

# Rural Ireland on the move: Diversify Diversification

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## Webinar Report

22 April 2022

### *Summary*

This webinar report summarises the perspectives of a wide range of actors from agriculture, energy, forestry and rural areas gathered to exchange views on the meaning and practical application of agricultural and rural diversification at farming, on-farm, and off-farm levels. The event was organised by [Cultivate Living and Learning](#) and built upon the report “[Rural Ireland on the move: farm diversification and just transition](#)”, which was supported by ARC2020 and UCC’s Centre for Co-operative studies.

By building on a diverse range of projects and examples already on the ground, Ireland could put much agriculture and many rural areas on track for a more localised, climate neutral, and socially responsible rural economy. However this means addressing a number of cultural, labour, structural, and policy challenges to make rural diversification an easier option for all. More targeted support towards farming and on-farm diversification can help agriculture and rural communities to reconcile their relationships. If farmers and rural villages are to stay alive, a mix of coherent support is needed in all their domains, including biodiversity, food, culture, music, mobility, gender, sport/recreation and energy.



## Rural Ireland on the move

This webinar was built upon the report “[Rural Ireland on the move: farm diversification and just transition](#)”. Amidst the compelling threats of climate change and social inequalities, the report is an attempt to collect reflections on how Irish farmers can extract more from value chains environmentally. How might farmers and other stakeholders collaborate within a regional and landscape perspective more sustainably? How is digitalisation implicated? These and similar considerations form the basis of the report’s diversification section.

“*While compiling this background report, a lot of things were changing fast*”, explained Michelle Carey, author of report. The process of putting the report together involved reading and assessing reports, peer-reviewed papers, interviews, and submissions from sixteen experts in the fields.

We looked at common threads and included the perspectives of farmers and various rural actors to draw a picture of where we are at and what future prospects can be envisaged. We also however realised that many things within and around Rural Ireland were so rapidly changing, but simultaneously stuck into business as usual.

War in Ukraine, energy and food security concerns, renewed derogations allowed in Ireland to go above the nitrate directive, and the observation letter from the European Commission to Dublin, demanding Ireland to take corrective actions for increasing the poor fairness and environmental ambition proposed in the Irish CAP plan 2023-2027.

When confronted with all these events, we recognised the importance of decision-making processes embracing a mixed set of values and mindsets to avoid biased reactions and decisions. To accomplish a just transition and diversified agriculture in Ireland, the planning of new targets or goals cannot start without reviewing the power structures that are framing societal problems and narrowing down the spectrum of possible diversification actions.



Picture: Hybrid diversification event in WeCreate enterprise centre in CloughJordan Ecovillage (IE).

# Diversify Diversification

This hybrid (blended between online and in person participants) workshop examined in detail the topic of diversification in farming, food, and rural Ireland. there were two key objectives. The first was to unpack in detail what is possible and desirable regarding on and off farm diversification; what wider impacts (positive and negative) these diversifications may have for farm incomes, for biodiversity, for climate adaptation and mitigation and for rural revitalisation.

