



# annual report 2009

# Mission Statement

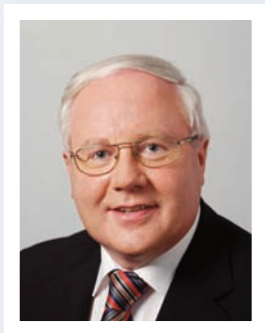
*To lead the sustainable development of a competitive, innovative, consumer focussed agriculture, food, fishery and forestry sector and contribute to a vibrant rural and coastal economy and society*



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## 2009 Review



Brendan Smith, T.D.,  
Minister for Agriculture,  
Fisheries & Food



Tom Moran  
Secretary General

The global economic and financial crisis continued to impact on all areas of our economy. This included the agri-food and fishing sector where, in 2009, its effects were felt most severely in commodity markets, food and drink exports and on Exchequer finances. However, towards the end of the year, there were tentative signs of currency and economic recovery which will stimulate demand for agri-food exports.

Major market support initiatives were necessary in 2009 to deal with weak commodity markets, particularly for dairy products. Consequently, as an exceptional measure, the EU agreed to reactivate temporary measures including export refunds, intervention and aids for private storage. In addition, the EU established a High Level Group, representative of Member States, to examine medium and longer term ways of improving returns to farmers, market transparency and stability.

The other significant issues dominating the EU agricultural policy agenda were the discussions on the broad outline and principles of the future CAP and the reform of the Common Fisheries Policy. In both cases, an extensive consultation process was initiated nationally to seek stakeholders views on the most appropriate policies to be pursued by Ireland in future negotiations. This process provided valuable input and will influence consideration of the policy options to be adopted.

Agri-food exports in 2009 were €7.12 billion with volumes attaining 97 % of 2008 levels despite the depressed export environment. In value terms, however, there was a drop of 12% over last year which was primarily caused by challenging currency fluctuations, particularly the 13% fall in the value of sterling. As this sector comprises just over half of overall exports by indigenous manufacturing industries, its contribution to an export led economic recovery is vital and fortunately the medium term prospects for the sector remain positive if challenging.

The Department continued to operate a wide range of schemes and initiatives which are of direct benefit to farmers and which also contribute to the development of vibrant agricultural sector. Over €1.5 billion was paid to farmers in 2009 under the Single Payment and Disadvantaged Areas schemes. To relieve cash flow problems, the Department secured EU agreement to pay a 70% advance six week early on the Single Payment. In addition, a further €341 million was paid to farmers under the Rural Environmental Protection Scheme while grant aid of almost €320 million was paid under the Farm Waste Management and Farm Improvements schemes.

A major revision of the Rural Development Programme took place in 2009 involving the development of a new Agri-Environment Options Scheme (AEOS) which prioritised biodiversity, water management, climate change and broadband. In addition, a series of new farm investment schemes known as the Targeted Agricultural Modernisation Scheme (TAMS) are being developed. These measures, which are scheduled for implementation in 2010, include options for dairy and sheep enterprises, pig welfare, poultry welfare, water conservation and bio-energy.

One of the key structural areas progressed in 2009 was the planned restructuring of the Department's local office network. This rationalisation involved the closure of 42 offices and the expansion of 16 regional offices to provide an enhanced service to customers using a more cost effective service delivery model. The restructuring process will result in an overall reduction of around 400 staff and when completed in 2010 should result in an annual savings of the order of €30 million.

Despite the downturn in economic circumstances, the Government's commitment to the agri-food and fisheries sector is strong and will continue to be pursued to the optimum level within the constraints of the public finances.



Trevor Sargent, T.D.,  
Minister of State for Food and  
Horticulture



Tony Killeen, T.D.,  
Minister of State for Forestry  
and Fisheries

## 2009 Achievements

### Goal 1

*Provide an appropriate policy framework to support the development of an internationally competitive, innovative and consumer-focused sector*



- Public consultations undertaken to seek stakeholder perspectives on national policy options for both CAP post 2013 and the reform of the Common Fisheries Policy
- Significant collaboration between the Department and State Bodies on development of future strategy for agri food sector.
- Funding of €8.4 million provided under Beef & Sheepmeat Capital Investment Scheme.
- Bord Bia/ UCD Fellows progressed over 100 industry driven market development projects.
- €24.1million provided for R & D projects under FIRM, Stimulus and COFORD programmes
- Range of dairy developmental measures initiated, including the Dairy Efficiency Programme, New Entrants Scheme and Greenfield Dairy Project.
- Market support measures introduced to support EU dairy prices.
- World Food Summit addressed by Minister Sargent and Department official appointed chairperson of the international Food Aid Committee.
- €2.3m of grant aid under the Investment Aid Scheme for Commercial Horticulture facilitated capital investment of around €5.8m.

### Goal 2

*Ensure the highest possible standards of food safety, consumer protection, animal health and welfare, fish and plant health including appropriate bio-security measures.*



- Dioxin contamination incident reviewed and recommendations progressed.
- Ireland achieved Official Brucellosis Free status and incidence of bovine TB reduced by 20%
- Animal Health Ireland, an industry-led partnership, established to improve profitability through wider adoption of best practices in animal health.
- National Reference Laboratory accreditation was maintained for 377 tests and central veterinary research laboratory became one of the first non-US laboratories to be awarded VetNet certification in Pulsed Field Gel Electrophoresis



## Goal 3

*Promote economic, social, environmental sustainability, and appropriate structural change in the agriculture, forestry, fisheries, bio-energy and food production sectors*



- Revised Rural Development Programme included a new targeted Agri-Environment Options Scheme and a new farm investment scheme (TAMS).
- Forás Orgánach established to develop the organic sector which annually has increased the national organic acreage by around 10% in recent years.
- Infrastructural works of €14.8 million were completed on fishery harbour and coastal infrastructural projects.
- Fertiliser usage has continued its downward trend with 2009 levels reduced by a further 6%.
- Department's Climate Change Research Seminar publicised the challenges of climate change, research findings and emissions reduction projects.

## Goal 4

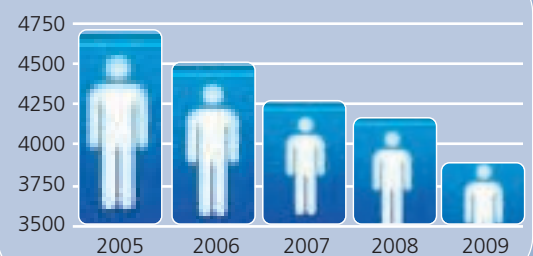
*Operate all our schemes and programmes in an efficient, effective and customer focused manner, improve the quality of service delivery and simplify the regulatory burden on our clients*



- Farmers Charter and Action Plan, setting specific delivery targets for all schemes, was agreed.
- 99% of Single Payment Scheme applications, involving €1.25 billion, met the payment and decision targets set by the Charter.
- 65,000 clients registered for online capability
- The 75% increase in online applications for the Single Payment Scheme improved efficiency and reduced application error.

## Goal 5

*Continually enhance our capability by developing our people and systems, maintain the highest standards of corporate governance, and implement the decentralisation programme and public service modernisation*



- A comprehensive restructuring and rationalisation of the Local Office Network commenced
- Overall staffing numbers fell by 281
- Certification to international ISO standard was achieved for 7 work areas.
- Redesigned website and intranet introduced providing a better information and retrieval service.

# Organisation of the Department

At 31 December 2009, the Department had a total staff complement of 3,881 full-time equivalents (FTEs).

The senior management team, is the Management Advisory Committee (MAC), headed by Mr. Tom Moran, Secretary General and is comprised of seven Assistant Secretaries General, the Chief Veterinary Officer, the Chief Inspector and the Director of Laboratory Services. Their responsibilities were as follows

Tom Moran Secretary General			
MAC Member	Deputy	Function	Head of Division
<b>Cecil Beamish</b> <i>Fisheries and Coastal Zone</i>		Seafood Policy & Development Sea Fisheries Administration Coastal Zone Management Engineering	Josephine Kelly Paschal Hayes John Quinlan Gerard Farrell
<b>Dave Beehan</b> <i>Chief Inspector</i>	<b>Dermot Ryan</b> <i>Deputy Chief Inspector</i>	Dairy Regions Pesticide Registration Feedingstuffs, Fertilisers, Grain, & Poultry Livestock, Beef & Sheepmeat Crop Variety Testing Seed Certification Horticulture & Plant Health Research, Food & CODEX Co-Ordination Environment & Engineering Services Crop Production & Safety	<b>Vacancy</b> Dermot Sheridan Liam Hyde  <b>Vacancy</b> <b>Vacancy</b> Donal Coleman Gabriel Roe Richard Howell  Bill Callanan  Kevin Cassidy
<b>Tony Burke</b> <i>Finance &amp; Audit</i>		Finance Accounts Internal Audit	Brendan Gleeson Geraldine Mullen Tom Medlycott
<b>Vacancy</b> <i>Farm Investment and Forestry</i>		Beef Control On-Farm Investments, Subsidies & Storage Forest Service Inspectorate Forest Service Policy	Tom O'Hanlon Ronan O'Flaherty <b>Vacancy</b> Bridgeena Nolan
<b>Philip Carroll</b> <i>Milk policy, Animal Health and Welfare</i>		Milk Policy ERAD, Veterinary Medicines and District Veterinary Operations Animal Health & Welfare Animal Health & Welfare Beef Assurance Scheme	<b>Vacancy</b> Richard Healy  Stephen Fitzpatrick Heber McMahon Martin Farrell
<b>Vacancy</b> <i>Direct Payments &amp; Agri-Environment</i>		Agriculture Structures Single Payment Single Payment Entitlement Integrated Controls Agriculture Environment & Structures	Michael O'Donovan Paud Evans Andy McGarrigle Al Grogan Liam Fahey



