
For Written Answer on : 24/07/2018
Question Number(s): 1990 Question Reference(s): 34916/18
Department: Agriculture, Food and the Marine
Asked by: Brendan Smith T.D.

QUESTION

To ask the Minister for Agriculture; Food and the Marine if the new low cost loan scheme will be introduced at an early date in view of the particular financial pressures on farming at present; and if he will make a statement on the matter.

REPLY

One of my priorities is to improve access to finance for the agri-food sector. Food Wise 2025 identifies competitiveness as a key theme and includes a recommendation that stakeholders work to “improve access to finance for agriculture, forestry and seafood producers and agri-food companies”.

I announced in Budget 2018 that my Department is considering the development of potential Brexit response loan schemes for farmers, fishermen and for longer-term capital financing for food businesses. These schemes are developed and delivered in cooperation with the Strategic Banking Corporation of Ireland (SBCI) and take time to develop and operationalise. Consideration and discussions are ongoing in this regard and I will announce further details on this as they become available.

While continuing to explore additional funding mechanisms, I also liaise with the main banks on issues relating to the agri-food sector, all of whom have specialised products available and have expressed a commitment to servicing the future financing needs of the sector.

I believe that the delivery of last year’s Agri Cash Flow Loan Scheme can act as a catalyst to encourage financial institutions to improve and develop new loan products for the sector. The Milk Flex loans developed by the Irish Strategic Investment Fund, with dairy co-op and private banking participation, are a good example of innovation in this regard.