


**Trends in CAP over time:  
A hypothetical farm analysis**

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The Irish Agriculture and Food Development Authority


The image is a slide or document cover. It features the NUI Galway logo in the top left corner and the REDP logo in the top right corner. The main title is 'Trends in CAP over time: A hypothetical farm analysis'. Below the title are the names of the authors: Michele McCormack, Cathal O'Donoghue, and Stephen Hynes. At the bottom left is the Teagasc logo, and at the bottom right is the text 'The Irish Agriculture and Food Development Authority'. A decorative horizontal bar with segments of green, yellow, brown, and orange is positioned above the bottom text.


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## Introduction

- **Context and motivation for the study of historical subsidies in the beef sector**
- **Hypothetical Model**
- **Trends and incentives in breeding stock**
- **Results**
- **Conclusions**




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## Context

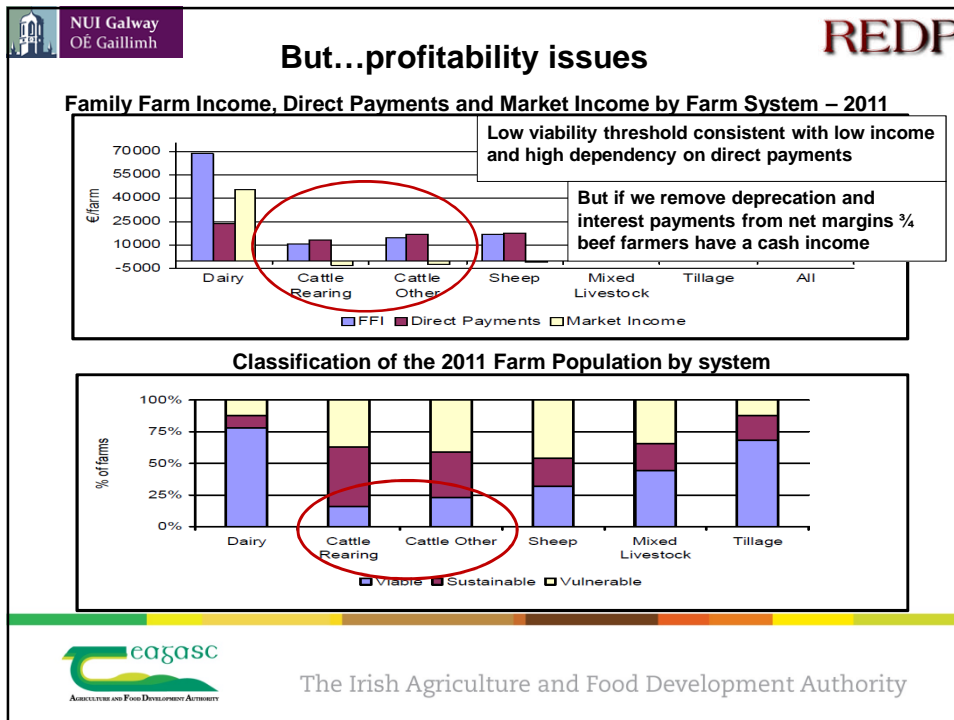
### Importance of the Beef Sector to Irish Agriculture

**Number of Farms** 110,000 out of a total of 139,000 have some cattle production (NFS, 2012)

**Exports** in 2012  
 92% of output exported  
 With a value of €2.32 billion which accounts for:  
 - 35% of food and live animal exports  
 - 25% of all agri-food exports (Renwick, 2013)

**Value to the wider community**  
 Study of Co. Clare beef farmers found:  
 - about 80% of output was sold within the county  
 - 90% inputs sourced within the county (Loughrey et al.,2012)


