, Ireland's application for sheep meat access were discussed.

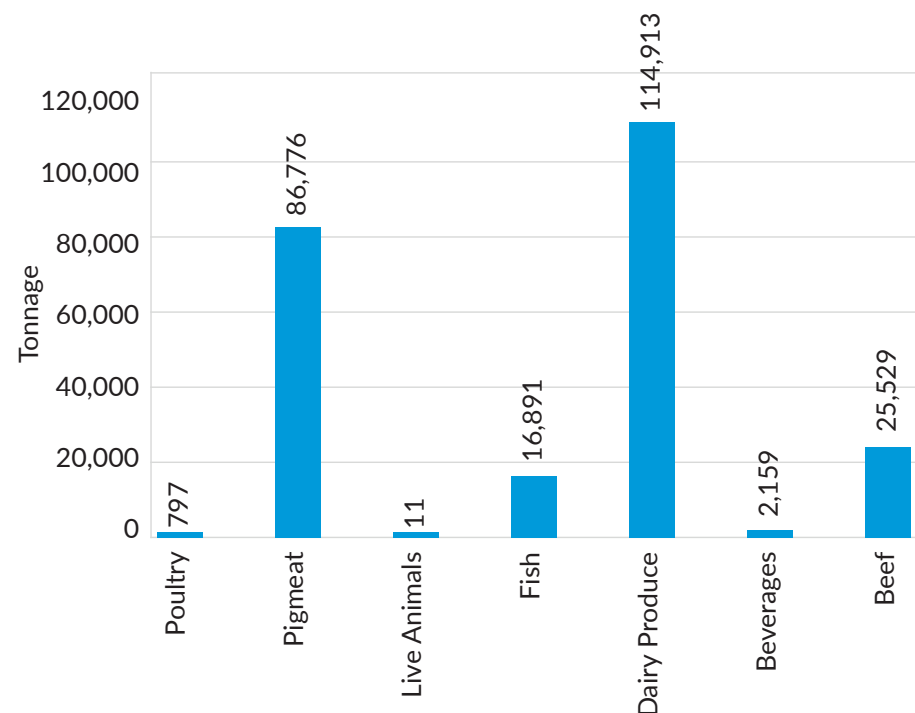
In 2018 Ireland exported €79.3million (59,540 tonnes) of pigmeat to China (including Hong Kong), this figure increased markedly in 2019 to €177.1 million (86,776 tonnes); an increase of 123% in value terms, making it our second most

important export market after the United Kingdom. In volume terms, pigmeat exports to the United Kingdom in 2019 amounted to 102,865 tonnes with a value of approx €463 million.

**Table 3:** A selection of agri-food exports to China 2017-2019

	2017		2018		2019	
	€000s	tonnage	€000s	tonnage	€000s	tonnage
Beef	76,580	25,543	64,958	20,623	95,484	25,529
Beverages	4,381	1,581	2,643	1,572	8,487	2,159
Dairy Produce	667,256	74,543	541,372	95,681	535,876	114,913
Fish	37,107	11,492	53,980	13,542	49,929	16,891
Live Animals	781	12	257	1	217	11
Pigmeat	102,472	64,915	79,265	59,540	177,066	86,776
Poultry	1,662	958	1,194	550	1,597	797
TOTAL	890,239	179,044	743,669	191,509	868,656	247,076

**Figure 3:** A selection of agri-food exports to China in 2019 by volume





“Discussions centered on efforts to progress sheepmeat access and on satisfying Japanese traceability requirements.”





## Japan and Korea

Minister Creed led an agri-food trade mission to Japan and South Korea between 10 - 14 June. This was the second trade mission lead by the Minister to Japan and the Republic of Korea. Speaking ahead of the trade mission, Minister Creed explained that his visit to East Asian markets was aimed at strengthening agri-food trade between Ireland and the region. 'Trade missions help to build the Government-to-Government and business-to-business relationships which can make a real difference to Irish food and drink exporters. This work is critically important against the backdrop of Brexit'.

### Japan



\*Source: Breifne O'Keefe Agriland.

Beef exports to Japan amounted to €3.6 million in 2018 rising to €9.5 million in 2019. In May 2019, Japanese authorities announced the removal of the 30-month age restriction on beef exports from Ireland. This development followed detailed technical exchanges and a successful audit visit by a team of inspectors from the Japanese Ministry of Health, Labour and Welfare two

months earlier. Enhanced market access for all Irish beef is expected to present significant opportunities for further export growth.

During the Japanese leg of the trade mission, Minister Creed met his counterpart, Minister for Agriculture, Forestry and Fisheries (MAFF), Takamori Yoshikawa and the Vice Minister for Health, Labour and Welfare, Masayoshi Shintani. These Ministerial meetings followed detailed technical meetings involving senior officials from both Ministries and DAFM, supported by the Irish Embassy in Tokyo. Discussions centered on efforts to progress sheepmeat access and on satisfying Japanese traceability requirements.

Afterwards, it was announced that both sides had agreed in principle that Irish sheepmeat could enter the Japanese market with details on import conditions to be finalised at a later date. On the basis of the introduction of electronic identification of sheep, the Japanese authorities were satisfied that this enhanced traceability for Irish sheepmeat would be compatible with their market access criteria.



*Technical meeting between Irish and MAFF officials in Tokyo in June 2019*

Minister Creed commented, “I am really delighted to announce that we have now reached agreement in principle on market access for Irish sheepmeat. Details will be finalised by an exchange of letters between my Department and the relevant Japanese officials. Meetings with both Ministers were very positive; reflecting the detailed technical cooperation and exchanges between our officials which led to today’s announcement. When this documentation is finalised, interested plants, who meet the relevant conditions, will be able to apply to my Department for approval to export.”

Other important developments on the Japanese leg of this trade mission included the opening of the Bord Bia’s new Tokyo office and the assignment of the first ever agricultural attaché to the Tokyo embassy.

The Tokyo part of the trade mission also featured an EU beef and lamb promotion, and a seminar on the EU-Japan Economic Partnership Agreement (EPA). Minister Creed also met with Japanese conglomerates Mitsui and Meiji, both of which have dairy interests, as well as Suntory Group, which owns two Irish distilleries.

## Korea

Department officials held a useful technical meeting with their counterparts in the Ministry for Food and Drug Safety (MFDS) on 13 June. On 14 June, Minister Creed met Vice-Minister Lee Jae-Ouk of the Ministry of Agriculture, Food and Rural Affairs to discuss Ireland’s market access application for beef.