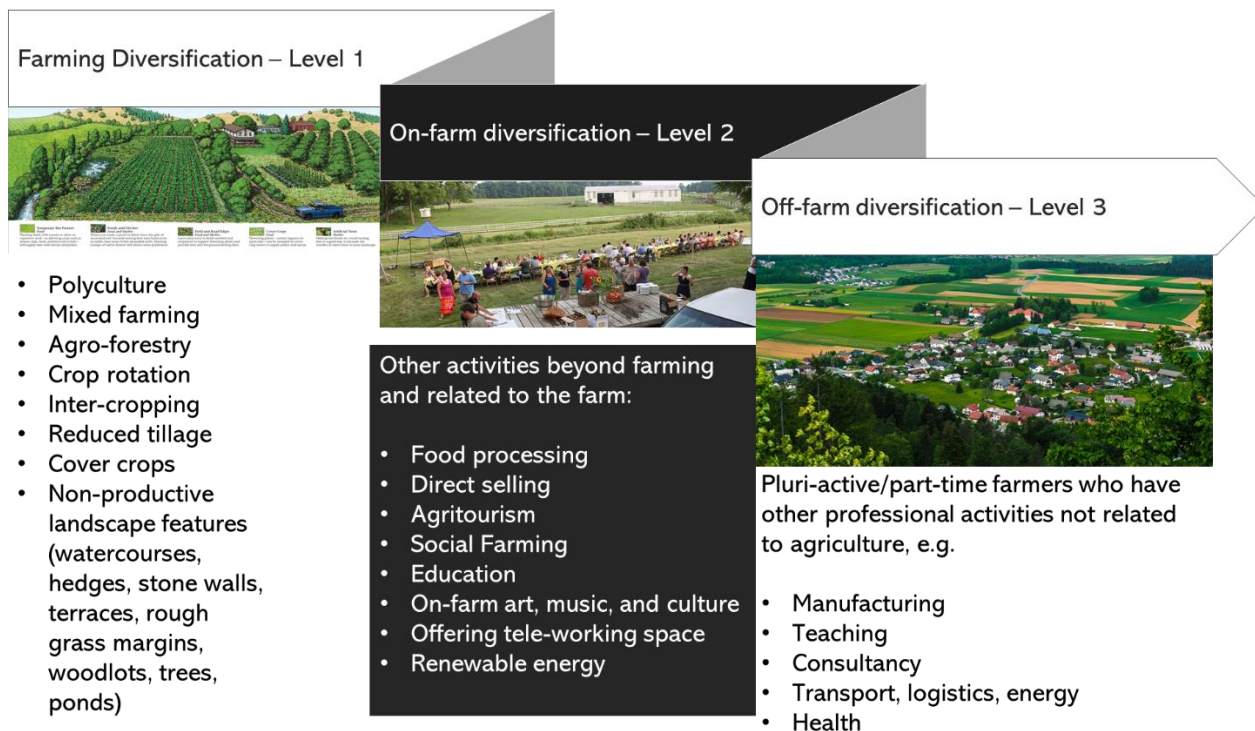
The second key objective was to continue the work of bringing together environmentalists, farmers, policy experts and rural activists, to encourage co-learning and to furthering understanding and potential synergies.

Another relevant objective is for this workshop/report to build upon existing work done by the Environmental Pillar itself in developing its own policy document on agri-food, as well as building upon the diversification conversation already held at the joint ARC2020 & Cultivate [policy workshop June 28th 2021](#).

## Diversification in layers and relationships

Matteo Metta (Policy Analyst at [ARC2020](#) and PhD researcher) presents three layers to distinguish the differences and synergies of farm diversification at different levels.

Figure 1 Three layers of farm diversification

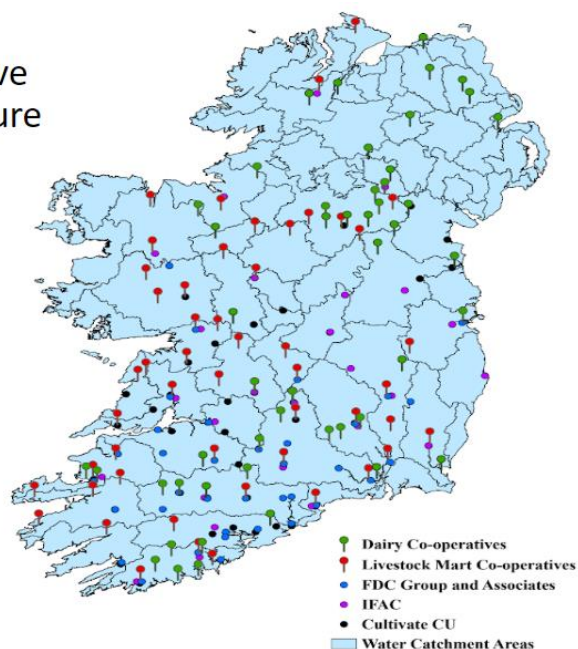


According to Metta: “It is important to clarify these three layers because each level of diversification is distinct and has its own importance, needs, and challenges. It is easy to confuse or generalise around the term “diversification”, which can become a source of disagreement or poor targeting of policy actions and monitoring, social movements, or developmental efforts. Having said that, these three layers are not silos. On the contrary, we must develop the relationships between themselves, and between agricultural diversification and the wider regional and rural economy”.