MAC Member	Deputy	Function	Head of Division
<b>John Gillespie</b> <i>Human Resources and Legal Services</i>		Management Services Personnel Accommodation, ISO, Health & Safety Legal and Land Services	Breffini Carpenter Bert O'Reilly Danny Carroll Randall Plunkett
<b>Michael Gunn</b> <i>Director of Laboratories</i>	<b>John Ferris</b> <i>Director Veterinary Laboratories</i> <b>Dan O'Sullivan</b> <i>Head of Agriculture Laboratories</i>	Regional Veterinary Laboratories and Farm Bacteriology/Parasitology Pathology Virology Plant Health, Pesticides and Seed Testing Laboratories Dairy Sciences Laboratories Central Meat Control	<b>Vacancy</b> John Egan Paul Collery Pat Lenihan Michael Hickey Nicholas Finnerty Paula Barry Walsh
<b>Martin Heraghty</b> <i>Food, Meat &amp; Corporate Affairs</i>		Food Industry Development Food Safety Liaison and Equines Crops & Bioenergy Policy and State Bodies Meat Policy Meat Hygiene & Animal By-Products Corporate Affairs, FOI	Marian Byrne Joe Shortall <b>Vacancy</b> <b>Vacancy</b> Tom Loftus Andy Irving
<b>Aidan O'Driscoll</b> <i>International, Economics &amp; Planning. Environment</i>		Rural Development EU & Trade Policy  Economics, International & Planning Environment	Patricia Cannon Brid Cannon Jarlath Coleman Brussels Kevin Smyth Paul Dillon
<b>Philip O'Reilly</b> <i>Information Technology</i>		IT- Direct Payments Systems (IACS) IT- Fisheries & Forestry Systems IT- Infrastructure and Operations IT- Customer Financial & Online Services IT- Animal Health & Traceability Systems	Sean Keevey Christy Philpott Robert Butler Joe Hanly Mick Bunyan
<b>Paddy Rogan</b> <i>Chief Veterinary Officer</i>	<b>Martin Blake</b> <b>Martin O'Sullivan</b> <b>Michael Sheridan</b> <i>Deputy Chief Veterinary Officers</i>	RVO North West RVO North East RVO South East Veterinary Service Audit Unit ERAD – Brucellosis ERAD - TB Veterinary Public Health – Beef & Sheepmeat Veterinary Public Health – Pigmeat & Poultrymeat National Disease Control Centre & Veterinary International TSE, Scrapie & Animal By-Products Veterinary Zoonoses, Animal Health & Welfare and Medicines	Oliver McDonagh Michael Fallon John Murray Pat Flanagan Garry O'Hagan Margaret Good Paula Barry Walsh  Dave Nolan Billy McAteer  John Griffin Pat Brangan
		Director of Agriculture Appeals Office:	John Murphy

# goal one

## Annual Output Statement

*EU Interaction*

*International Interaction*

*National Policy Framework*

*Innovation*

*Food Sector*

*Primary Production*

■ Meat

■ Milk

■ Crops

■ Livestock



# Annual Output Statement:

## GOAL 1

goal one

*"Provide an appropriate policy framework to support the development of an internationally competitive, innovative and consumer-focused sector"*

### Inputs - Goal 1

	2009 Budget € million	2009 Outturn € million	2010 Budget € million
Programme Expenditure	309.9	309.6	317.6
Current	241.9	238.6	263.3
Capital	68.0	71.0	54.3
Programme Administration	27.5	26.0	24.1
Pay	18.9	17.9	15.5
Non-Pay	3.7	3.3	4.0
Support Expenditure	4.9	4.8	4.6
Total Gross Programme Expenditure	337.4	335.6	341.7
Number of staff (FTE) as at 31 December 2009		277	

### Outputs - Goal 1

- 1.1 Further develop national positions on post 2013 CAP and actively engage in this key EU debate on the future of the CAP. In co-operation with other relevant Departments, advance and defend Irish interests in negotiations on the EU budget review and WTO negotiations.

National policy positions for the CAP post 2013 negotiations were significantly advanced in 2009 by

- Ministerial and senior official involvement in policy debates at the May and December E U Agriculture Councils and in informal exchanges with OMS
- an extensive consultation process with stakeholders on CAP post 2013 options
- Producing internal policy analysis and establishing overall policy positions for the negotiations

Although, WTO negotiations were relatively inactive in 2009, DAFF prevented the imposition of punitive tariffs on exports to the US of Irish pigmeat and oatmeal, arising from the EU/US WTO dispute on beef hormones

## Outputs - Goal 1

2009 Output Target	2009 Output Achieved
<p>1.2 Continue to implement current policy documents within reduced budgetary provisions to maintain progress at current levels.</p>	<p>A significant element of "Steering a New Course" on the sustainable development of the fisheries and aquaculture sectors has been delivered with the fleet decommissioning scheme. Progress on the implementation of recommendations involving grant aid support were prioritised taking account of available funding.</p> <p>Malone Report on Forestry - 83% implemented or being implemented on an ongoing basis. Implementation of the remainder is constrained by EU regulations.</p>
<p>1.3 Develop a new national strategy for the agri-food, forestry and fisheries sectors to 2020, to succeed Agri-Vision 2015.</p>	<p>Extensive work on the development of a new strategy was completed in 2009. This involved the production of a broad range of analytical papers by the Dept. in conjunction with State Agencies. Publication of the national strategy is expected in the latter half of 2010.</p>
<p>1.4 Increase volume of agri-foods exports from 2008 value of € 8 billion</p>	<p>Agri-food export volumes in 2009 were 97% of 2008 levels. Export value declined by 12% to €7.12 billion. The reduced value was linked to the 13% fall in sterling in 2009 v 2008, lower commodity prices and globally reduced consumer spend.</p>

## EU INTERACTION

The main issues which dominated EU agriculture policy discussions in 2009 were the crisis in the dairy sector, the future of the CAP, and the reform of the Common Fisheries Policy.

### Dairy Sector

The European dairy industry faced serious challenges in 2009. International markets for dairy products remained fragile as the high prices achieved in 2007 and early 2008 caused a positive supply response while the turmoil in the international financial sector resulted in reduced demand. The combination of these factors led to a very substantial price drop for dairy products.

To help stabilise the dairy sector, the European Commission reactivated a range of support measures during 2009. In October, it also established a High Level Group (HLG) of representatives from all Member States and the Commission to examine medium and long-term ways of stabilising dairy farmers' incomes and improving market transparency. Nationally, Minister Smith established a Dairy Consultative Group to advise on the work of the HLG. The HLG is due to produce a final report at the end of June 2010.

#### *€300m dairy fund*

At the November Agriculture Council, short-term measures were approved to assist the dairy sector. An additional €300 million was made available in the 2010 budget, of which Ireland will receive approximately €11m. Other measures include the option for Member States to implement a quota buying-up scheme for the quota years 2009/10 and 2010/11.

### Future shape of the CAP

Policy analysis and debates on the broad outline and principles of future EU agriculture policy took place at both Member State and EU level in 2009. A number of common themes and key issues are emerging from these debates and they, together with discussions on the future EU budget, are set to inform the concrete proposals that will be tabled in 2011. A Commission Communication on CAP post 2013 is expected in mid 2010.



### ***Emerging issues***

The emerging issues include:

- Demands from some Member States (MS) for a lower budget share for agriculture and for eventual dismantling of the CAP.
- Demands from “new” Member States for “re-balancing” of MS’ shares of agricultural funding.
- Increasing demands for the Single Payment System (SPS) to move from the historic model to flatter rates of payment, coupled with calls for greater targeting of single payments to link them to the delivery of public goods.
- Calls for a greater focus on Pillar 2 (Rural Development)(RD) and the introduction of specific indicators to measure the outputs and impacts of RD programmes.
- Calls for integration of RD policy into regional policy (territorial cohesion).
- The prospect of increased re-coupled payments.
- Continuing pressures to reduce supply and market management mechanisms with a greater reliance on crisis management and mechanisms to address increased volatility in prices.

### ***Consultation process***

Minister Brendan Smith T.D. launched a consultation process in July 2009 to seek the views of stakeholders on the most appropriate policies to be pursued by Ireland in the upcoming negotiations.

## **Common Fisheries Policy (CFP)**

In April 2009, the European Commission presented a Green Paper on the reform of the CFP. The Green Paper articulated the Commission’s ambition to undertake a fundamental reform of the CFP. The reformed CFP will come into effect at the start of 2013, but it is envisaged that the Commission’s legislative proposals on the reform will be finalised by the end of 2010. Accordingly as part of the preparation of Ireland’s position, an extensive consultation process was undertaken involving the fishing sector and stakeholders.

## **Maintaining Effective Partnerships**

The Department maintained effective relationships with the EU institutions and Ministries in other Member States through our diplomatic officers abroad, through bilateral contacts with EU institutions and with Ministries of Agriculture in other Member States. The Department maintained its diplomatic representation at Counsellor/Attaché level in France, Germany, Italy, Poland, Spain, UK, Brussels (EU), Geneva (WTO) and Washington. As part of their responsibilities, these staff service international organisations where appropriate (FAO, WFP, OECD).

In 2009, the Department hosted a number of Ministerial and senior official visits from Sweden, Austria, Italy, Netherlands, Belgium and Finland. Visits at both Ministerial and Secretary General level were undertaken to Germany, France, Spain, Finland, Denmark and Austria. A number of Ministerial meetings also took place in Brussels and Dublin with EU Commissioners Fischer Boel, Borg and Dimas.

## North-South Co-operation

There were three North South Ministerial Council (NSMC) agriculture sectoral meetings held during 2009, two of which were hosted in Farmleigh, Dublin and one in the College of Agriculture, Food and Rural Enterprise in Greenmount, Antrim.

The agreed areas of co-operation for agriculture under the Good Friday Agreement are Common Agriculture Policy issues, Animal and Plant Health policies and Rural Development. The importance of agriculture and the potential threats posed by diseases require that both Governments work collaboratively to protect plant and animal health and the welfare status of livestock. A work programme to co-ordinate animal health and plant health policies and develop joint strategies for dealing with animal and plant health diseases was progressed through a series of working groups at official level. The Department of Community, Equality and Gaeltacht Affairs now manage the rural development agenda.