Afterwards Minister Creed stated that “working relationships with the Korean authorities are excellent, thanks to ongoing engagement by the Irish Embassy in Seoul and his own Department. On beef access, Ireland is now at Step 5 of an 8 step process in Republic of Korea, and a vote in the Korean Parliament will be required before we can proceed to the next step.” The Irish delegation used both the political meeting with Vice-Minister Lee, and the technical meeting with MFDS, to advance the case for Irish beef access and to clarify the issues involved.



*Technical meeting between DAFM and MFDS officials in South Korea in June 2019.*

Minister Creed also hosted a number of promotional events such as Bord Bia Dairy Seminar and an EU-funded beef and pork seminar.

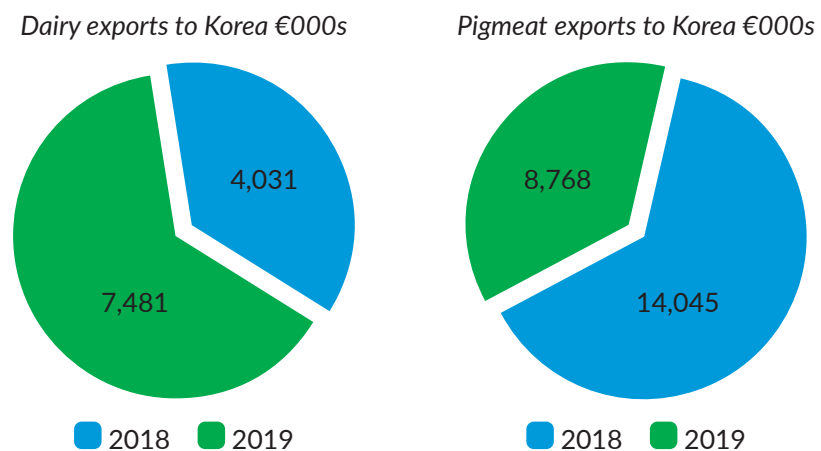
South Korea remains a significant market for dairy and pigmeat produce.

Exports of dairy produce saw an increase of 85% in value terms from 2018 to 2019.

**Table 4:** Dairy and pigmeat exports to South Korea 2018 - 2019

	Exports to South Korea			
	Jan-Dec 2018		Jan-Dec 2019	
	€000	Tonnes	€000	Tonnes
Dairy	4,031	1,378	7,481	1,583
Pigmeat	14,045	6,288	8,768	3,031



**Figure 2:** Dairy & Pigmeat exports to South Korea by value

Tara McCarthy, CEO of Bord Bia, and Minister Creed pictured at the gourmet Irish food week in South Korea in June 2019.







## Egypt and Algeria

A joint DAFM - Bord Bia trade mission to Algeria and Egypt took place on 1-6 February 2020. The official delegation was accompanied by representatives of the Irish dairy industry and the livestock export sector. Also participating was Sustainable Food Systems Ireland (SFSI), a collaboration across the Irish State agencies responsible for developing and regulating the agri-food sector. SFSI brings Irish expertise to international projects; funded directly by clients or by international organisations, it plays a critical role in building broader relationships with Government and businesses in many markets for Irish agri-food products.

A fifth of Africa's 1.2 billion people reside in North Africa and consume 40% of all dairy imported into the continent. Algeria and Egypt are not self-sufficient in dairy production and with a total population of 141 million people, both countries have a combined import requirement of 730,000 tonnes of dairy. A projected rise in population plus consumer demand for dairy products coupled with a deficit in domestic dairy production now make both Egypt and Algeria strategically important markets for Irish dairy exports.

### Algeria

With a population of 41 million people, has self-sufficiency of only 40% in dairy products, and a growing demand for cheddar. Total Irish agri-food exports to Algeria in 2019 amounted to €62 million and were dominated by dairy exports, which have grown rapidly in recent years to reach a value of €59 million. Algeria is also an important market for livestock exports. One aim of the trade mission was to develop existing relationships between Irish suppliers and Algerian importers and to build new connections. Over 1,000 head of live cattle have been exported to Algeria in the first half of 2020.

### Egypt

With a population of 100 million people, Egypt has dairy self-sufficiency of less than 75%. Irish agri-food exports to Egypt amounted to €67 million in 2019, with dairy and seafood the main export categories accounting for €61 million of the €67 million total.



*“Japanese authorities announced the removal of the 30-month age restriction on beef exports from Ireland.... Enhanced market access for all Irish beef is expected to present significant opportunities for further export growth.”*





Both countries are regarded as offering significant growth potential for Irish agri-food exports. The objectives of the trade mission were to progress opportunities for the Irish dairy and livestock sectors, build strategic partnerships and raise awareness of Ireland as a source of high quality, safe and sustainable food.

*Pictured  
DAFM officials  
meet with  
the Algerian  
Ministry  
and industry  
stakeholders.*



The Algerian market represents a good opportunity for Irish livestock exports, with imports of live cattle growing strongly in 2019 to approximately 100,000 head, of which 75% are young bulls. New live export protocols negotiated between the department and the Algerian veterinary authorities in 2019 effectively opened the live export market to Algeria by improving the conditions attached to market access. The stringent system of animal health and welfare controls operated by DAFM ensures that Irish cattle arrive at their final destination in excellent condition.

In late 2019, Ireland and Algeria agreed health certificates for the export of cattle to Algeria for breeding and fattening. During the trade visit, the Algerian authorities agreed and signed a certificate for the export of Irish cattle for

immediate slaughter in Algeria. The meeting with the Algerian authorities also discussed market access for beef and sheepmeat exports. Other issues discussed were possibilities for engagement and partnerships between both countries and technical cooperation

In Cairo, Department officials, along with the Irish Embassy team, engaged with their Egyptian counterparts to discuss technical issues in relation to market access.

The delegation had a detailed meeting with Deputy Minister for Agriculture, Mostafa El Sayad who agreed that Egyptian inspectors would conduct a systems audit in Irish beef and sheepmeat plants in 2020. Ireland already has beef access to Egypt and, during the visit, Department officials submitted a proposed veterinary health certificate for sheepmeat for consideration by Egyptian veterinary services.



