

Some food and drink exports hit hard by Covid-19 pandemic

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Bord Bia's CEO Tara McCarthy said the country's export performance was 'remarkable'

Some sectors of Ireland's valuable food and drink industry were severely affected last year as a result the global Covid-19 pandemic.

The extent of the decline is highlighted in the annual Bord Bia Performance & Prospects 2020/2021 Report, which will be published today by Minister for Agriculture Charlie McConalogue.

Food and drink exports overall declined by just 2%, but exports of alcohol, seafood and prepared consumer food products all had dramatic falls in value.

By far the hardest hit was the alcohol trade, with exports down 19%, but the sector is still valued at €1.3bn.

Whiskey, cream liquors - such as Baileys - and beer accounted for most of the decline.

It is not surprising given the closure of vast parts of the hospitality and food service trade in the UK and across the world.

Seafood exports were worth €443m in 2020, a 10% decline.

One of the growing food sectors, prepared consumer foods, also took a hard hit.

Exports were down 4%, but the sector is still worth €2.5bn. It includes meats and other ingredients for convenience foods, confectionery, non-alcoholic beverages and prepared foods and meals.

Covid-19 restrictions, the closure of workplaces and catering outlets have been blamed for the decline.

Dairy continues to be the star performer for the export economy with export values actually up 3% last year and the sector is now worth €5.2bn to the economy.

The growth was achieved despite a decline in commodity prices, including in butter. Almost half of Irish dairy exports now go to destinations outside the UK and the European Union.

Bord Bia CEO Tara McCarthy described the export performance as remarkable and said the industry had adapted to the challenges posed by Covid-19 and Brexit very well.

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Commenting on the challenge posed by Brexit, she said Ireland had diversified its export markets and was less dependent on the UK as an export destination.

She also referenced difficulties with imports from the UK since 1 January.

"Although we are just 13 days into Brexit we can see there that there is disruption already happening, more particularly coming into the country than going out. GB exporters have not concentrated as much on the preparation required for their product to leave their market," she said.

Minister McConalogue said: "Food and drink producers faced many challenges on the domestic and international front last year. Despite this they found a new level of resilience that saw them hold global exports at €13 billion."

He said the drop of 2% in exports was marginal adding "stark contrast to the towering pandemic challenges they faced, including the closure of food service and dramatic consumer behaviour changes as people migrated to working from home".