## INTERNATIONAL INTERACTION

### WTO

The 7th Ministerial Conference of the WTO was held in Geneva from 30 November to 2 December. As this was not a negotiating session for the Doha Round, it reflected on broader WTO issues including the Doha Development Agenda (DDA) and the WTO contribution to recovery and development in the current economic climate.

Main outcomes were

- Members reaffirmed their commitment to conclude the DDA Round in 2010;
- A stock-taking exercise would take place in the first quarter of 2010 to assess whether the 2010 deadline could be met and senior officials would develop a roadmap to achieve these goals;
- General support for progress made to date and agreement that stabilised texts should not be reopened.

The most significant WTO development in 2009 was agreement on the long standing 'Bananas Dispute' between the EU, Latin American suppliers and the US. The agreement, which was initialled on 15 December, set the conditions for the settlement of current disputes and claims regarding bananas.

### FOOD SECURITY

#### Food Aid Convention (FAC)

The 1999 Food Aid Convention is the main international agreement on the provision of food aid. It works both as a code of conduct for best practice and as a commitment for a minimum annual level of food aid. A department official, Ms Sharon Murphy, became the chairperson of the international Food Aid Committee for a one-year period commencing on the 1 July 2009. During her chairmanship, the focus was on developing objectives and structure for a new Food Assistance Convention and on efforts to enhance its effectiveness. The re-negotiation of the FAC is designed to strengthen a new Convention and to provide binding commitments for donor Members to meet their minimum commitments.

Ireland's national position on food aid has been to focus on the delivery of cash only and untied food aid. This is in line with best international practice, as recognised by the OECD, and concentrates on the delivery of aid in a timely fashion and, in many cases, using the cash to purchase surplus food from within the affected region. However, other countries deliver assistance by other means.



### UN- World Food Programme (WFP)

During 2009 the Department continued its support for the vital work of the United Nations WFP by contributing €9.96 million in core multilateral funding.

### UN- Food and Agriculture Organisation (FAO)

The Department continued to represent Ireland's position on agricultural and development matters at various Food and Agriculture Organisation (FAO) Council, Conference and EU coordination meetings. In addition to paying Ireland's subscription of over €1.5 million to FAO, extra budgetary funding of €416,500 was provided to support vulnerability mapping activities and assessment of countries food insecurity status.

The FAO Conference in November endorsed a budget of €996.8 million for the 2010-2011 period which includes the full cost of the reform process. It was agreed that further efficiency savings and one-time savings needed to be achieved. The Conference also endorsed the Medium Term Plan and its result-based framework.

The FAO Committee on Food Security (CFS) was reformed in October. It has been expanded to include representation from all stakeholders including NGOs, civil society and the private sector. The CFS will now become the main global forum for discussion and policy coherence on food security issues.

Minister Sargent addressed the World Food Summit at FAO in Rome in November. The Summit provided an opportunity to keep up the momentum built up by the UN High Level Task Force in 2008 and the G-8 process in 2009, including L'Aquila. No new targets had been set for the elimination of poverty and hunger or for the amount of ODA earmarked for agriculture. However, the Global Partnership for Agriculture, Food, Security and Nutrition (GPAFSN) was launched at the Summit to highlight countries commitment to work together towards enhanced global governance of food security.

## L'Aquila Statement

At the G8 meeting at L'Aquila in July, G8 nations and a number of others signed up to the L'Aquila Food Security Initiative. The L'Aquila joint statement included a commitment by those countries to mobilise \$20 billion over three years to focus on sustainable agricultural development while still ensuring adequate emergency food aid assistance. A World Bank led trust fund that has been set up to support this and the EU will contribute approx €4 billion.

## UN- High Level Task Force (UNHLTF)

The UN High Level Task Force (UNHLTF) continued its work during 2009. It was set up by Secretary General Ban Ki Moon, as the UN system reaction to increasing food prices. The Task Force's aim is to develop an international response to the food prices crisis and fuel crisis without creating new institutional mechanisms. It called on members to double ODA for food assistance, other types of safety net programmes and to increase to 10% within five years the percentage of ODA to be invested in food and agriculture.

## Hunger Taskforce

The Irish Government is committed to the key recommendations of the Hunger Task Force. The issue of hunger is now a key component of Ireland's foreign policy and overseas aid programme. Mr. Kevin Farrell was appointed the Special Envoy for Hunger and will produce a report in 2010 on Ireland's progress towards implementing the recommendations of the Report. An Interdepartmental Hunger Task team was established and DAFF is represented on it.

# NATIONAL POLICY FRAMEWORK

## 2020 Strategy

In late 2009, Minister Smith outlined the following terms of reference for a new strategy to reposition Irish farming, food and fishing for maximum growth:

*"To prepare a strategy for the development of the agri-food and fishing industries for the period to 2020 in the light of current and foreseeable challenges and opportunities"*

The resulting collaboration between the Department and five State Agencies (Bord Bia, Teagasc, Enterprise Ireland, BIM and the Marine Institute) produced a series of over 20 discussion papers under the five themes

<b>Context-</b>	<i>Economic, Financial, Post 2013 Policy</i>
<b>Commodities-</b>	<i>Meat, Milk, Crops, Fish</i>
<b>Food -</b>	<i>Markets, Consumer and Retail Developments</i>
<b>Innovation -</b>	<i>Research, Technology, Business transfer</i>
<b>Sustainability-</b>	<i>Environmental issues, public and animal health</i>

These provided an informed basis for the web based public consultation and submission process to be conducted in 2010. Publication of the new strategy was scheduled for mid 2010.

### Legislation

In 2009, the Department had two Acts passed by the Oireachtas – Foreshore and Dumping at Sea (Amendment) Act 2009 (No. 30 of 2009) and the Forestry (Amendment) Act 2009 (No. 40 of 2009)- and made 74 Orders and Regulations on a wide range of issues. Full information is on the Department's website under the heading "Legislation". The text of the Acts are also available on [www.irishstatutebook.ie](http://www.irishstatutebook.ie)

### Statistical and Analytical Reports

The following publications were launched in 2009:

#### *Annual Review and Outlook for Agriculture and Food 2008/2009.*

contained a broad range of analysis and commentary relating to the performance of farm income and the agri-food sector in 2009.

#### *Fact Sheet on Irish Agriculture.*

This was reviewed, up-dated and disseminated widely in 2009

#### **Annual Review & Outlook for Agriculture, Fisheries & Food 2009/2010**





## Aggregate Farm Income

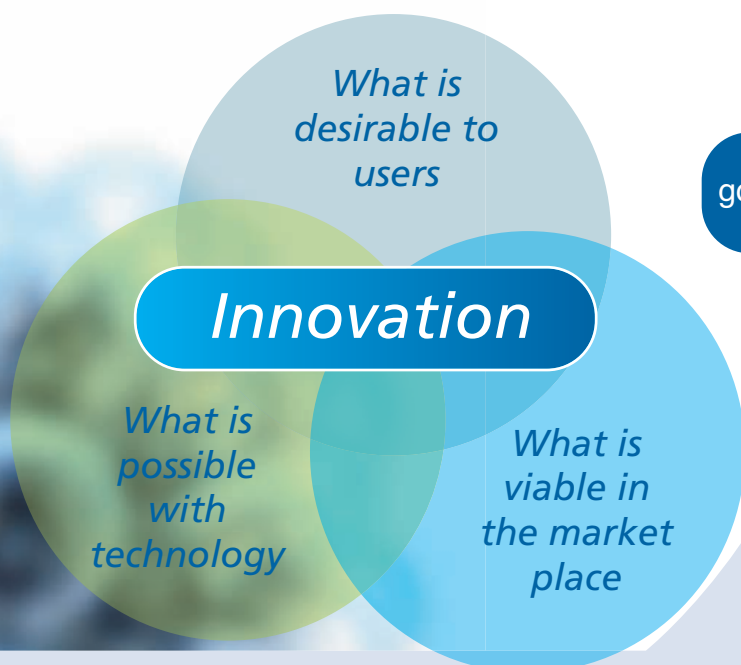
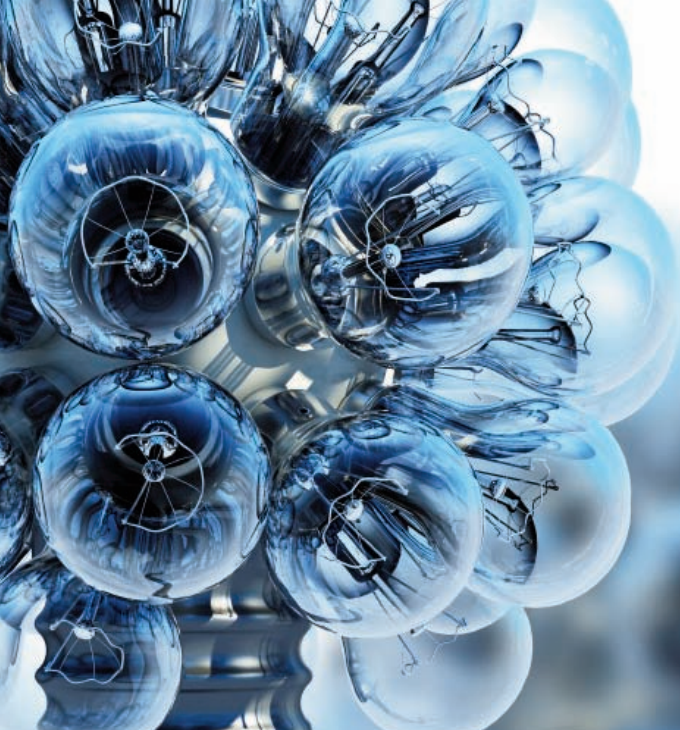
goal one

Table 1.1 Overview of 2009 Agricultural Output

2009 OUTPUT, INPUT & INCOME	€m	
Agricultural Output at Producer and Basic Prices, Gross Value Added and Operating Surplus in Agriculture	Goods Output At Producer Prices	4,767.6
	Plus Contract Work	268.7
	Plus Subsidies Less Taxes On Product	15.1
	Agricultural Output At Basic Prices	5,051.4
	Less Intermediate Consumption	4,068.1
	Gross Value Added At Basic Prices	983.3
	Less Fixed Capital Consumption	779.1
	Plus Other Subsidies Less Taxes On Production	1,835.1
	Less Compensation Of Employees	427.7
	Operating Surplus	1,611.6

Source: CSO, Output, Input and Income in Agriculture – 2009 Final Estimate

The CSO's final estimate of output, input and income in agriculture in 2009 shows that operating surplus declined by 30% to €1,612 million, which follows on from a decrease of 11.7% in 2008. This 30% decrease in 2009 can mostly be attributed to a decrease of 18.1% in the value of goods output.