*DAFM  
Assistant  
Secretary  
General Sinéad  
McPhillips  
pictured with  
Egyptian  
Minister for  
Agriculture  
Al Sayed El  
Quseir.*



# Chapter Three

## Market Access by Sector





## Overview of market access including Agricultural Attachés and Brexit

An enhanced focus on market access and trade development is a crucial element of DAFM's response to the twin challenges posed to the agri-food sector by the economic impact of Covid-19 and ongoing Brexit uncertainty. The Department has expanded its attaché network and from 2020 will have more posts in embassies outside the EU than inside. Building and developing official relationships with competent authorities abroad is a critical part of their work in deepening and widening access for Irish products in overseas markets.

### Agricultural attachés

DAFM has appointed agricultural attachés to positions in Brussels, Berlin, London, Rome, Paris, Geneva, Washington DC, Beijing, Mexico City, Abu Dhabi, Tokyo, Seoul and a Research Officer based in Moscow. The focus of these assignments varies according to the location, with some concentrated primarily on trade development and assistance while others are focused on representing Ireland's interests in EU and international organisations. The attaché network has recently been expanded to include Berlin, Mexico City, Tokyo and Seoul.

The positions in Mexico City, Tokyo and Seoul are to assist in the process of gaining access for Irish agricultural products given that the EU recently concluded trade agreements with Mexico, Japan and South Korea.



## Brexit

Another factor relevant to market access across the agri-food sector is the need to mitigate against the possible adverse impact of Brexit which will affect some commodities and products more than others. The impact of Brexit on Irish agriculture can be summarised as follows:

- The Irish agricultural sector is uniquely exposed to the UK market particularly beef, dairy (cheddar cheese), horticulture, forestry and processed consumer foods;
- Supply chains are highly integrated and will be subject to significant disruption in the event of a disorderly Brexit;
- Teagasc studies point to potential declines in output and incomes.

Maintaining trade with EU markets and third countries when the UK is outside the EU will prove logistically challenging from a physical (i.e. landbridge) and paperwork perspective. We must continue to ensure that third countries are satisfied with DAFM controls in the context of any new trade agreement with the UK. DAFM must prepare and be ready for whatever deal is negotiated.

## Agri-food exports

The amount of agri-food products exported to non-EU countries varies between the different categories and generally represents a relatively small, but growing, percentage of overall Irish agri-food exports. For example in 2016, 29.6% (in value terms) and 17.4% (in volume terms) of our agri-food exports were to third countries. By 2019, these figures had increased marginally in value terms and by almost 2% in volume terms. Exports of meat products (beef, pigmeat, poultry and sheepmeat) to non-EU markets showed more significant increase rising from 10.9% of total exports in 2016 to 14.9% in 2019.



*Agriculture attachés are crucial to Ireland's efforts to gain new market access, and also, to broaden Ireland's existing levels of trade both in value and volume.*

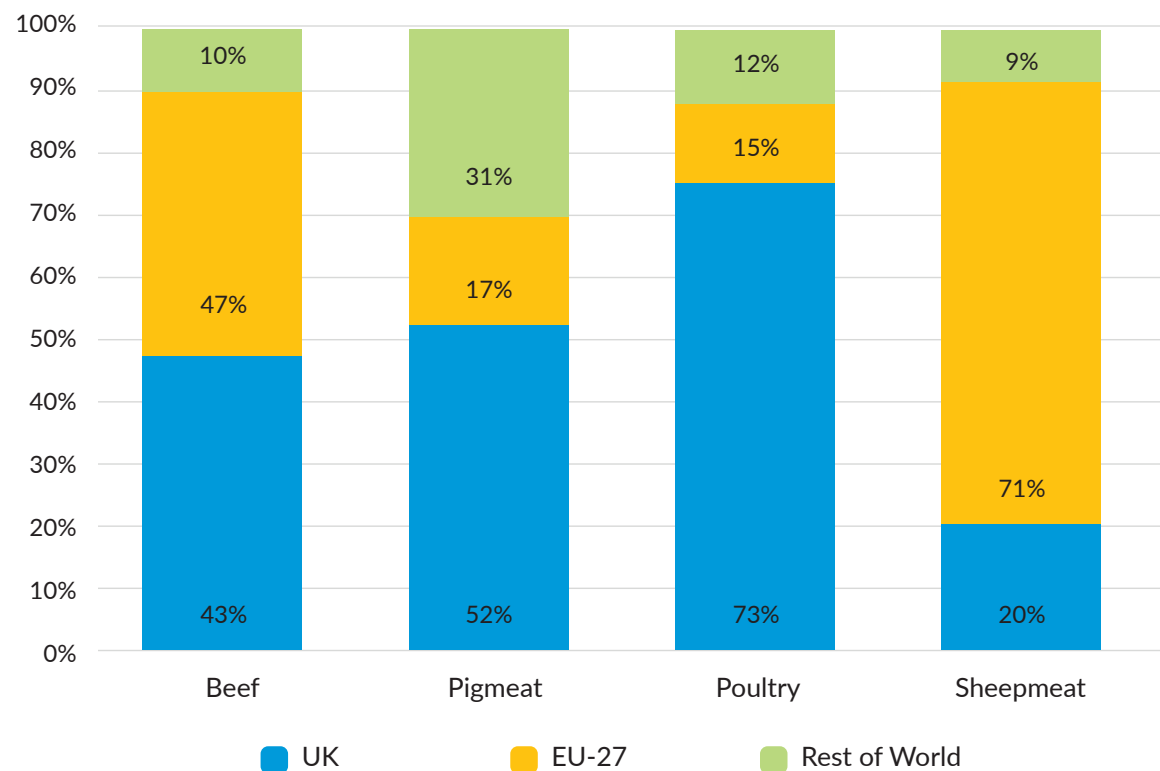
*“We must continue to ensure that third countries are satisfied with DAFM controls in the context of any new trade agreement with the UK. DAFM must prepare and be ready for whatever deal is negotiated.”*



## Overview of the meat sector

The bar chart opposite shows Ireland's meat exports to global markets across the four major meat species. The proportion of exports by value destined for non-EU markets ranges from 31% for pigmeat to 9% for sheepmeat. A noteworthy feature in the context of Brexit is that sheepmeat exports to the UK amount to only 20% of total exports. The most valuable export market for sheepmeat is France which accounts for €99.6 million or 31% of the of the total export market in value terms. Overall, third countries accounted for 15% of all meat exports with 45% going to the UK and 40% going to continental markets.

