**Ulster Farmers’ Union UPDATE**

**THIS WEEK**

**CAP Income Boost Welcome:** The UFU has welcomed the increase in the sterling value of CAP payments. This as a welcome boost for farmers as feed and other winter bills start to rise on farms across Northern Ireland. The figure used to convert euro payments from Brussels to sterling will be 0.85228. This is up by around 16.5 per cent on last year, thanks to the weakening of sterling. (An industry total of £39 million extra) The weaker pound has also brought a welcome increase in some commodity prices. The combination of a better conversion rate and early payments will be a welcome cash flow boost for farmers at the end of that has been a very difficult year across all commodities. The UFU recognises that when CAP funds go into bank account there will be many demands on them, but has urged those owed money by farmers to remain patient and allow time for the recovery now emerging to take hold. The UFU have secured assurances from banks that they will not grab CAP funds going into accounts to pay down debts more quickly. While the Union recognise that debt is a problem for everyone, it would urge other suppliers to the industry to remain patient.

**Slurry Spreading Deadline:** The UFU are aware that poor ground conditions are preventing many farmers from spreading slurry – but as the start of the closed period on October 15 approaches farmers are urged to be 'cautious' to protect their Basic Payment from the EU. Along with the other office bearers the UFU president has been visiting farmers in the north and west, where wet weather for much of September is causing major problems. Farmers in these areas are facing a dilemma. They have slurry to spread but the weather has prevented them from doing so. Because of poor ground conditions some farmers are unable to prepare properly for the winter. In 2005/06 the UFU secured the inclusion of the ‘reasonable excuse’ clause in the Northern Ireland Nitrates Action Programme. This caters for exceptional conditions, when farmers cannot fully comply with the rules, through no fault of their own. This clause has since had to be used in years when weather and ground conditions made compliance impossible. Farmers forced to spread when conditions are not suitable may be able to use the ‘reasonable excuse’ clause. **We would strongly urge farmers to proceed with caution and ensure they have exhausted every other appropriate avenue for emptying tanks, have all nitrates paperwork in order, and complete the UFU slurry template.** Having photos of ground conditions and rainfall data would also be beneficial. Farmers should also be aware that spreading slurry under this clause also makes it more likely you will be selected for a nitrates inspection. The “reasonable clause” should be used as a last resort and it would be advisable to speak with your technical officer or the UFU’s environment policy officer, Aileen Lawson, before spreading any slurry after 15th October. The UFU slurry template is available here [http://bit.ly/2dH1Yod](http://bit.ly/2dH1Yod) or from UFU HQ or your local office.

**Up-take figures for the EU milk production reduction scheme:** From the launch of this scheme ([€150 million Milk Production Reduction Scheme](http://bit.ly/2dH1Yod)) the UFU urged all farmers to make an individual decision whether or not to apply. The UFU now know the numbers that did so, and the reduction in the volume of milk to be produced with the reduction in production here around half the UK average. The impact on the milk supply locally however will not be clear given that many producers had already scaled back production and were eligible for the scheme without reducing output further. Any reduction across the EU has to be seen in the context of the impact on milk prices of the weakening of sterling and an improving global dairy market and the UFU have been active in already meeting with all of the main dairy processors, calling for the price increases to be passed on to their suppliers. The Union are however pleased that a number of farmers will receive a much needed cash flow boost from the scheme and will continue to discuss with DAERA the use of the other National Envelope element of the European Commission aid package, agreed in July and finalised earlier this month.

**Greenhouse Gas Implementation Plan 2016-2020:** The [Greenhouse Gas Implementation Plan 2016-2020](http://bit.ly/2dH1Yod), launched this week by Minister Mcllveen, is the second phase of a voluntary industry-led
greenhouse gas initiative and it builds on the success of phase one. Through the initiative farmers have demonstrated their commitment to reducing greenhouse gas emissions by improving efficiencies while still remaining competitive. Already the UFU are seeing results and farmers should be commended for their ongoing efforts. This is a complex issue but one that farmers recognise is important. The plans to grow our industry have been developed to be both sustainable and positive in terms of their environmental impact. This joint plan proves that industry can address climate issues by working together, offering education, advice and guidance rather than heavy-handed legislation and penalties. The UFU has been involved in this initiative from the outset. It has played a key role in this plan and a previous initiative. The UFU have always argued that plans for reducing emissions must be manageable and affordable.