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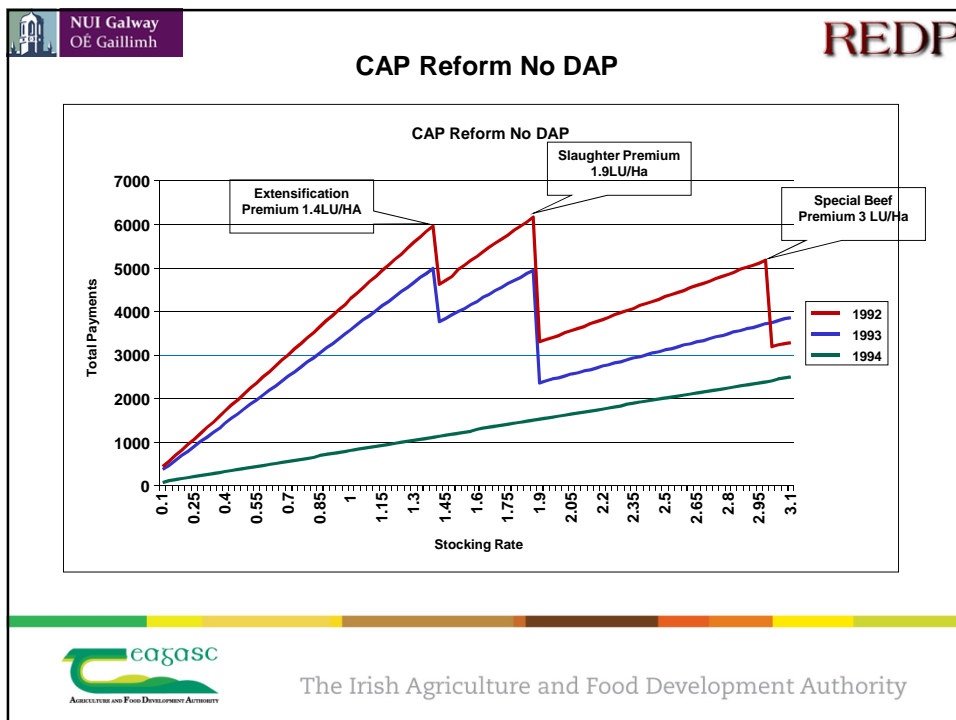
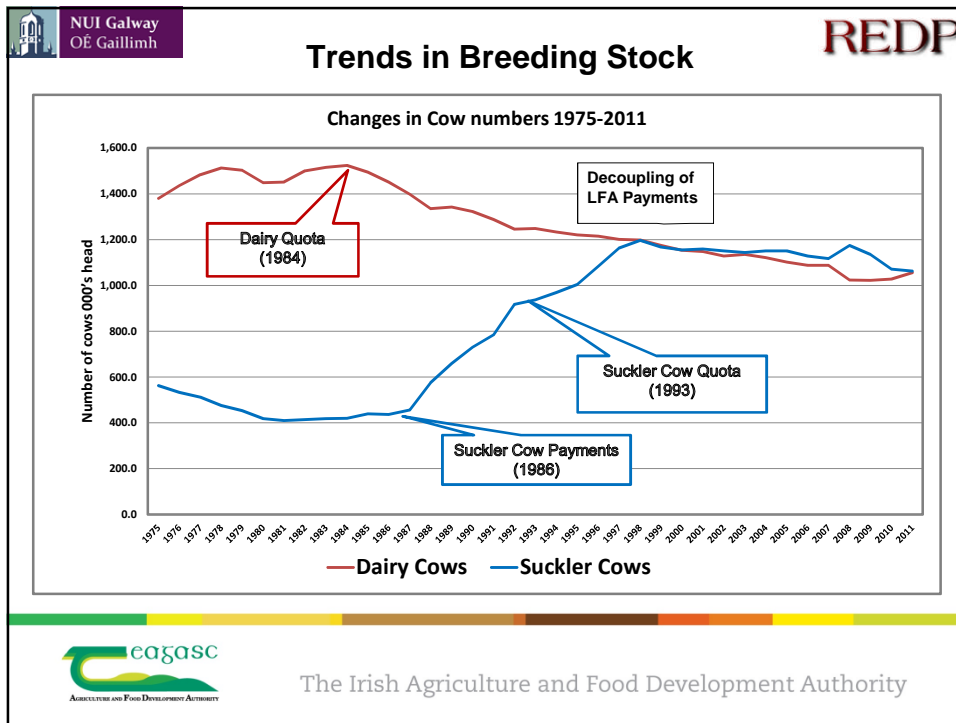
### Typical Farm Model