**Figure 3:** Total meat exports by value 2019



**Table 5:** Total meat exports by value 2019

Value (€000)	Beef	Pigmeat	Poultry	Sheep	Totals
UK	1,008,986	463,271	213,098	62,802	1,748,157
EU 27 (Excluding UK)	1,104,655	153,802	42,474	225,846	1,526,777
Rest of the world i.e. (Third Countries)	235,231	274,447	35,466	29,192	574,336
Overall total	2,348,872	891,520	291,038	317,840	3,849,270





“Our success in gaining and retaining market access is directly related to Ireland’s excellent reputation for food safety and our enviable national herd health status.”



“A total of ten food business operators, consisting of five processing plants and five coldstores, were authorised to export frozen raw pork to Mexico. That achievement was the culmination of a sequence of steps undertaken by the Department, Bord Bia and the Irish Embassy in Mexico over several years.”



## Meat markets opened or enhanced and ongoing work

In 2019, Japan was opened for sheepmeat (including offal), Barbados was opened for beef and beef products and Ukraine was opened for both beef and pork (including offal). Additionally, Japan agreed to enhanced access for Irish beef and Hong Kong agreed to the importation from Ireland of raw preserved meat preparations and raw preserved meat products (covering beef, lamb, pigmeat or poultrymeat).

In May 2020, the Mexican market was opened for Irish pork. A total of ten food business operators, consisting of five processing plants and five coldstores, were authorised to export frozen raw pork to Mexico. That achievement was the culmination of a sequence of steps undertaken by the Department, Bord Bia and the Irish Embassy in Mexico over several years.

Since April 2017, agreement has been secured for the export to 13 third country markets as shown in the following table. In addition, in October 2019, the first Irish company gained access for the export of beef patties to the US marketing their product as a unique Irish product in American supermarkets. This was followed closely by a second company also gaining approval to export beef patties. In 2020, two Irish companies were approved to export beef patties to Canada.

**Table 6:** Third country markets for which export agreement has been secured since April 2017

Country	Meat	Date
Saudi Arabia	Processed beef products	August 2017
Singapore	Boneless Beef from cattle of any age and Bone-in Beef (over 30 months) - enhancement of original health certificate.	August 2017
Chile	Pork and Pork Offal	August 2017
Namibia	Bovine Tripe	September 2017
Israel	Bone-In Beef from cattle of any age - enhancement of original certificate	March 2018
China	Beef	April 2018
Qatar	Beef, Sheepmeat and Poultrymeat	July 2018
Kuwait	Beef, Sheepmeat and Poultrymeat	October 2018
Ukraine	Beef and Beef Offal / Pork & Pork Offal	April 2019
Japan	Boneless Beef from cattle of any age - enhancement of original health certificate	May 2019
Barbados	Beef and Beef Products	July 2019
Japan	Sheepmeat and Sheep Offal	July 2019
South Africa	Butter-basted whole turkeys	October 2019
Hong Kong*	Beef and Pork raw preserved meat preparations and raw preserved meat products	December 2019
Mexico	Raw Frozen Pork	May 2020

\*Hong Kong is a Special Administrative Region of the People's Republic of China and has separate certification arrangements governing the importation of food products.





## Audit Schedule for 2019

In 2019, DAFM and Meat Market Access Unit hosted four audit visits from Japan, USA, China and Malaysia

### Japan

The Japanese audit took place in March 2019 and is the subject of a separate case study in this chapter.

### USA

The US Department of Agriculture (USDA) audit had a two month pre-planning timeframe and took place from 16 to 28 June 2019. During the audit, the USDA officials inspected three pigmeat plants, five beef plants, DAFM and independent laboratories, and two Regional Veterinary Offices.

### China

Following a ministerial meeting in Beijing in May 2019, the Chinese customs authorities (GACC) agreed to visit Ireland in late August for a sheepmeat systems and plant audit and a beef plant audit

Prior to the audit, Meat Market Access Unit organised a China Information Day on 17 July for industry and DAFM staff in the Department's Backweston campus which was attended by over 130 participants.

In August, the audit itinerary was confirmed for the period 27 August to 4 September 2019.

Following the opening meeting between DAFM and the auditors, FBO staff attended a presentation by a GACC official on Chinese Law and Food Regulations.



*GACC and DAFM officials at the closing meeting of the inspection audit on 4 September 2019.*

During an intensive ten-day audit, 14 beef plants were inspected, including 2 dual species (i.e. beef and sheepmeat) plants plus a further 3 sheepmeat plants and 2 coldstores. Accompanied by two interpreters and DAFM Veterinary Inspectors, the audit team of 5 inspectors also visited a Regional Veterinary Office, a rendering plant, a feed plant, and a sheep farm.

As a result of the audit, 14 beef plants and 1 coldstore were approved and included in the registered plant list on the GACC website in October 2019. A draft sheepmeat protocol is now in progress and remains an open item for market access in 2020.





*The Minister and DAFM officials meet with GACC inspectors during the 2019 beef and sheepmeat audit.*

### Malaysia

The Malaysian audit took place from 1 to 5 of December 2019. This compliance audit was part of the process of obtaining access for Irish poultry producers to this market. The audit covered two applicant plants and their associated coldstores. There were two separate audit teams each with two team members. One team from the Malaysian Veterinary Service (DVS) and another team representing JAKIM, the Malaysian Department of Islamic Development.

Malaysia is a significant market opportunity for Irish poultrymeat producers. With a population of almost 33 million, of which Muslims constitute 62% (or 20.5 million), Halal slaughter requirements are an important consideration for exporters. Pursuit of access to this market is still ongoing.

## Summary of 2019 audit results

Table 7: Summary of audit results

- March 2019, a Japanese audit in relation to the lifting of the 30-month ban on Irish beef took place. Three beef plants (one of which was a dual beef and sheepmeat plant) were audited. This audit was crucial to achieving the lifting of the 30-month ban later that year.
- June 2019, two auditors from the USDA's Food Safety Inspection Service conducted a beef and pork audit of 8 establishments (5 beef, 3 pork and related coldstores).
- August/September 2019, DAFM hosted a GACC (China) inspection visit. This inspection facilitated the registration of a further 14 beef plants and a sheepmeat systems audit.
- December 2019, DAFM hosted a poultry plant inspection visit from Malaysia.





