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Future outlook for the Irish dairy industry: a study of international competitiveness, influence of international trade reform and requirement for change

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Abstract

European Union (EU) trade liberalisation policies will continue to push EU milk price downwards and necessitate increased efficiency and scale at farm and processing level to maintain profitability. In Ireland pasture-based dairying, based on the efficient conversion of grazed grass into milk can be competitive within the EU. Continued technical innovation increasing animal performance from grazed grass, increasing herd genetic potential and developing labour efficient lower fixed cost systems will be essential. At processing level, increased efficiency in commodity processing, higher margin product development and the evolution of milk payment systems to reflect the true product value of supplies received will be required.

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