## Innovation

### Food Institutional Research Measure (FIRM)

In 2009 there were no open FIRM Calls. Much of the workload in 2009 concerned the ongoing monitoring, via progress report assessments, of 122 funded projects. In line with Internal Audit recommendations, site inspections were completed on 35 projects to ensure that each project is audited within the lifetime of its funding. In addition to the ongoing monitoring of projects, FIRM, through the RELAY project, is continuing to ensure that the outputs and outcomes of research projects are managed to realise maximum commercial opportunities.

As a result of collaborative funding between DAFF and the Department of Health and Children (DoHC), the approved Joint Programme Initiative in Food & Health will now be progressed. During 2009, the Food Industry R&D Committee met to develop a strategic research agenda for the food sector. This activity will be completed in 2010.

### Research Stimulus Fund (RSF)

In 2009 there were no open RSF Calls and funding allocated to the RSF programme in 2009 was used to meet existing commitments arising from calls in 2005-2007. Progress evaluation reports were carried out on 85 funded projects throughout the year. A further 24 on-site inspections were made to build on the information already submitted to DAFF in the scientific progress reports and to ensure maximum return for tax payers investment.

In June, DAFF hosted a Climate Change Research Seminar. The seminar was based around agri-centred climate change research funded by the Department's RSF programme. The session involved a mix of relevant topics and a range of speakers from the institutions active in this area. The event provided a two-way platform for policy makers to inform the research community about the challenges in relation to climate change and greenhouse gas reduction targets and allowed researchers to present preliminary findings from their RSF funded projects.

### COFORD

A significant development during the year was the transfer of COFORD into DAFF. Its forestry promotion & development function were assigned to the Forestry Division and its research function to Research and CODEX Coordination Division.

Submissions received from the 2008 COFORD Call for proposals resulted in 7 new projects being selected for funding, covering Silviculture and Forest Energy. Silviculture projects included broadleaves, riparian zones and low impact systems, while forest energy was mostly concerned with supply chain issues, wood ash and short rotation coppice. The total DAFF contribution will amount to €3m but formal approval was delayed to 2010 pending the COFORFD transfer.

DAFF participated in the WoodWisdom ERA-NET 2nd Call on “Sustainable, competitive processing and end-use concepts for forest-based industries” and also participated in an ERA NET on Organic Agriculture.

Dissemination activities continued with seminars, events and a wide range of publications. 11 newsletters, 15 COFORD Connects information notes and 1 project report on Roundwood Production from Private Forests were aimed primarily at the forestry sector. The 6 papers produced by a COFORD Council working group advocating the benefits of afforestation, a book on Wicklow’s trees and woodlands and COFORD’s annual report were aimed at a wider audience.

## EU 7th Framework for Research & Technological Development (FP7)

The European 7th Framework Programme for Research and Technological Development is the EU’s vehicle for research funding. DAFF continued to provide the National Delegate and National Contact Point for the Theme Area concerning Food, Agriculture & Fisheries, and Biotechnology.

Irish researchers were extremely successful in the 2008 call, spurred on by the efforts of the national delegate and contact point, the economic climate and the limitations on national research funding. In 2009, we achieved 2% of the available budget from Call 3. The interest and activity was maintained in Call 4, the results of which will be expected in mid 2010.

This level of interest provides leverage in developing Ireland’s reputation for research excellence as espoused in the Strategy for Science Technology and Innovation. The importance of international collaboration in developing a knowledge economy cannot be overstated.

## Global Research Alliance and Joint Programming Initiatives

DAFF are leading Ireland’s involvement in two international research initiatives on reducing agricultural greenhouse gas emissions: The Global Research Alliance on Agricultural Greenhouse Gases (GRA) and the EU-based Joint Programming Initiative (JPI) on *Agriculture, Food Security and Climate Change (FACCE)*.

The New Zealand led GRA was established on the margins of the Copenhagen Climate Change Summit in December with Ireland as a founder member. This initiative aims to reduce greenhouse gas emissions from agriculture with particular emphasis on farm level.

JPIs are aimed at combining the national research effort (and, eventually, funding) of interested bodies to tackle major societal challenges. DAFF, along with Teagasc, represent Ireland on the Governing Board of the FACCE JPI. Another JPI, *A Healthy Diet for a Healthy Life*, is also of strategic interest to DAFF as very substantial capacity and capability has been built up in the food for health research over the last 5 years via the FIRM-funded Food for Health Research Initiative.

## Codex Alimentarius

DAFF operates the Codex Contact Point for Ireland. It undertakes a range of stakeholder consultation activities, including operation of the Irish Codex Advisory Committee, to ensure that the Irish position at Codex sessions is representative of our particular needs. During 2009, 15 Codex Alimentarius Sessions and 18 EU Council Codex preparatory meetings were held in 2009.

## Sea Change – National Marine Knowledge Research and Innovation Strategy

Just under €20m was invested in Irish marine research, development and innovation projects in 2009 from national and international funding sources.

Over 50% of this investment is accounted for by the continued good performance of Irish marine researchers in European research and development programmes, primarily FP7 and InterReg IV. The total awarded since 2007 on these programmes is over €23m which is a considerable increase over the previous programmes. €2m came from the NDP -Marine Research Sub-Programme which is managed by the Marine Institute on behalf of DAFF, and was focused on supporting applied, ship-based research on board the national research vessels.

2009 saw further significant progress in three key *Sea Change* initiatives, i.e. national R&D programmes in Marine Biotechnology, Advanced Marine Technology; and in Renewable Ocean Energy. Additionally, the full implementation of the *SmartBay* project (as a test and demonstration facility for advanced marine technologies) progressed significantly, with the funding submission from a research and industry consortium.



## Food Sector

### Overview

The agri-food industry faced unprecedented challenges in 2009 as a sustained decline in the value of sterling, the economic downturn and a sharp slowdown in the global market for major commodities, led to an extremely difficult market environment. The combination of these factors resulted in a 12% fall in the value of food and drink exports to €7.12 billion. However, the volume decline (3%) was relatively low as companies sought to maintain business.

### Agri-Vision 2015 Action Plan

The Department, in collaboration with the food industry, continued to implement the food related actions in the Agri-Vision 2015 Action Plan. The actions include investment aid for the dairy, beef and sheepmeat sectors, a more strategic engagement with industry on research and innovation, support for Bord Bia in relation to marketing, market intelligence and small business, as well as the promotion of artisan, local and specialty food.

## Bord Bia

The Department supported Bord Bia in their work of developing markets and the provision of promotion and information services to the food & drinks sector. In 2009, Bord Bia provided particular support to companies in securing overseas and export markets. Its offices in Asia, Russia and the US identified new business opportunities. Further research is planned in close collaboration with food companies. Over 100 market identification and development projects for companies were planned by the 25 graduates taking part in the Bord Bia/Smurfit UCD Fellowship programme, which was launched in autumn 2009.

The Bord Bia Vantage programme, which provides a suite of services to support the growth of small Irish food, drink and horticulture companies, was enhanced. The adoption of a cluster approach enabled small companies to increase sales, skills and business confidence and to gain more benefit from specialist trade fairs at reduced cost. The seafood marketing function transferred from BIM to Bord Bia in June 2009. This expanded capability for identifying new market opportunities across a range of markets and for the joint marketing of Irish food.

## School Fruit /Food Dude Scheme

The Food Dudes programme, which encourages schoolchildren to eat more fruit and vegetables, was rolled out to 42,353 students in 313 primary schools during 2009. The EU School Fruit Scheme contributed 50% of the cost of fruit and vegetables, with the Department carrying the full costs of rewards, videos and co-ordination with schools to communicate programme messages. As in previous years, a survey of parents, teachers and programme co-ordinators showed satisfaction rates in the high 90%.

## Beef, Pork and Offal promotion in China and Japan

In March, a three-year programme commenced aimed at increasing the sales in China and Japan of EU pork and pork offal products and gaining market access for EU beef and beef offals. The programme has a budget of €470,000 and is jointly funded by the Department, Bord Bia and the European Union. It is targeted at meat importers, opinion informers, food service and retail operators as well as consumers. Japan and China are two of the world's major pork importers of the programme increases the potential for increasing Irish pigmeat exports to international markets from its value of €24 million in 2009.

## Milk promotion

A three-year €1.5 million 'Milk in Action' campaign, co-ordinated by the National Dairy Council was approved by the EU. Industry funding of 30% (€145,000 a year) was a prerequisite to 50% EU funding and the Department will contribute €100,000 a year (20%). The programme will commence in April 2010 and aims through linkage with sport to increase milk consumption by young people and to promote women's awareness of the nutritional benefits of milk products such as cheese and yoghurt, in the battle against osteoporosis.

## Food Industry Investment

Investment continued under the Department's Dairy Investment Fund, which is managed by Enterprise Ireland. DAFF contributed €26.9 million towards 13 projects aimed at improved efficiency and increased production of added value products. Details of the Department's Beef/Sheepmeat Investment Fund, are set out in the Meat section.



The Department operates the Capital Investment Scheme for the Marketing & Processing of Agricultural Products in near-farm enterprises. The schemes operated up to December 2008 when grant aid of €16.7 million was announced in the horticulture, marts and small meat sectors. 18 payments amounting to €2.7 million were made during 2009.