Farmers either adopting mixed farming, specialising in traditional production, or farming for nature (Level 1) need on-farm diversification activities like cooperative food processing, community-supported market sales, or eco-tourism (Level 2) to add and capture value into their social and economic activities. Similarly, rural areas host a mix of businesses and services that are vital for rural communities, including family farms and their off-farm employment (Level 3).

Dr. Noreen Byrne ([Centre for Co-operative Studies UCC](#)) explained how diversification policies can benefit from a landscape approach, which “*integrates existing interventions and multi-stakeholders to simultaneously meet environmental and socio-economic challenges in a particular region*”. Although the approach is attractive conceptually but challenging in practice, there are a number of examples already existing in Ireland and elsewhere (EIP-AGRI, Water Framework Directive Catchment areas, new Co-operation Projects). She explained how building a strong co-operative structure in Ireland is key to overcome some of the challenges like engaging stakeholders, access to financial and data resources, or institutional governance. Usefully, Byrne presented a “cooperative infrastructure map”, with layered locations for dairy, livestock and farm accountancy coops, credit union farm loans and the water catchment areas (*see below*).

Co-operative infrastructure





Ray Ó Foghlú ([Hometree](#)) shared with participants his experience with working at the interface between forestry and agriculture in rural Ireland. *“We cannot be blind and pretend that afforestation in farmland can happen with simple economic schemes, without cultural and social considerations. Farmers and their farming work like rearing sheep or cows are built around identity, social values, and community relationships. If Ireland is to promote agro-forestry, new schemes must be locally adapted and flexible. Financial resources become as important as time, people, proper communication, and objective information exchanges”*.

Kate Carmody (Dairy farmer, chairperson of [Hemp Co-operative Ireland](#)) shared her experience with hemp, from farm to multiple services and products. *“It’s about localising everything. If we start creating short supplies chains, we start creating hubs where everything is localised, included related products and services. The Hemp co-op is helping people to diversify on-farm, through value added processing. However, there are barriers to rural diversification like the lack of vision, policy, or access to capital. It is very hard to get civil service to ‘think outside the box’ in terms of growing hemp”*. Carmody also focused in on the need for two essential processing facilities – a decortication plant and a mobile biorefinery which would help grow the sector.

Thomas O’Connor ([Talamh Beo](#)) shares his experiences as someone engaged in multiple roles around farm diversification in Ireland: leading farmer of the [transitionkerry.org](#), organic food producer (meat, eggs, salad and vegetables), and food seller in the Manna Organic Store in Tralee. Thomas explains how biodiversity and agro-ecology must be integrated in community movements and local food production systems. *“Local food supply chains have the potential to provide increased local employment, while reducing the environmental cost and negative effects on the climate. They are more resilient to economic instability, and more likely to stay functioning in adverse conditions like those posed by climate change.”*



Cover for report *Rural Ireland on the Move*, released in advance of this event

## Group Discussions

Why is diversification important? What is difficult? What should be done?



**Picture:** Group discussions at the “WeCreate enterprise centre” in Cloughjordan Ecovillage (IE)

## Farming diversification in Ireland – Level 1

### Why is it important?

Similarly to other agricultural systems in the world, Ireland is experiencing a slower, but an ongoing concentration of farm holdings, aging farming population, and land abandonment. [The key figures on the European food chain](#) (2021) indicate that Ireland is among the countries with the lowest share of mixed farming (3%) against the EU average of 21% and other outperforming countries like Lithuania at 62%. A number of Ireland's rare breeds are at high risk of extinction, according to [this National Rural Network's fact sheet](#). This trend continues, with the low uptake of the GLAS scheme and the ongoing investments in genetic programmes for selective high performing breeds at the expense of genetic diversity.

In 2019, only 1.6% of Ireland's farmland area was organically farmed (against 8.5 EU average). Nevertheless, the overall share of semi-natural habitats in Irish farms exceeds 5% of the area (which is higher than the minimum EU recommendation), but strong differences exist across counties (e.g Sligo vs Wexford) and farming systems (suckler vs tillage). Moreover, Ireland needs to protect its hedgerows and treelines network, which is above the average in the EU and covers 11% Irish farmed area (Rotche's-Ribalta et al. 2019).