## Live exports

### Live Animals

Live exports are a critical part of Ireland's livestock industry. They play a significant role in stimulating price competition and providing an alternative market outlet for farmers. DAFM facilitates this trade, recognising its importance to the agri-sector, while ensuring that live animal exports meet the highest welfare standards.

### Live Export Statistics

The total value of live trade exports from Ireland was €454.1m in 2019 (Source: CSO).

The majority of live animal trade takes place within the EU (92% of exports). The main third countries to which animals were exported from Ireland are Libya and Turkey, which account for 24,431 animals or 90% of the total third country exports.

Total live exports of cattle increased by 22% (54,529 head) in 2019 to 301,168 compared to 246,639 in 2018. The bulk of this extra demand came from the Netherlands, Italy and Libya where demand increased by 35,683, 6,030 and 7,672 head respectively. A strong demand for Irish calves in continental Europe contributed to an increase in calf exports during 2019.

### Ongoing Work Around Live Exports

In November 2018, Ireland received confirmation from Libya that proposed amendments to the existing certificate for cattle for fattening and slaughter and a new certificate for cattle for breeding had been formally agreed. The main change to the fattening and slaughter certificate was an increase in the age of animals to not more than 30 months. The new certificates were published in early 2019 and a number of consignments have since left Ireland.

Minister Creed met with the Kazakh Ambassador in late March 2019 to discuss new health certification for the trade of live animals to Kazakhstan. Much progress was made in relation to opening the Kazakh market which resulted in a new export health certificate being agreed between EU member states and Kazakhstan. The opening of a new market for live exports in Kazakhstan accounted for exports of 1,068 cattle in 2019.

In April 2019, an agreement was reached with the Egyptian authorities on three proposed health certificates for the export of fattening, slaughter and breeding cattle.

There was much progress made on live exports to Algeria arising from technical meetings between DAFM and Bord Bia and their counterparts in Algiers at the end of April. The Algerian authorities agreed to move from a joint breeding, slaughter and fattening certificate to three separate certificates.

In May, DAFM hosted a visit by a Turkish technical team, including officials from the Ministry of Agriculture and ESK (the Turkish Meat and Milk Board). The objective of the visit was to conduct an on-site fact-finding mission to determine the technical aspects of live animal exports and animal semen exports from Ireland to Turkey. This was yet another welcome development in the strengthening of our live trade with Turkey and followed the re-opening of the market to Irish exporters after its closure last year. Since then three export health certificates (for breeding, fattening and slaughter animals) have been agreed between EU member states and Turkey.

A protocol for trade in live pigs to China was prepared for signing in October 2019 and there are proposals to enter into trade in live pigs with Vietnam. This will necessitate the agreement of a protocol.

**Table 8:** Live cattle exports by destination country 2016 to 2019

Live cattle exports by destination country (EU) by year				
	2019	2018	2017	2016
Northern Ireland	33,547	24,732	26,117	24,745
England	3,622	3,315	3,294	4,175
Wales	1,373	1,359	1,625	1,166
Scotland	512	709	876	1,325
Spain	90,828	92,767	50,842	37,005
Netherlands	84,527	48,844	41,846	27,035
Italy	30,146	24,116	19,452	18,613
Belgium	2,943	13,457	5,525	433
France	7,810	9,058	2,774	5,936
Luxembourg	48	0	0	0
Lithuania	103	0	0	0
Poland	6,348	2,755	0	0
Slovakia	1,885	1,820	298	531
Greece	2,495	1,627	1,033	1,449
Czech Republic	5,151	816	9	41
Romania	1,082	701	986	605
Hungary	1,367	284	80	361
Germany	13	185	466	65
Portugal	198	136	0	200
Austria	0	5	4	0
Bulgaria	72	0	57	35
<b>Total EU</b>	<b>274,070</b>	<b>226,686</b>	<b>155,284</b>	<b>123,720</b>



Live cattle exports by destination country (Non EU) by year				
	2019	2018	2017	2016
Turkey	11,309	12,863	31,185	19,237
Libya	13,122	5,450	1,830	2,162
Morocco	18	686	0	180
Lebanon	155	355	0	0
Algeria	250	0	0	0
Russian Federation	0	291	451	0
Tunisia	747	164	0	0
Rwanda	30	83	54	39
Kosovo (Serbia)	65	61	35	66
Kazakhstan	1,068	0	0	0
Albania	34	0	52	0
Montenegro	0	0	0	154
<b>Total Non-EU</b>	<b>27,098</b>	<b>19,953</b>	<b>33,607</b>	<b>21,838</b>
<b>Total EU and Non EU</b>	<b>301,168</b>	<b>246,639</b>	<b>188,891</b>	<b>145,558</b>

\*Live cattle export figures sourced from DAFM's Animal Identification and Movement system as at February 2020.

## Other agricultural products

During 2019, new market access was progressed in the areas outlined below.

### Germinal products

In 2020, certificates for the export of bovine semen were agreed with Iran and Pakistan and export of bovine semen to Costa Rica continued to take place under a previously agreed certificate.

Ongoing work to achieve access to the Chinese market for germinal products also continued.

In consultation with exporters, DAFM has undertaken an exercise on the prioritisation of new market access requests for bovine semen.

### Animal feed

Exports of animal feed to Ukraine and Russia / Eurasian Economic Union have been secured with the agreement of health certificates.

### Animal by-products

Agreement was reached with Egypt on the text of a veterinary certificate for the export of slaughter hides and skins in July 2020.

Work has been progressed on the establishment of a certificate for the export of petfood to Mexico.

Ongoing work to achieve access for the export of hides and skins to Vietnam is progressing.

*“A protocol for trade in live pigs to China was prepared for signing in October 2019 and there are proposals to enter into trade in live pigs with Vietnam. This will necessitate the agreement of a protocol.”*





## CASE STUDY: Japan – enhancement and expansion of meat market access



Japan is the world's third largest economy and one of the largest meat importers globally. The Japanese meat market is a top priority market for DAFM and Bord Bia for promotion activities, access applications and trade missions. These efforts bore fruit in 2019 when the thirty-month age restriction on beef was lifted in May and sheepmeat access was granted in June. Ireland now has access for raw carcase meat, cuts and offal from plants and coldstores that have been approved for export to Japan.

The expansion and enhancement of meat market access to Japan represents the culmination of several years' work.