### Food Industry Competitiveness

A €100 million fund to improve the food industry's competitiveness over the period 2010-2013 was announced in December 2009. The investment will support research and development, innovation and competitive manufacturing initiatives operated by Enterprise Ireland, and marketing initiatives under the remit of Bord Bia.

### Artisan, Local and Speciality Food

The Farmers Markets' Code of Good Practice was launched by Minister Sargent at Bloom 2009. The voluntary Code signifies that Farmers Markets displaying the banner have undertaken to hold markets regularly; to source a substantial proportion, ideally 50%, of local produce from the county or neighbouring counties; to accommodate seasonal and local garden/allotment produce and to comply with food safety/labelling rules and criteria on good governance. Following assessment of applications, the Good Practice Banner was awarded to 34 markets by the end of 2009.



## Primary Production

### MEAT

#### Overview

Beef output declined in 2009 due to a combination of lower cattle availability, pressure on global commodity prices, the economic downturn and increased live cattle exports. The critical factors affecting the Irish beef trade in 2010 will be the relative strength of sterling against the euro and the level of competition faced by Irish beef in key markets.

With a view to working with the sector in responding to evolving market challenges a number of policy initiatives were continued and enhanced during 2009. These included the Bord Bia Beef Promotion Strategies, Bord Bia Quality Assurance Scheme and Breed Improvement Programmes.

#### Quality Assurance Schemes

Funding is provided by DAFF to undertake farm inspection and certification for the Bord Bia Quality Assurance Scheme at producer level. Meat that has been sourced from a certified member of the Q.A. Scheme at both producer and processor level can carry the Quality Assurance mark.

Providing a Quality Assurance Scheme supports the beef and lamb sectors gain market entry, develop business and promote product in both the domestic and export market. The Bord Bia Quality Assurance Schemes differentiate themselves from others in that they offer standards that cover production pre and post farm gate. This integrated approach delivers a more comprehensive assurance to customers and consumers alike. Furthermore all the Schemes that Bord Bia provides are accredited by the Irish National Accreditation Board to the EN45011 standard. This internationally recognised norm supports credibility with international retail and foodservice buyers especially in our export markets.

During 2009, almost 22,000 audits were conducted on beef farms and a further 6,500 for the Lamb Quality Assurance Scheme. These included producers who were new members to the schemes as well as existing members who were re-audited and re-certified provided that they continued to meet the standard. In total, there were some 36,000 beef and lamb producers who were certified members of the schemes by year end, with over 28,000 members in the Beef Quality Assurance Scheme and 7,500 members in the Lamb Quality Assurance Scheme. Certified membership of both Schemes grew by over 12 per cent in 2009

In an independent survey conducted in early 2009 more than four in five consumers recognised the Quality Assurance mark and almost half of respondents said that they would be much more likely to buy a product bearing the mark.



## Market Access

The Market Access Group, established in 2007, continued its work on the re-opening of international markets for Irish meat; in particular those markets which were closed to Ireland following crises such as BSE and dioxins. During 2009, Ireland hosted visits from veterinary delegations from Libya, Indonesia and Ukraine in connection with our efforts to gain access to new markets for Irish meat. In addition, visits were received from delegations from China and Russia to assess re-opening these markets to Irish pork. In September 2009, the beef sector received a boost following the decision by the South African authorities to allow the importation of certain beef offals from Ireland

## Capital Investment

Investment under the Department's Beef and Sheepmeat Capital Investment Scheme was announced in May 2009. This Fund forms part of the Department's strategy to ensure the long-term competitiveness of the industry through supporting investment in scale and efficiency in primary processing, and added value in further processing for retail, food service and manufacturing outlets. €69 million is being provided towards a total investment of €168 million in 15 projects. Of this, €8.4 million was provided towards projects at 4 meat-processing companies in 2009

## Meat Production and Trade in 2009

### Beef

Total cattle slaughterings in 2009 amounted to almost 1.6 million, a decrease of 4% on the level obtaining in 2008. Beef exports at 461,00 tonnes were down by 5% on 2008 due primarily to lower cattle supplies. Exports to the United Kingdom decreased by 6% to 245,000 tonnes, while those to Continental Europe, at 214,00 tonnes, remained broadly similar to 2008. Currently over 99% of total Irish beef exports are now destined for the higher –value EU market.

### Sheepmeat

The sheep sector experienced a further contraction in throughput in 2009. Slaughterings at export plants declined by approximately 7%, reflecting the decline that has taken place in the national breeding flock in recent years. Factory prices for lambs improved by 2% over 2008 levels, reflecting better returns on export markets. While there was a sharp drop in consumption of sheepmeat on the home market in 2009, the volume of sheepmeat exported in 2009 is estimated to have declined by just 2%. 2009 also saw an increase to approximately 100,000 in the number of sheep exported live, up by roughly 50% over 2008 level



Pigmeat

Irish pig production declined by some 6% during 2009. The loss of 10,000 breeding sows following the pigmeat recall impacted strongly on Irish pig supplies. Producer prices fell by approximately 9% in 2009 compared to the previous year. The early part of 2009 was dominated by the fallout from the dioxin incident with the Department operating a Pigmeat Recall Scheme and a Pig and Cattle Disposal Scheme. In addition, an EU-approved APS scheme covering 30,000 tonnes of pigmeat was successfully managed during this period. Considerable work was done to restore international confidence in the safety of Irish pork with the result that the majority of markets closed in the immediate aftermath of the dioxin incident were quickly reopened.

While the market is generally suffering from the general economic situation and a fall-off in demand in third countries, exports declined marginally in volume terms during 2009 with amounts to our largest single market, the UK, increasing as the year progressed.

### Poultry and Eggs

The Irish poultry meat sector remained relatively stable during 2009. In the current economic climate, consumers regard poultry as a value-for-money food. As usual, the indigenous industry is under competitive pressure from imports. Poultry is normally reared under contract to processors, for a pre-agreed price, and therefore poultry producers are not subject to the same price fluctuations as other farmers



## MILK

### Dairy Markets and Trade

During 2009, international dairy markets remained weak before recovering gradually in the second half of the year. The EU responded to the weak market situation by reintroducing the range of market supports at its disposal. Export refunds were reactivated in January and were increased during the year before being reduced to zero again by December in response to rising prices. Intervention for butter and SMP continued after reaching the mandatory limits, and was extended beyond the August closing date. The scheme of private storage for butter started two months early, and was also extended past the normal closing date. The value of Irish dairy exports was €2 billion which was a decrease of around 13% on 2008 value.

### Milk Quota Trading Scheme

The Milk Quota Trading Scheme continued to be implemented successfully in 2009. The difficult market conditions that put downward pressure on milk prices over the period were reflected in the volumes traded through the scheme. These were down from 88 million litres in 2008 to 40 million litres in 2009. Prices also fell significantly, however, from highs of 40 cent or more per litre in early 2008 to 12 cent or less per litre at the end of 2009. The scheme continued to contribute to the process of consolidation at producer level, with the number of active milk producers falling from 19,686 in 2008 to 18,929 in 2009.

### Implementation of New Milk Quota Regulations

Following a complete overhaul of the domestic milk quota regime in 2008 and the enactment of legislation that brought the regulatory framework into line with modern farming realities, the new more open and flexible arrangements were successfully bedded down in 2009.

### New Entrants to Dairying

The first of five annual increases of 1% in national milk quota agreed under the EU Health Check became available on 1 April 2009. Three quarters of this increase was allocated as a top-up to the quotas of all active producers. The remaining 0.25% was set aside for a major new initiative aimed at attracting new entrants into milk production. The New Entrants Scheme subsequently identified 72 successful applicants who will be allocated quotas of 200,000 litres each in the period up to 1 April 2011 to allow them to commence dairy farming on a scale that is immediately viable.

### Support for Dairy Research

Late 2009 saw a commitment to make significant amounts of milk quota available to a major research project. The collaborative project, between Teagasc Moorepark, the Agricultural Trust, AIB Bank and Glanbia, is aimed at assisting the development of profitable, expanding dairy farms as the sector moves towards quota abolition in 2015. It consists of three dairy farms, one of which will be a large farm developed on a greenfield site, and the other two family farms of different sizes with potential to expand. The information and management data generated will be made available to all Irish dairy farmers through Teagasc's advisory network and the BETTER farm programme. The quota requirements run from just over 125,000 litres in the 2009/2010 milk quota year to just under 3 million litres in 2014/2015.

### Dairy Efficiency Programme

A new three-year Dairy Efficiency Programme was announced in December 2009. Under this Programme, €18 million of unspent Single Payment Scheme funds will be used to encourage significant efficiency gains on Irish dairy farms. The funding will support the establishment of dairy discussion groups to speed up the transfer of technology, knowledge and best practice. These groups will place particular emphasis on the adoption of best practice in relation to grassland management, breeding and financial management. Participants in the programme will have their progress monitored by their Teagasc trained facilitator and they will be required to meet standards in relation to attendance and project completion. In return they will receive a payment at the end of each year, with the level of payment determined by their participation rate in the Programme.



## CROPS

### Cereals

Overall cereal area was down 7% from 2008. The area under winter crops in 2009 was down by 27% while the area of spring crops increased by 6%. A reduction in the overall area, combined with poor yields due to unfavourable growing conditions and a reduction in price in the order of 30%, has resulted in significantly less cereal volume and value in 2009.

TABLE 1.2 : Cereal Production Area (ha) 2008-2009

	2008		2009	
	Winter	Spring	Winter	Spring
Barley	20,874	162,962	19,128	170,947
Wheat	86,062	22,527	63,122	19,815
Oats	18,364	4,129	9,004	10,945
<b>Total</b>	<b>125,300</b>	<b>189,618</b>	<b>91,254</b>	<b>201,707</b>
<b>Total</b>	<b>314,918</b>		<b>292,961</b>	

Source: DAFF Area Aid

### Crop Variety Evaluation

Overall conditions for sowing, and especially, for the harvesting of trials in 2009 were most difficult. Over 430 varieties of grass, clover, barley, wheat, oats, forage maize, oilseed rape and potatoes were evaluated in National, Recommended List and other trials in 2009. The varieties, of each species, considered most suitable for Irish producers, given our environment and range of soil types, were selected from these trials and published in *Recommended List Booklets* and on the Department's website; [www.agriculture.gov.ie](http://www.agriculture.gov.ie) The *National Catalogue of Agricultural Plant Varieties* (NCAPV) and the *National Journal of Plant Variety Rights* (PVR) were also compiled and published.