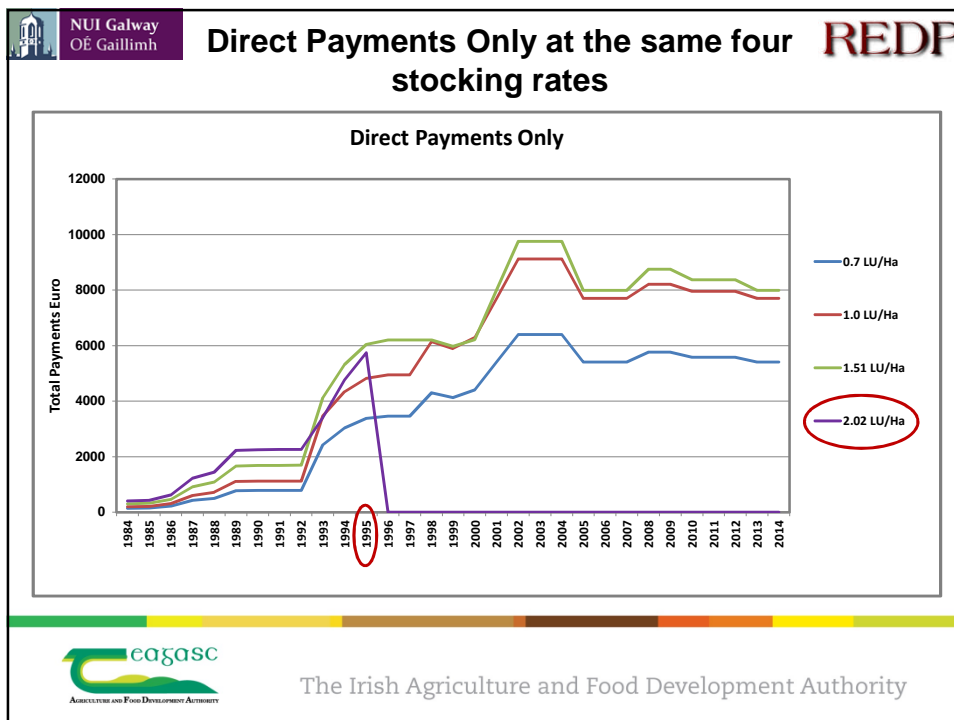
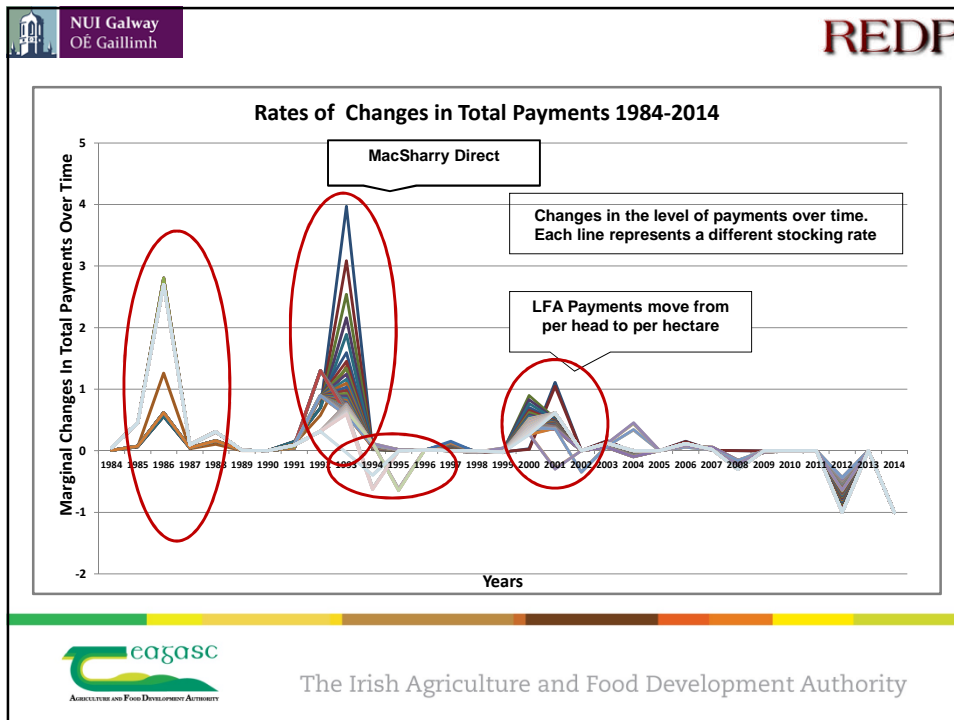
#### Teagasc Typical Farm

