

## Extended Abstract

Please do not add your name or affiliation

<b>Paper/Poster Title</b>	<b>The impact of two policy changes on Irish dairy farms</b>
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**Abstract prepared for presentation at the 98th Annual Conference of The Agricultural Economics Society will be held at The University of Edinburgh, UK, 18th - 20th March 2024.**

<b>Abstract</b>	<i>200 words max</i>
As water quality trends continue to decline, stricter regulations on agricultural practices continue. In 2023, Ireland's 5 <sup>th</sup> Nitrates Action Programme introduced a number of changes to existing practices and calculations. In conjunction with these new regulations Ireland's derogation, which allows farms to operate at higher stocking rates underwent a midterm review and in many areas, the limit reduced from 250 Kg/N/Ha to 220 Kg/N/Ha. This paper investigates the options available to farmers currently availing of a derogation and the consequents of these changes at farm level	
<b>Keywords</b>	e.g. Bioenergy, Energy Efficiency
<b>JEL Code</b>	e.g. Energy: Demand and Supply Q41 see: <a href="http://www.aeaweb.org/jel/guide/jel.php?class=Q">www.aeaweb.org/jel/guide/jel.php?class=Q</a> )
<b>Introduction</b>	<i>100 – 250 words</i>
Ireland's dairy industry is a grass-based system where dairy cows graze outdoors for most of the year. While good grassland management is key to this low cost system, chemical and organic fertilizers used to grow the grass increase the threat of surplus nitrogen reaching watercourses. In 2015 EU dairy quotas were removed and the Irish dairy sector expanded by 27% over the period 2015 – 2023. While there was a reduction in the suckler herd, overall the number of livestock on the island increased giving rise to some environmental concerns. From January 2024 two significant policy changes will come into effect. The updated NAP and the changes to derogation rules. Farmers operating at higher stocking rates will have to adjust their farming practices in order to remain compliant. These changes could include; increasing land size, decreasing cow numbers, destocking of other less profitable livestock among others. Each of these options will be farm and location specific and have different cost and management implications.	
<b>Methodology</b>	<i>100 – 250 words</i>
Using Teagasc National Farm Survey data from 2015 to 2022 we apply a panel data fixed effects model to capture the effect of decreasing cow numbers on gross margin.	
<b>Results</b>	<i>100 – 250 words</i>

Results are still under review

**Discussion and Conclusion**

*100 – 250 words*