TABLE 1.3: Number of Varieties Evaluated in 2009

Crop	Number
Cereals	244
Grass	112
Forage Maize	33
Oilseed Rape	25
Clover	20
Potatoes	12

A most successful Open Day was held on the 15th of July for the Irish Seed Trade Association at the National Crop Variety Evaluation Centre, Backweston, Co. Kildare. An open day in conjunction with Teagasc was also held at Kildalton Evaluation Centre, Co Kilkenny on July 14th. Trial inspections and information visits for interested groups of breeders, agents and farmers were also hosted at these two centres, at Ballyderown Farm, Fermoy, Co. Cork and at other outside trial locations. Staff of the Department contributed to these visits and to other crop seminars and events

## Seed Certification

For the main agricultural crops, the only seeds that may be marketed in Ireland are of those varieties listed on the *Irish National Catalogue of Agricultural Plant Varieties*, or the *EU Common Catalogue of Varieties of Agricultural Plant Species*. Seed must be certified to meet certain minimum quality standards for varietal identity, purity, germination capacity and disease levels. Certification involves inspection of growing crops and of the harvested seed or tubers, identity preservation during processing and official labeling.

**Table 1.4: Area and Variety of Seed Certification Crops**

	Area of Crops Inspected for Seed Certification in 2009 (Ha)	Area of Crops Approved for Seed Certification in 2009 (Ha)
Cereals	8,388	7,832
Pulses	143	143
Potatoes	1,362	1,306
Grasses	0*	0
Oilseed Rape	202	172

\*In 2009, all grass seed was imported as certified seed and the Department oversaw the formulation and labeling of grass seed mixtures.

## Horticulture

In 2009 the output value of the horticulture, including potato sector was estimated at €373.8 million.

Product	2008	2009	% change
Mushrooms	102.7	98.8	-3.8%
Field Vegetables	58.8	71.4	+21.4%
Protected Crops	72.7	70.6	-2.9%
Outdoor Fruit Crops	6.2	5.5	-11.3%
Potatoes*	74.4	82.4	+10.8%
Bulbs, outdoor flowers, foliage	3.4	3.4	
Hardy nursery crops, Christmas trees and honey	53.4	41.7	- 21.9%
<b>Total</b>	<b>371.6</b>	<b>373.8</b>	

\* Potato values based on CSO estimates. All other values based on DAFF estimates. Field vegetable increase is largely due to re-basing of production areas in light of the 2009 Census.

This sector continues to have considerable potential for further development. While production costs fell slightly, strong downward pressure on farm gate prices and the general downturn in the economy coupled with adverse weather conditions, reduced the value of output for 2009. Despite on-going difficult trading conditions with the UK, the mushroom sector continued to perform well.

Under the Department's Scheme of Investment Aid for the development of the Commercial Horticulture sector, growers received €2.3m in grant aid during 2009. This facilitated capital investment of €5.8m in specialist plant and equipment

## LIVESTOCK

### Cattle

The Irish Cattle Breeding Federation (ICBF) made excellent progress in 2009 towards optimising genetic gain for our national dairy and beef herd.

Funding of €2m, in the form of grant assistance and under the National Development Plan (NDP), was provided for a range of measures designed to improve profitability for Irish livestock farmers. The NDP funding was allocated to activities such as bull progeny testing, breeding information campaigns, research on genetic evaluations, improvements to data collection facilities, hardware upgrades, and enhancements to information distribution facilities.

Highlights for ICBF in 2009 included;

- The second year of the Animal Welfare Recording & Breeding Scheme (Suckler Scheme) was completed, which collected breeding and performance data from over 50,000 commercial Suckler Beef herds around the country.
- Incorporation of this data into Genetic Evaluations commenced, leading to an improvement in the accuracy and quality of the Euro-Star indexes.
- Further improvements made to the National Dairy Breeding goal, the Economic Breeding Index (EBI), which allows farmers to breed the most profitable cows for Irish spring grass production systems.
- Irish cattle breeding took advantage of the latest genomic technology, which has allowed for a rapid increase in the genetic gain of the dairy herd.
- 65 dairy bulls and 10 beef bulls were progeny tested through the Gene Ireland Program.
- Improved availability of the ICBF cattle-breeding database to herd owners, breed associations, A.I companies and milk recording companies

### Agreed protocol for exports of bovine semen to China

Following the agreed protocol, in October 2008, facilitating the export of frozen bovine semen from the Republic of Ireland to the People's Republic of China, the Chinese government approved two Irish companies to export bovine semen. Trade links are now being developed



## PIGS

### Exports of porcine semen to China.

The Department has made a preliminary approach to the Chinese government and, in 2010, both governments will work towards securing access to the Chinese market for Irish porcine semen

## Sheep

The results of the 2008 National Sheep Census, which became available in early 2009, recorded that there were just under 3.1 million sheep in 31,756 flocks in Ireland in December 2008. This is a reduction of approximately 5.5% on the number shown in the December 2007 census.

ICBF, through the newly established sheep breeding company, *Sheep Ireland*, made significant progress in the implementation of key strategies such as ;

- Establishing and populating the sheep-breeding database.
- Collection of data electronically by means of the website.
- Use of DNA technology in tags to collect samples for use in parentage recording.
- Establishment of Maternal Lamb Producer (MALP) flocks and Central Progeny Test (CPT) flocks, collection of data and genetic evaluations.
- Introduction of voluntary electronic ear tags and electronic recording of data on Maternal Lamb Producer (MALP) flocks.
- Generation of Genetic evaluations for LambPlus flocks.
- Introduction of the Euro-Star index.



## Horse Industry

### *Support for the non-thoroughbred horse industry*

The non-thoroughbred horse industry makes a very important contribution to the economy and to the social fabric of many communities throughout the country. The sector contributes substantially to the generation of income from a valuable alternative farm enterprise, to employment, tourism, rural development, the social and cultural life of the country and the economy as a whole. In 2009, the Department provided €1.51m to this sector by way of grant aid to Horse Sport Ireland for activities aimed at improving the quality of the Irish Sport Horse and developing the sector.

### *National Development Plan (NDP)*

In 2009, a total of €1.56m was provided by the Department under equine related NDP measures as outlined below.

- Access to quality diagnostic and research services into Equine Diseases is very important to breeders of thoroughbred and sport horses. The Department provided grant aid to the Irish Equine Centre to assist it in providing enhanced services to meet these needs.
- A variety of equine schemes were administered in conjunction with Horse Sport Ireland with the specific aim of improving equine quality. These included aid for the formulation of genetic indexes, DNA testing to verify pedigree, studbook establishment and development, performance testing and promotion of equines.
- The Irish Thoroughbred Breeders Association (ITBA) and the Racing Academy and Centre of Education (RACE) also received NDP funding from the Department to assist in the delivery of training courses to breeders.
- The Department provided funding to the International Equine Institute, situated in the University of Limerick, towards the cost of developing and delivering third level non-degree courses in equine science to meet the needs of the horse industry.



# goal two

## Annual Output Statement

*Food Safety*

*Animal Health*

*Animal Welfare*

*Laboratory Service*

■ *Veterinary Laboratories*

■ *Agriculture Laboratories*

*Plant Health*





# Annual Output Statement:

## GOAL 2

goal two

*"Ensure the highest possible standards of food safety, consumer protection, animal health and welfare, fish and plant health including appropriate bio-security measures".*

### Inputs - Goal 2

Programme 2	2009 Budget € million	2009 Outturn € million	2010 Budget € million
Programme Expenditure	174.9	155.4	160.8
Current	169.2	152.6	158.0
Capital	5.7	2.8	2.8
Programme Administration	166.0	163.3	152.0
Pay	111.3	109.4	95.4
Non-Pay	26.0	25.0	28.5
Support Expenditure	28.7	28.9	28.1
Total Gross Programme Expenditure	340.9	318.7	312.8
Number of staff (FTE) as at 31 December 2009		1,749	

### Outputs - Goal 2

<p>2.1 Maintain high standards of food safety and consumer protection by</p> <ul style="list-style-type: none"> <li>■ implementing service contract with FSAI,</li> <li>■ submitting Annual Report on the Multi Annual Control Plan to the FVO,</li> <li>■ implement revisions required on food/feed processes on foot of the dioxin contamination,</li> <li>■ High standards to be verified by effective monitoring of Food Business Operators leading to timely identification of food safety risks; the Department's compliance with FSAI contract; and satisfactory reports from FVO and/or other external audits.</li> </ul>	<p>The inspection and surveillance aspects of the FSAI contract were discharged. A new contract was negotiated in 2009 and is being implemented on an ongoing basis</p> <p>The Department's Annual Report on its implementation of Ireland's Multi Annual Control Plan was submitted to the FVO during 2009.</p> <p>The Dept. revised its control procedures and instructions issued to FBOs on use of oil in feed drying processes</p> <p>The Dept. carried out inspection and other control procedures in the FBOs premises and dealt effectively with all food safety risks.</p> <p>There was very effective cooperation with FSAI and FVO and a satisfactory outcome was achieved on the audits conducted by both bodies during the year</p>
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## Outputs - Goal 2