The Japanese market was opened to exports of chilled or frozen beef and

beef offal from Ireland in December 2013. In light of Ireland's history and status for BSE, the Japanese authorities required a 30-month age restriction be included in the agreed health certificate.

On foot of expressions of interest from industry on gaining access to the Japanese sheepmeat market, Ireland formally began the application process for access in the latter half of 2017.

In November 2017, during a Trade Mission to Japan the lifting of the 30-month age restriction and sheepmeat market access application were priority discussions. They were the focus of meetings held at both ministerial and senior technical level with counterparts in the Japanese Ministries of Health, Labour and Welfare (MHLW) and of Agriculture, Fisheries and



\*Source Agriland Claire McCormack

Forestry (MAFF). Both ministries act as the Japanese competent authorities for meat imports, with MHLW covering food safety and MAFF governing animal health requirements.

In the subsequent years, DAFM officials communicated closely with MHLW and MAFF to progress both applications. In March 2019, a team of inspectors from MHLW conducted a week-long audit with the dual purpose of reviewing the 30-month age limit in the beef export certificate and assessing Ireland's sheepmeat production system. The audit went well; DAFM received positive feedback on the rigorous controls observed at the inspected facilities.

Agreement on the lifting of the 30-month restriction was quickly reached following the success of the audit. On 17 May 2019, a new export health certificate came into force which made beef from cattle of all ages eligible for export to Japan.

The announcement of the new certificate gave a buoyant momentum to the Trade Mission to Japan in June 2019. On the second day, an agreement in principle on sheepmeat access was announced following ministerial meetings with Minister Takamori Yoshikawa of MAFF and Vice Minister Masayoshi Shintani of MHLW.

A little over a month later, on the 17 July, the Japanese sheepmeat market was officially opened to Ireland. The rapid agreement and finalisation of the export verification programme and export certificate was a testament to the excellent working relationships that has developed between the Irish and Japanese competent authorities.

Speaking at the time of the market opening, Ireland's Minister for Agriculture said that: "This achievement reflects the increased focus by my Department on opening and enhancing market access to key markets. This has involved

detailed work by our market access experts; audit and inspection visits by competent authorities from international markets; and an intensified agri-food trade mission agenda. This work is informed and supported by Bord Bia's market insights and strategic marketing and promotion programme. This intensive work programme reflects our shared Food Wise strategy, and represents a fundamental response to the challenges posed by Brexit."



*Pictured above is Tara McCarthy CEO of Bord Bia, Minister Michael Creed and Joe Moore Bord Bia's market specialist for Korea and Japan*





## Overview of the dairy sector

There are approximately 18,000 dairy farmers in Ireland. More than 85% of Irish dairy production is exported and, in general, there are few restrictions on our dairy produce exports. In 2019, Ireland exported dairy products to approximately 140 countries with a value exceeding €5 billion, this represented a 12.4% volume growth and 9.9% value growth compared to 2018. The export value of dairy exports has increased by approximately 127% since 2010.

Butter is our leading dairy product in terms of value and had an exceptional year in 2018 – in both the US and continental Europe – when for the first time the annual value of Irish butter exports exceeded €1 billion, a 22% increase on the 2017 value. However, the imposition of tariffs by the US on Irish dairy exports in Q4 2019, as well as a general reduction in butter prices resulted in a year-on-year increase in exports by volume of 19.5% translating into a much more modest increase in value of only 1.6% in 2019.

Looking at 2019 in terms of product mix, Fat Filled Powders were Ireland's leading export by volume, accounting for 22% of dairy exports (15% by value) followed by Cheese (19% by volume and 20% by value), Butter (17% by volume and 23% by value), SMP (10% by volume and 6% by value) and Infant Formula (9% by volume and 18% by value).

*“In 2019, Ireland exported dairy products to approximately 140 countries with a value exceeding €5 billion...”*

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Looking at market destinations, the EU-28 account for 55% of the value of Irish dairy exports with 45% going to international markets. The UK was the single most valuable market, accounting for 20% of the value of dairy exports, followed by the Netherlands at 14% and China at 11%. Irish milk production stood at 7.9 billion litres in 2019, an increase of 5.3% compared to 2018, and an increase of 54% over the Food Harvest 2020 baseline (Food Harvest, published in 2010, forecast a post-quota increase of 50% in production by 2020).

The long-term fundamentals of the global dairy market are strong, because of growing global demand projected from fast developing countries with increasing middle classes and growing demand for protein. Whilst significant challenges (price volatility, market turbulence, balancing supply/demand and changing societal tastes and demands) have continued throughout recent years, there is confidence that the Irish and EU dairy sector is well placed to gain from the opportunity presented by expanding global demand.

*Officials from  
DFAM and  
China's State  
Administration  
of Market  
Regulation met  
in December  
2019.*





## Market access

Irish dairy does not experience any acute market access issues. Enhanced market access for Irish dairy was secured with a number of destination markets in 2019.

As well as contributing to the objectives of Food Wise 2025, enhancing access to international markets for Irish milk and milk products has gained increased importance as a result of Brexit. In recent years, the UK has been the top market destination for Irish dairy. The UK accounted for over 50% of the value and volume of Irish cheddar cheese since 2014, and over 25% of Irish butter exports in both value and volume terms.

Similar to meat, DAFM is engaged in ongoing negotiations with authorities in various third countries to which Ireland is exporting milk and milk products. This includes the completion of market access questionnaires, negotiations in relation to health and veterinary certificates and establishment approval applications as well as participating in a range of technical and diplomatic meetings in order to address market access issues where appropriate.

Work is ongoing, in collaboration with agricultural attachés and our wider network of Irish representations overseas, to maintain access for Irish dairy exporters in other destination markets. Negotiations continue into 2020 with several trading partners in order to further enhance market access for Irish dairy products.

## Dairy certification

All consignments of dairy produce leaving Ireland, and destined for non-EU countries, are subject to inspection and certification. During 2019, DAFM reached agreement with third country competent authorities in the following destination markets, resulting in renegotiated bilateral certification requirements for various product categories:

- Algeria;
- Brazil;
- Mexico;
- New Zealand.

These certificates provide continued assurance to third country competent authorities on the quality Irish dairy produce and dairy ingredients. Since 2013, Ireland has exported milk and milk products to over 160 destination markets worldwide. DAFM issued approx 30,000 dairy export certificates in 2019 (this is comparable to 2018, which was +10% growth on 2017).