### What is difficult?

Building and managing a diverse range of crops and livestock can be time and labour demanding, especially for low income farmers. Some crops like hemp are hard to grow because they are regulated by the wrong government department, or simply overregulated. Furthermore, the production side of multiple crops or breeds require proper and accessible processing infrastructure.

### What should it be done?

The group in the breakout room discussed about the potential of digitalisation to stimulate biodiversity and farming diversification, like the BRIDE (EIP) biodiversity mapping app. There are numerous concerns and opportunities regarding carbon farming. To make carbon farming fairer and climate proofed, carbon cooperatives could make sense. Learnings can be taken from the Nature Trust (run by Coillte) which is in the process of developing ESG (environment, social governance) investment and carbon reporting products. Already AXA has invested in the Nature Trust, aiming to plant 600,000 trees to offset the cars it insures. A farmer-led coop could lead on similar initiatives for farmer and environmental benefit.

## On-farm diversification in Ireland – Level 2

### Why is it important?

In Ireland, a high share of value added from agriculture is captured by other food supply chain actors than farmers (18% in IE compared to 20% EU average in 2016), although these statistics do not reveal the value captured by the farmers directly involved in foreign export of agri-commodities (beef, dairy). But how much of the exported commodities value stays in the farmers' pocket, e.g. through the organisation of farmers' own cooperatives or associations?

On-farm diversification is important in the food supply chain (gain control and higher share of value, provide local food), but also in other sectors of the rural economy (education, tourism, care). In 2016, 12% of agricultural holdings in Ireland were engaged in other gainful activities ([FSS 2010](#)), against the EU average of 5.2%. More updated statistics from Eurostat are expected in June 2022. In 2016, Ireland was ranked 13<sup>th</sup> out of 28 EU Member States in terms of number of farms engaged in on-farm diversification (FSS 2016). Other gainful activities more frequently carried out in Ireland are forestry work, contractual work, and agri-tourism. However, the share of farms engaged in on-farm food processing is very low (2.6%).

### What is difficult?

Not all farmers are equipped to diversify, and different types of farms have different capacity to engage in new business. The opposite of '*a diversified farmer*' shall not be '*a conventional farmer*', as these farmers do not like this term, and it can present a fault line. As Colin Tudge would say: "*farmers need alliances with other food actors: butcher, baker, marketing*". The group pointed out how some farmers have been burned by diversification. Part-time farming, selling the product - some farmers are equipped for that, some are not equipped to do direct selling.

A researcher pointed out the deficit and importance of improving policy-science-farmer interfaces. Many policymakers and academics in Ireland were closed in their mindset and circle, which did not help with talking to farmers. Some of the policy schemes and academic research fails to account for the characteristics of farm households (gender, members, age) as important driver of innovation.

### What should it be done?

Farmers cannot do it all alone. We need to think about social arrangements which reduce their workload and risks. For instance, direct sales are not just about a farmer delivering a box of his/her produce to consumers. That might be hard for some with limited time and skills. However, owning a cooperative where farmers can process or pool their produce and consumers come and collect them can be another option too.



The group discussed also the idea of a universal basic income or social wage for farmers, a key element that could make other things in society doable and would help in innovation. Ireland can definitely offer more practical solutions for farmers (training, ITC software, e-governance solutions), by building on the concept of “Innovative diversification”: farmers mobilising their skills and resources to on-farm diversification activities which are embedded in the cultural context in which change occurs.

Socio-economic and technology research is another area where improvements can unlock the potential of on-farm diversification. It was suggested on-farm research, field work, multidimensional approaches, with both qualitative and quantitative methods, could be successful. More research must be focused on looking at the interface between policy and practice.

A participant suggested to build a future which allows a diversity of processing and selling at the farm gate. A farm buildings lease scheme would be great. There is much need and enthusiasm (bakers, brewers, cheesemakers etc) and so many unutilised buildings.

Finally, a participant noted that solutions must be found also to solve the fallacies of mass market. Part of the just transition and diversification has to be transformation of the price farmers receive.