2009 Output Target	2009 Output Achieved
<p>2.2 Maintain Ireland's high animal and plant health status as verified</p> <ul style="list-style-type: none"> <li>■ by declining levels of animal diseases,</li> <li>■ obtaining brucellosis-free status for Ireland,</li> <li>■ continuing access to export markets, effective controls to meet the threats and or minimise the impact of exotic diseases in Ireland</li> <li>■ reports from external verification bodies.</li> </ul>	<p>Ireland's high animal and plant health status was maintained in 2009 despite threats from exotic disease outbreaks and dioxin contamination. A range of disease eradication/surveillance programmes were delivered, including circa 9m animal tests for TB, and 4.3m tests for Brucellosis and 789,393 tests for BSE (9 positive cases in 2009). The incidence of TB fell by 20% in 2009 compared with 2008, following testing in 2009 on 97.5% of national herd.</p> <p>Official Brucellosis free status was obtained July 2009 leading to a reduction in testing and costs.</p> <p>Ireland remained free of Bluetongue and there were no outbreaks of significant animal diseases during 2009. In response to the potential threat posed by H1N1 2009 influenza virus in pigs, DAFF agreed and published an Industry Code of Practice.</p> <p>See 2.1 above for outcome of reports from external bodies</p>
<p>2.3 Further improve welfare standards for animals by the adoption of updated legislation.</p>	<p>Work continued on drafting a new Animal Health and Welfare Bill, to give effect to commitments in the 2007 and 2009 Renewed Programme for Government.</p> <p>The establishment in 2009 of Animal Health Ireland, to deal with non-regulated diseases, will improve animal health and also enhance welfare standards.</p>
<p>2.4 Further develop the DAFF Laboratory Service as measured by effectiveness in delivering NRL functions and range of laboratory tests accredited.</p>	<p>In 2009 NRL functions were delivered in respect of 24 functions; test accreditation has been maintained for 377 tests and 14 further tests are being prepared for accreditation</p>



# HACCP



## FOOD SAFETY

### Post Dioxin Contamination

In the light of the dioxin incident in the last months of 2008, the Minister established a Review Group which completed a review of all relevant aspects of the incident and published its report in December 2009. The review cited 39 conclusions / recommendations including a recommendation that the remit of the Food Safety Authority of Ireland (FSAI) be extended to cover animal feedstuffs and be included in the Service Contract with the Department. The conclusions and recommendations of the report will be examined and acted on as appropriate.

### Food Safety and Hygiene Controls

Food safety and hygiene standards continued to be guaranteed in 2009 through the implementation by the Department of its Service Contract with the FSAI. The contract applied up to 31st December 2009 and a revised contract will be in place for 2010. The Service Contract covers controls on

- Meat hygiene,
- Milk and milk products
- Egg and egg products
- Pesticides
- Border Inspection Posts
- Residues
- Zoonoses Directive
- Food labelling

The enforcement of this contract was constantly reviewed during the year through the scheduled liaison meetings between the Department and the FSAI, and through quarterly and annual reports as required by the contract. The Department and the FSAI cooperated with the EU Food and Veterinary Organisation (FVO) audits, where relevant. The Department also liaised closely with the FSAI on the investigation of all food safety complaints.

## The Hygiene Package

The Department continued to implement a wide range of controls under the EU Hygiene Package. This regulatory package, which covers all food business operators (FBOs) from farmer to retailer, is predicated on all FBOs taking responsibility for the safety of the food they produce. This is done using the internationally accepted HACCP (hazard analysis and critical control point) principles, which gives FBOs the flexibility to adapt control systems to the specific requirements of their operation. A list of approved and registered FBOs is published on the Department's website.

The Department follows through on HACCP by carrying out its own risk-based inspections on registered FBOs. In excess of 10,000 inspections were carried out on meat establishments in 2009 to monitor that the relevant legislative requirements are being fulfilled at all stages of production, processing and distribution. The corresponding number of controls in dairy establishments was in excess of 8,500. Over 4,000 of these controls related to Market Support Schemes. 151 legal notices were served on meat FBOs and 18 on dairy FBOs, notifying them of infringements under the Hygiene Regulations; and follow up action was taken as necessary.

Hygiene inspections including 8 relating to honey production were also carried out for the first time at FBOs of horticultural produce in 2009. FBOs were notified of any infringements in hygiene regulations and all follow-up procedures were put in place. Sampling of horticultural produce for certain contaminants (patulin, heavy metals and nitrates) was also carried out. There was one incident of non-compliance with this Regulation when cadmium levels in excess of the legal limits were found in spinach. DAFF took all necessary measures to ensure consumer safety in this case and as other horticultural produce was found to be close to the legal limit set for cadmium, a research programme in conjunction with Teagasc, was initiated to underpin advice for growers.

Details on the food safety testing and monitoring programme conducted by the Department's Laboratory Service are on pages 45 following.

## Multi-Annual National Control Plan

A further element of the Hygiene Package is the development and implementation of the Multi-Annual National Control Plan (MANCP). In 2009, the Department presented its annual report on the implementation of the controls and processes set out in the MANCP to the EU Food and Veterinary Organisation (FVO). The FVO presented a summary of its findings from its 2008 General Audit in Ireland in December 2009. The purpose of the audit was to verify that official controls in place are in accordance with the MANCP and in compliance with community law. Examples of well organised and implemented controls were seen in many sectors. The overall conclusion of the FVO audit report was that, based on the results of specific audits, the official controls carried out were largely in compliance with Community law.

In line with the requirements of EC Regulation 882/2004, the Department has set up a system of internal audit to carry out audits on the controls carried out by the Agricultural and Veterinary Inspectorates as set out in the Multi-Annual Control Plan. Each year the units put in place risk based audit programmes and the outcomes of these audits are reported to senior management in the Department.

## Residues Surveillance

### Food of Animal Origin

The Department implements a comprehensive National Residue Plan designed to protect consumers from illegal residues in food of animal origin. During 2009, in the region of 30,000 samples were taken from eleven food producing species and tested for a range of substances that fall into four broad categories:

i) banned substances such as growth-promoting hormones, ii) approved veterinary medicines, iii) animal feed additives and iv) environmental contaminants. Samples are taken on farms, at slaughter plants and at primary processing plants and packing plants and analysed at officially approved laboratories. Analytical capability is continuously updated in order to enhance consumer protection through extension of the range of substances tested for and the ability to detect residues at extremely low levels. All positive results are followed up by an investigation on the farm of origin with a view to taking the necessary enforcement measures up to and including legal action.

Official testing on animal and animal products is complemented by a statutorily based regime under which primary processors are obliged to implement residue-monitoring measures. This regime, which involves annual submission to the Department of individual residue plans, makes it mandatory for processors to subject suppliers, whose animals or animal products test positive, to significantly intensified monitoring. This regime of self-monitoring is subject to Department scrutiny.

### Pesticide Residues

In addition to the residue testing on food of animal origin, a comprehensive pesticide residue monitoring programme is undertaken by the Department. These tests are conducted on imported and domestically produced primary foods of animal and plant origin, such as meat, cereals and horticultural products. The programme also incorporates the EU coordinated monitoring programme for pesticide residues, see Agricultural Laboratories for details. A detailed report may be accessed at:

<http://www.pcs.agriculture.gov.ie/ppp.htm>.

The Department also carry out follow up actions in relation to breaches of Maximum Residue Levels (MRL) and unauthorised uses identified by the Pesticide Control Laboratory. In 2009, consumer risk assessments of MRL breaches or illegal use were carried following the detection of excessive pesticide residues. None of these assessments indicated any unacceptable risk to the consumers and so there was no requirement to alert the EU Commission and other member states using the Rapid Alert System for Foods and Feeds (RASFF). Of the 6 breaches not of Irish origin, warning letters were issued, advising the wholesaler and the officials in the country of origin that the produce would be subject to statutory action if a repeat infringement was detected. In the samples involving Irish producers, inspections were carried out and warning letters issued.

### Approval, Inspection and Control of Plant Protection and Biocidal Products

Only Plant Protection and Biocidal products which are included in the Official Register may be placed on the market. Comprehensive scientific risk assessments for the consumer, the worker and the environment are carried out by this Department on products and active substances prior to product authorisation and inclusion in the Official Register.

Some 975 plant protection products containing 221 active substances were included on the Register at the end of 2009. Details are on the Department's website: <http://www.agriculture.gov.ie/farmingsectors/crops/>, follow the link to the 'Pesticide Control Service (PCS)'. The website may be interrogated by product name, by active substance or by function and crop.

Worksharing activities continued with Belgium, Netherlands and UK on the re-registration of plant protection products. This type of collaboration ensured no duplication of effort between the Member States involved and contributed to efficient product registration. Projects involving multiple OECD partners for the evaluation of active substances were explored and planned.

The Biocidal Product Register contained 2,187 products notified for use in Ireland at the end of 2009. While the authorisation process for biocidal products is still in its infancy, systems are under development so that the Department remains well placed to face the future challenges in this area. Participation in the Standing Committee on Biocidal Products and at Council Working Group level ensures that the Department continues to strive for sensible and practical regulation in this area.

## Import Controls on Animal Products

To ensure protection of public and animal health, all imports of animal products are subject to veterinary & public health checks at the EU approved Border Inspection Posts (BIPs) at Dublin Port and Shannon Airport. Where a consignment does not comply with the harmonised import conditions, it is seized and the cost of its re-exportation or destruction levied on the importer. All importers of animal products must be registered and the 805 registered importers are required to pay fees towards the cost of veterinary inspection.

During 2009, 849 consignments of animal products for food, comprising almost 17 million kgs of product were approved for entry into the EU through the BIPs, while 16 consignments were rejected. Imports of animal and animal by-products, used for the manufacture of technical products, for trade exhibitions, for research and other purposes, are also controlled. In addition, the personal importation, for own consumption, of these products is banned. Any banned product found following checks at ports, airports, postal service, etc, is confiscated and in 2009, a total of 2,238 kgs of illegal animal products were confiscated.

The following are examples of other safeguard measures applied in 2009:

- Banning of untreated poultry products for human consumption from Thailand, the Peoples Republic of China, Croatia, Switzerland, Israel, etc due to Avian Influenza risks;
- Banning of imports of meat and milk products from the Peoples Republic of China due to residue risks;
- Banning the import of fishery products and snails from Madagascar on food safety grounds;
- Restricting imports of animal products, equine meat, crustaceans, fish and fishery products from various countries to those certified as having been tested and found free from chemical residues;
- Restricting imports of milk powder and artificial milk replacer, intended for animal nutrition, from Ukraine to that free from chemical residues.