Over 40 applications have been processed by DAFM during 2019 from Irish dairy companies seeking market opportunities in third countries.

## Dairy controls and systems audits

A number of market access projects were completed during the period covered by this report, including: submission of detailed and technical questionnaires on Ireland's dairy controls system to Japan (December 2019); confirmation of the renewal of registration of Irish infant formula manufacturers and Irish dairy manufacturers with authorities in China (January and November 2019), as well as receiving a high-level delegation from authorities in China (December 2019). An overview of this is set out in the following paragraphs.

## Japan

Toward the end of 2019, DAFM staff across a range of functional areas made significant contributions to the submission of a detailed and technical questionnaire on Ireland's dairy controls system to authorities in Japan. This questionnaire outlined DAFM's responsibilities for ensuring the quality of Irish dairy produce and has provided a foundation for ongoing negotiations to further support Ireland's bilateral health certificate in force with Japan for these products.



*“Accordingly, the Department commits considerable resources to ensure that Ireland’s food safety control programmes continue to meet the evolving food safety requirements of the Chinese authorities.”*





## China

China is a market of strategic importance, where Ireland is a global leader in the dairy sector in terms of the safety, sustainability and traceability of our dairy production. Accordingly, the Department commits considerable resources to ensure that Ireland's food safety control programmes continue to meet the evolving food safety requirements of the Chinese authorities. During 2019, DAFM received confirmation of successful applications from Irish infant milk formula manufacturers and Irish dairy manufacturers to renew their approval by Chinese authorities to supply product to that market for the next 4 years. Department officials met with a high-level delegation of the State Administration of Market Regulation of People's Republic of China (SAMR) in December 2019 to discuss co-operation in food safety. The visiting delegation also visited the Department offices in Johnstown Castle, Wexford and the Department's laboratories complex in Co Kildare, to gain a deeper insight into the Department's regulation and support of the Infant Formula and wider dairy sector.

## Overview of the seafood sector

### 2019 Seafood Exports

The value of Irish seafood exports increased by over 2% in 2019 to reach €583m (this excludes fish meal, fish oils and seaweed). Export volumes declined by more than 10% during 2019. Brexit uncertainty, weak sterling, quota restrictions and political tensions across key markets left their mark on the sector which nevertheless saw increased export values recorded in almost all seafood categories, with the exception of whitefish. Challenges were found across the category but it was particularly so in salmon, where supply of fresh organic salmon ceased during the last 2 months of the year.

### European Markets

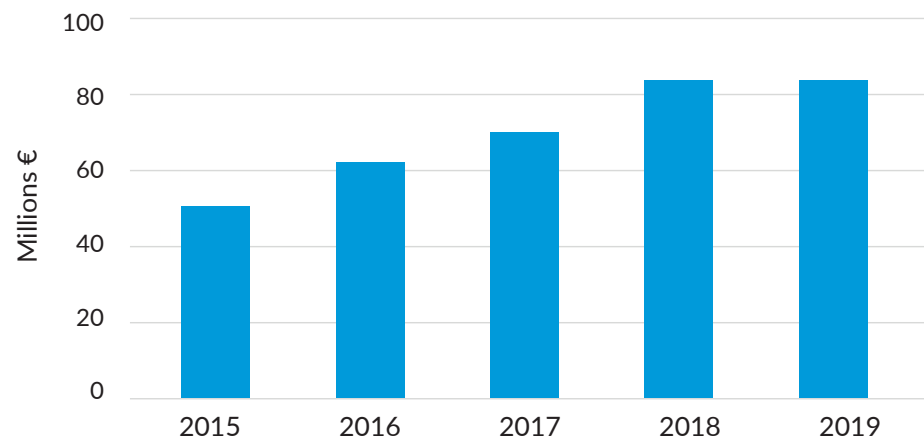
Five EU markets, namely France, Spain, UK, Italy and Poland dominated seafood exports in 2019, accounting for approximately 55% (€320m) of total exports by value. Seafood exports to all EU markets accounted for 64% of total exports, with the UK market representing 9%. The UK market performed strongly with values increasing by 9% during 2019 with a corresponding increase of 7% to all key European markets.

### Third Countries

Seafood exports outside EU have formed an increasingly important component of the sector's trade. The growth in significance, in particular of Asian markets is highlighted in Figure 1 below (source: Bord Bia).





**Figure 4:** Total seafood exports to ASIA (€), 2015-2019 +53% growth

Statistics on the number of consignments and associated volumes are compiled by the Sea Fisheries Protection Authority which carries out health certification for seafood/fishery products outside the EU. A summary of the 3 categories of exports by volume is shown in Table 1. Pelagic fish includes blue whiting, mackerel and horse mackerel which tend to be exported in high volumes. Shellfish can include bivalve molluscs and crustaceans which generally need favourable prices compared to traditional and proximate EU markets to stimulate significant trade, and other fish includes products such as salmon.

**Table 9:** Exports of seafood outside EU by volume

Species Class	Tonnes	Percentage
Pelagic	78,776	94.1
Shellfish	4,705	5.6
Other Fish	246	0.3
Total	83,727	100

Exports to China, South Korea and Japan together accounted for over 14% of total seafood exports in value (accounting for almost 32% of exports outside EU by volume) with exceptional growth recorded in Japan, increasing by 26% in value terms. Irish seafood exports to China declined slightly in 2019 to reach a value of €43 million reflecting a decrease of 7% from the 2018 figure of €46 million. China is now one of Ireland's most important international markets, ranking 5th in value in 2019. Ireland's main fish exports to China include Crab, Mackerel, Oysters and Horse Mackerel which made up of 67% per volume of the exports. Crab exports to China were worth €7.6 million, a decrease of 46% on the 2018 value of €16.6 million. This reflected the more stringent application of health standards and certification being sought for Irish crab exports.

Despite challenging conditions prevailing in Nigeria and exports reducing slightly in 2019 (down 2%), this market remains extremely important to the pelagic sector and accounts for 5% of total export values but over 30% of exports outside the EU by volume. By comparison, China topped the table for the largest number of consignments (18,701 tonnes spread over 2,585 consignments) reflecting that a wider range of seafood products are sought after in this market.