*Aerial view of Cloughjordan hinterland (photo © Eoin Campbell)*

## Off-farm and rural diversification in Ireland – Level 3

### Why is it important?

Off-farm employment sometimes can be a choice, in others a survival decision for farm holdings. Farm income in Ireland was 38% of the average income of the whole economy during the period 2015-2018 ([EC Fact sheet](#)). A participant stated: “*if you were a dairy farmer in north Kerry, when the Kerry group started, you could have 5 cows and make a living out it. Now you need 50 cows at least. We must find way farmers can farm in a diverse manner and provide services and products locally. North Kerry has a story to tell and it’s not told, off farm employment is necessary*”.

52% of farm households have off-farm employment in Ireland ([Teagasc 2019](#)). The proportion of *farmers* employed in off-farm activities is high in West and border counties, whereas the proportion of *farmers’ spouses* engaged in off-farm incomes is higher in dairy compared to other farming systems ([Teagasc 2019](#)).

Rural areas are not only agricultural areas and host a good diversity of rural dwellers. In 2020, 36.3% of Irish population lived in rural areas ([World Bank](#)). Most of Irish territory is rural too. In 2020, the rural employment rate in Ireland was close to the EU average (67.8% of people between 15-65 years worked at least 1 h per week).

Rural areas support a mix of businesses from agriculture, forestry, retail and tourism, to more modern industries such as financial services and creative Industries. Public education, health, and services provide 33% of jobs in rural areas ([Our Rural Future](#)).

### What is difficult?

Infrastructure lock-in is a barrier to diversification. Regions have invested a lot in infrastructure, lots of debt, which makes it hard to try new things. On the other hand, some people in rural Ireland live in villages where the mobility infrastructure is very eroded, there is no expectation of that improving, so people go outside the village for services or buying produce.

A participant mentioned the human factor behind rural diversification. There are lots of motivated people in rural Ireland with good ideas to make their rural areas better, but they need to be supported rather than having to fight all the time.

The hemp sector faces a number of legal, cultural, and economic challenges. Nevertheless, in 2020, the UN Commission on Narcotic Drugs reclassified cannabis to recognize its therapeutic uses, which could affect hemp farming. Nevertheless, hemp farming and related non-agricultural activities can offer livelihoods options where they are hard to find.

### What should it be done?

Overall, Ireland should work towards a more localised economy. If we can make it easier for people generally to have more options, ease pressure on their time, give people the chance to try different things, ease the financial burden, this is important for diversification.

Mobility in rural areas needs to offer more transport options rather than just the private car. Public transport should be heavily subsidised for rural areas. Big emissions cuts are required in transport too. Readily available fossil fuel transport (cars) hinders diversification (because people can drive to services so there is less incentive to have them locally). IPCC report said that people should aim to move around a lot less.

There is high potential in Ireland for marketing botanical produce – growing herbs, ideally native herbs, for cosmetics or therapeutic purposes.

Financing is another area to improve. One suggested solution for financing local diversification is the setting up of local charitable trusts, to get money from philanthropists. We need regional charitable trusts outside of the bureaucratic state funding system. Social wage or universal basic income is another way to give people more flexibility and choice in how they spend their time and work.

Finally, a participant reminded that there are a lot of people making fantastic steps towards a diversified rural Ireland, which provide a lot of great examples to communicate, learn from, and encourage elsewhere.

## Conclusion

There are plenty of opportunities for the diversification in farming systems, on the farm itself, off-farm and in rural areas. Already, the report *Rural Ireland on the Move* has unpacked the wider context. Here we heard from a wide set of people, some of whom did not feature in the report. We heard directly from hemp farmers about barriers, from other farmers who have had negative experiences of diversification, and of contexts where diversification might not work.

However we also saw lots of new opportunities emerge - how Ireland fares by European standards – for off-farm jobs, mixed farming, processing - gives food for thought. In the emergence of a cooperative and finance infrastructure integrated with water catchment areas, we see creative new thinking about regional, landscape level action. How this might relate to other landscape level developments in the new CAP is exciting to consider. However it transpires, rural Ireland will be somewhat more diverse than it is now, and it's up to people to start shaping this.

*This event was organised by Cultivate Living and Learning. For more see [www.cultivate.ie](http://www.cultivate.ie). Matteo Metta of [ARC2020](#) compiled this report.*