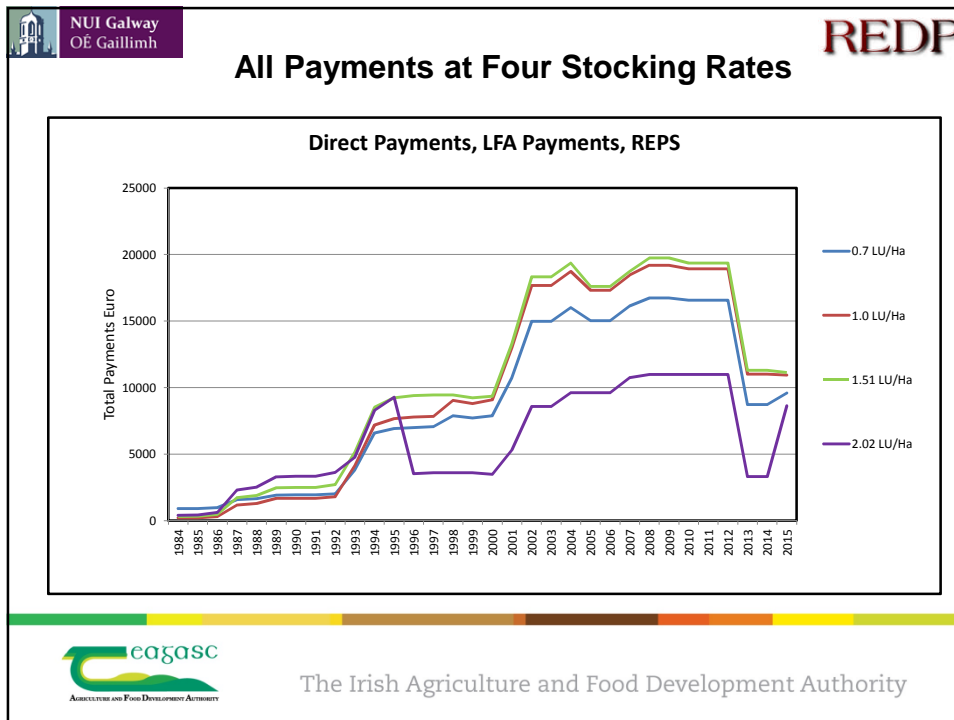
- Hypothetical Model Based on International Farm Comparison Networks (IFCN) Typical Farm Model and Teagasc National Farm Survey 1995 data
- Suckler to finish system
- 34 Hectares
- 13 Suckler Cows
- 20 10 month steers
- 23 22 month steers
- 4 Heifers
- Bull
- 10 Ewes

Farm remains constant over the time period and in this way we can observe/isolate the changes in income associated with direct payments

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### Conclusions

- Changes in policy over time created strong incentives that have a legacy effect now.
- Develop a model to understand past and future behaviour that is not necessarily profit maximising
- Reactions to historical incentives is key to understanding this


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**Thank you**



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