### Outlook for 2020

With Brexit uncertainty continuing to prevail, 2020 will be a challenging year for the sector. At the end of the transitional period, the potential loss of access to important fishing grounds has affected fishing patterns in 2020 and would significantly affect availability of supply into 2021, if it materialises. The application of more stringent health certification requirements continues to affect what had been a growing crab export market to China. The Covid-19 pandemic impacts on distribution chains and the hotel, retail and catering sectors have been well documented and have particularly affected high-value fresh fish and shellfish exports within and outside the EU.

The domestic and export markets are still being impacted by Covid-19, however the demand for frozen seafood across export markets continues to be strong.

Bord Bia has issued its review for the first six months of 2020 and seafood exports are among the worst affected by the pandemic (down 17%). Seafood exports are second only to alcohol in terms of export decline for the year to date (down 17% to €205.5 million); however, the May versus May trend indicates a return of demand. This can be seen particularly in our core European markets, which are up 14.6% to €35.4m for the month of May.

The top performing species for export during this 6-month period have been pelagic species, with horse mackerel exports increasing by 23%, blue whiting up by 6% and mackerel exports down by 4% in value terms.





## CASE STUDY: Bord Bia EU Pork & Beef promotion 2019-2021 – Korea, Philippines and Vietnam

### EU Pork & Beef: Love the Taste, Trust the Quality 2019 - 2021



In 2019, Bord Bia commenced a new €3.8million EU co-funded campaign promoting European pork and beef in Korea, Philippines and Vietnam. This three-year campaign, which is 80% co-funded by the European Union, aims to build and strengthen awareness of Europe's high

standards in quality and production of pork and beef - including those from Ireland - and to build a positive image in those markets as a trusted partner. Securing EU co-funding support to drive our export reach has played a vital role in the Irish meat industry.

Ireland is successfully tapping into EU funding for the promotion of meat in our priority markets at a time when diversification is key to future growth. Under the slogan “Enjoy, it's from Europe”, the European Commission invites member states to apply for EU co-funding for programmes to promote European agricultural products throughout the world and within the EU. Ireland has been successful in winning over €17 million in EU funding since 2017, including campaigns such as European Beef & Lamb: Excellence in Food Safety and Sustainability (2017-19) in Asia and EU Lamb: Try it, Love it (2018-21) in Europe.

The EU Pork & Beef: Love the Taste, Trust the Quality campaign provides an opportunity to position Ireland as a key source of sustainable, high-quality food in the target markets of Korea, Vietnam and the Philippines. While Ireland have had market access for pork in all three of these markets for a number of years, the work of gaining access for Irish beef in Korea and Vietnam is still progressing, with one of the key aims of this campaign being to aid this market access process and prepare the markets for trade

once access is granted. With regard to the Philippines, market access for Irish beef was regained in 2014, and our exports have grown rapidly since. In fact, the Philippines is currently the largest market for Irish beef outside of the EU.

A range of activities targeted at local trade professionals, local government officials and end consumers will take place under this campaign. In light of COVID-19, some activities, such as trade shows, have been postponed until 2021/22 or been adjusted to virtual activities, such as webinars. Despite this disruption, over the three year campaign, Bord Bia still aim to exhibit at some nine trade shows, host twenty in-market trade seminars or webinars and networking events, and undertake extensive digital and social media promotions in the three target markets.

### Korea

Korea has been identified as a priority market for Irish pork and beef in the Prioritising Markets: Opportunities for Growth report. The country imports approximately 70% of its meat requirements, and boasts a sizeable population of affluent consumers who pay high prices for meat. As work continues on gaining market access for beef, this campaign has been a valuable asset in preparing the Korean market for trade once access is granted,



while also building on existing trade in the pork sector. The campaign's localised digital activities have helped to raise awareness amongst Korean trade buyers and consumers, while participation in the Seoul Food trade show generated over 68 leads.

### Philippines

The Philippines has been a vital market for Irish meat in the past number of years. The Irish pork sector has strong relationships with customers in the Philippines, stretching back many years. While the volume of Irish beef exports to the Philippines increased by 16% in 2019 to reach a total of some 20,408 tonnes, securing its place as one of the largest markets for Irish beef outside the EU. In value terms, Irish beef exports achieved a 35.1% increase to reach a value of €42.8m million in 2019. The campaign plays a key role in building awareness and further developing trading relationships with customers in the Philippines. Last year Bord Bia exhibited for the first time at WOFEX trade show in Manila, the largest trade show of its kind in the Philippines, attracting over 40,000 trade professionals. In November 2019, Bord Bia hosted 78 trade professionals and media representatives at Bord Bia EU Pork and Beef Trade Seminar in Manila, where a series of expert presentations on Irish and EU food production systems and food safety regulation was delivered to guests followed by a cutting and cooking demonstration using Irish beef and pork.

### Vietnam

Vietnam was also identified alongside Korea in the Prioritising Markets: Opportunities for Growth report. The country's growing economy, rapid urbanisation and rising disposable incomes are just a few of the factors which make Vietnam an attractive market for the Irish meat sector. Similar to Korea, while work continues on gaining market access for beef to the Vietnamese market, this campaign has aided in preparing the market for beef access and supporting existing trade in the pork sector. Over 82 new



*EU Pork and Beef Trade Seminar Vietnam November 2019. (From left to right) Declan Fennell (Bord Bia), Ciarán Noone (Rosderra), H.E. John McCullagh (Ambassador of Ireland to Vietnam), Alan Morris (John Stone).*

*Ireland is successfully tapping into EU funding for the promotion of meat in our priority markets at a time when diversification is key to future growth.*



leads were generated from the EU Pork and Beef stand at the Food and Hotel Vietnam trade show, while Bord Bia hosted 61 trade professionals at the EU Pork and Beef Trade Seminar in Ho Chi Minh City last November which focused on the topics of food safety, quality assurance and sustainability.

Bord Bia's initial campaign targets for 2019 have been surpassed, in what has been a very successful year. Some campaign highlights include over 29 million impressions being generated by the campaign's digital and social

media activities across the three markets. Awareness of EU pork and beef has increased by 20% and the propensity to purchase EU pork and beef has increased by 34% amongst the campaign's target audience. Looking ahead, the full effect of Covid-19 is still to be determined, however, it is undoubtedly causing a severe disruption to trade in 2020. This campaign will enable us to maintain a presence in these key markets and support Ireland's trading relationship with local partners at a time of great difficulty for the Irish meat sector.

*“Our success in gaining and retaining market access is directly related to Ireland’s excellent reputation for food safety and our enviable national herd health status.”*

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