ANC uncertainty creating difficulties: The UFU has warned that uncertainty around the Areas of Natural Constraint (ANC) scheme is creating major difficulties for farmers making management decisions this autumn. It has been five months since the end of the DAERA consultation on whether the ANC scheme should continue and farmers are still waiting for a decision. Uncertainty around whether or not there will be a scheme after 2017 is making it impossible for many to make decisions about the future. Examples of this frustration include sheep producers trying to plan their breeding season and farmers questioning the value of taking conacre in severely disadvantaged areas. Due to the tight margins in livestock production, the decision on support will decide whether or not some severely disadvantaged land is farmed in the future. This underlines how important the ANC scheme is for supporting productive farming in these areas. If DAERA opts to end the ANC scheme it would result in the immediate loss of £20 million a year to farmers in severely disadvantaged areas. The continued delays to the introduction of the new agri-environment scheme will also hit farm incomes, with suckler herds particularly badly affected. To read the story in full visit: http://bit.ly/2dtt9zN

Cattle exports key to better prices: The UFU says the live export of cattle must be encouraged and supported by DAERA to help boost beef farmers’ incomes following an LMC seminar on reducing barriers to the live trade to Great Britain. For too long beef producers in NI have been kept at the bottom of the UK price league table. Last week, the difference between NI and GB on R3 steers was 24p/kg. On a 350 kg animal that is over £80. With margins so tight, farmers rightly question how cattle supplied to the same processing companies, to the same quality assurance standard and ending up in the same supermarket shelves can be worth so much less here than in Great Britain. The UFU's beef and lamb committee believes DAERA can help tackle this is by encouraging an increase in cattle exports. This has been a priority for the agriculture minister in the Republic of Ireland. The UFU believe the DAERA minister should follow that lead. The UFU also feel that with prices dictated by supply and demand farmers need the opportunity to secure access to the best paying markets. The UFU says that in the drive to open new markets the LMC seminar helped trigger a constructive debate between industry and government about how barriers to live exports can be eased. Some barriers that face farmers and hauliers here do not exist in Great Britain, particularly in relation to the movement of healthy cattle to slaughter from TB restricted herds. To read the story in full visit: http://bit.ly/2dw5seg

Dairy Brexit Meeting: The UFU has met with senior officials from Dairy UK (Northern Ireland) to discuss the implications of Brexit and to set out the UFU priorities going forward and impact upon the Northern Ireland Dairy sector.

MEP Meeting: The UFU has met with Diane Dodds (MEP) to discuss a range of issues including Brexit.

NI Potato Festival: The UFU is excited about the Northern Ireland Potato Festival -1st October 2016. This year the event will combine with the National Trust Open Day at the Giant’s Causeway, meaning visitors not only get to visit the festival for FREE but also the world renowned Giants.
Land Mobility Scheme

The UFU and YFCU are encouraging farmers to get in touch and register their interest in the Land Mobility Scheme for Northern Ireland. The aim of this scheme will be to try and match young farmers keen to enter the industry with older farmers with no succession plans in place. You can register your initial interest by contacting: Angela Scott at UFU on 028 9037 0222 or email angela@ufuhq.com or Heather Stewart at YFCU on 028 9037 0713 or email heather.stewart@yfcu.org

NEXT WEEK

- COPA Congress of EU farmers: UFU President, Deputy President IF and Chief Executive
- IFA/Rural Crime Meeting: Deputy President IF, Chief Executive, Legislation Policy Officer and Communications Manager
- Sow, Grow, Munch Launch: Deputy President VC, Arable and Horticulture Policy Officer
- Tellus Geological Survey Launch: Environment Policy Officer
- Cookstown Dairy discussion Group Meeting: Dairy Chair and Policy Officer
- Arable Meeting: Deputy President VC and Arable Policy Officer
- Rural Crime Group Meeting: UFU President and Legislation Policy Officer
- DAERA Knowledge Framework (Education Strategy): Policy Officers
- Agriculture Wages Board Meeting: Policy Officer

UFU MEMBERSHIP SERVICES

→ For up to date fuel prices for UFU members using the UFU Maxol Fuel Card visit the new UFU website http://www.ufuni.org/membership/services