## Animal By-Products

Animal by-products (ABP) are defined as the parts of animals or animal products which are not intended for human consumption. The slaughter of animals in meat plants and from on-farm deaths result in approximately 550,000 tonnes of raw ABP per year. Food waste is also classified as ABP. To protect both human and animal health, EU and national regulations are in place to ensure that ABP is disposed of safely. Controls are implemented to ensure this material is not illegally diverted back into the human food chain.

As animals that die on-farm are an important source of ABP, the Department has approved 40 knackeries under the ABP regulations for the proper disposal of these fallen animals. The Fallen Animals Scheme provided for the subsidised collection of fallen animals from farms and their subsequent disposal by rendering. DAFF's contribution to the Fallen Animals Scheme ceased with effect from 14th April 2009. This was as a result of budgetary constraints and also reflects the greatly reduced incidence of BSE in this country. However the Department has continued to provide financial support for the collection of certain fallen animals, in particular bovines over 48 months of age, for sampling, as required under the ongoing national BSE surveillance programme. Selected numbers of sheep (10,000 pa) and goats (500 pa) are also being TSE tested under the new arrangements. Between the combined schemes over 151,685 animals were disposed of in 2009, involving expenditure of €16.6million.

The Department, following extensive consultation with the trade and other stakeholders, has over time revised the national regulations relating to ABP in order to allow a wider range of safe disposal outlets for ABP. This includes use of ABP (excluding raw material) as feedstock by the compost and biogas industries; and use of organic fertilisers and soil improvers containing ABP on agricultural land. It is recognised that the composting/biogas sector has the potential to play a significant role in achieving EU and national targets to divert waste from landfill.



## Animal Identification and Movement (AIM) System

Comprehensive traceability systems underpin product safety, quality assurance systems and are vital for consumer confidence. In 2009, there were a number of developments on the AIM system. This is the web-based identification and movement system for different animal species that is replacing a number of current systems, including the cattle movement monitoring system (CMMS). In 2009,

- All bovine movement notifications were transferred from CMMS to AIM,
- The second phase of the bovine application was implemented at local abattoirs and an online application was implemented for the Local Authority Veterinary Service,
- A web service was developed for the transmission of bovine data between factories and the AIM system,
- An online application was developed for dealers,
- The second major phase of the Sheep Movement Database was implemented resulting in the vast majority of sheep movements in Ireland being recorded on a database.
- The third phase of the system, which encompasses new applications for the reporting of ovine movements at local abattoirs, was also developed during 2009 and is expected to be implemented in 2010.
- An application was developed to facilitate the introduction of a salmonella control program for porcines in factories and local abattoirs.



# ANIMAL HEALTH

goal two

## Class A Diseases

Animal diseases pose a continuing, and in some cases a new, threat to animal and, potentially, human health. In particular, the so called OIE List A diseases – of which foot and mouth disease, avian influenza and bluetongue are examples pose an economic threat, to Ireland's valuable livestock, dairy and poultry industries. Due to climate change, diseases such as African Swine Fever and African Horse Sickness now have the potential to become threats. Ireland remained free of these diseases in 2009 despite ongoing outbreaks of a new serotype bluetongue in Europe, foot and mouth in Asia and avian influenza in Asia, Africa and Europe.

### BSE

The incidence of BSE in Ireland is in decline. The number of positive cases peaked in 2002 with 333 cases, declining to 69 in 2005 and down to 9 in 2009. The reduction in case numbers is assisted by intensive active surveillance and testing programme which in 2009 involved some 385,000 animals.

### Scrapie

Scrapie is a compulsorily notifiable disease. The Department genotypes all notified flocks and follows up by depopulation of those sheep most susceptible to Scrapie. In 2009, 12 flocks were restricted. A voluntary National Genotype Programme (NGP) is also in operation to encourage sheep breeders to raise genetic resistance to Scrapie in the National Flock. Since its introduction in 2004, a total of 83,053 animals have been genotyped to date. In addition, under the 2009 Active Surveillance Programme, 10,934 sheep over 18 months of age and 10,175 fallen sheep were tested at slaughter plants and knackeries.

## Contingency Planning

In recent years outbreaks in Europe and elsewhere have clearly illustrated the increasing threat posed from the OIE List A diseases. Contingency plans are in place for foot and mouth disease, avian influenza, bluetongue and classical swine fever. These are based on existing EU legislation and an ongoing assessment of the risk posed to Ireland. The plans aim to mitigate the risk of the introduction of these diseases into Ireland but also to control and eradicate them if outbreaks occur.

The recent disease outbreak experiences in the UK and Europe have demonstrated the absolute necessity of properly regulating trade and of having high levels of biosecurity, continued vigilance, contingency arrangements and robust legislation in place to deal speedily and effectively with disease threats and outbreaks.

The continued focus of the Department is on constantly reviewing, refining and updating our various contingency plans and arrangements and ensuring that we have all of the necessary measures in place and tools available to us to deal with any suspect or outbreak of these diseases.

## Class B Diseases

### Bovine Brucellosis

Ireland has been free of brucellosis in sheep and pigs for many years. Arising from the fact that there has not been any confirmed case of bovine brucellosis in Ireland since March 2006, Ireland obtained Official Brucellosis Free status for cattle in August 2009. This has enabled the Department to scale down the brucellosis eradication programme and to implement the following changes to the brucellosis testing regime with effect from 9 September:

- an increase in the age threshold for annual round testing to 24 months;
- an increase in the validity period of the pre-movement test from 30 days to 60 days;
- an increase in the age-limit for the pre-movement test for female animals from 12 to 18 months and, in view of the lower risk attached to their movement, to 24 months for bulls;
- the pre-movement test “one sale” rule applying to female cattle aged 18 months or more was retained.
- However, as a result of the change in age threshold for bulls, the “one sale” rule for bulls was increased from 12 to 24 months.

In addition to these changes, it was also decided that, commencing on 1 January 2010, dairy herds scheduled to be tested in 2010 and 2011 will now be tested every second year. The effect of all of these changes is that some 1.35m animals will be removed from the annual testing programme in 2010, saving farmers approximately €5m.

However, the eradication programme applied unchanged for most of 2009 and just over 4.3 million blood samples were tested for bovine brucellosis in 2009 compared to 4.6m in 2008. This testing regime is supplemented by monthly Bulk Milk Testing from each dairy herd and blood sampling of cows in slaughter plants.

**Table 2.1: Incidence of Brucellosis**

Brucellosis Statistics	1999	2001	2002	2003	2004	2005	2006	2007	2008	2009
Number of Reactors	4,545	3,112	1,530	900	664	228	212	243*	243*	328*
Number of Newly Restricted Herds	875	553	430	324	283	144	132	161*	111*	100*

\*the numbers of reactors and herds restricted as a result of a brucellosis test in 2009 (100) were, on the basis of further investigation, considered to be due to false positive reactions.

## Bovine Tuberculosis

Approximately 98% of the national herd was tested for bovine TB in the course of the year. The herd incidence of bovine Tuberculosis decreased by 20% in 2009 compared with 2008. The APT (*number of reactors per thousand cattle tested*) and the number of reactors both showed a decrease of 20% on 2008. Trends in the incidence are set out in the table below.

**Table 2.2: Incidence of Bovine Tuberculosis**

Bovine T.B. Statistics									
1999	2000	2001	2002	2003	2004	2005	2007	2008	2009
<b>Incidence</b>									
7.35%	7.53%	7.12%	6.38%	6.37%	5.40%	5.54%	6.02%	5.88%	5.09%
<b>Number of Reactors</b>									
44,903	39,847	33,702	28,930	27,978	22,967	25,884	27,711	29,901	23,805
<b>Number of Newly Restricted Herds</b>									
10,660	10,785	9,195	8,338	7,771	6,682	6,647	7,046	6,837	5,860

Bovine TB is a much more intractable disease than Brucellosis, mainly because of the presence of infection in wildlife (badgers) which seeds infection into the cattle population. It is generally accepted that eradication is not a practicable proposition until this source of infection is removed. The eradication programme includes a badger removal strategy aimed at reducing both the incidence of TB in wildlife and the opportunities for contact between cattle and wildlife. However, the long-term objective of the Department is to develop a vaccine for badgers and considerable research has been conducted in collaboration with UCD on the development of such a vaccine. The Department commenced preliminary work on a three-year badger vaccination trial in late 2008, the objective of which is to provide information on the efficacy of the oral vaccine in reducing the level of TB infection in the badger population under study. If the field trial is successful, the introduction of a national badger vaccination strategy will reduce the need to remove TB infected badgers as TB levels fall in both cattle and badgers. It will be some years, however, before any vaccine is available and, in the meantime, existing strategies, adjusted as appropriate, in light of disease trends, will be broadly maintained.

## Bovine Diseases Levies

Receipts from Bovine Diseases Levies amounted to €5.241m in 2009 which compared to €5.226m in 2008.

## Compensation Schemes

The On-Farm Market Valuation Scheme is the main measure for compensating farmers for the removal of reactors. Other schemes (Depopulation Grants, Income Supplement and Hardship Grants) are also available to compensate for income losses due to restriction. Approximately €22.4 million was spent during 2009 on all compensation elements of the TB and Brucellosis Eradication Schemes. This was a 17.34% reduction on 2008 spending (€4.7m) and resulted both from a decrease in TB reactor numbers and lower cattle prices.

## Herd Health Initiative

In January 2009, the Minister launched AHI. It is a private company limited by guarantee and not a public body under Ministerial control. Its establishment gives effect to a commitment in the Programme for Government to introduce a new herd health initiative to deal with non-regulated diseases. The Department is committed to providing funding up to a maximum value of €0.5m per annum, for a period of 5 years, to AHI subject to matching contributions being provided by the industry. The Department has no direct responsibility for the day to day activities of AHI and the commitment of funding is conditional on the results of its work being placed in the public domain so that the relevant interested parties, especially farmers and veterinary practitioners, can be kept informed and they can translate the results of its work into action to better control animal diseases and thus improve farm competitiveness.

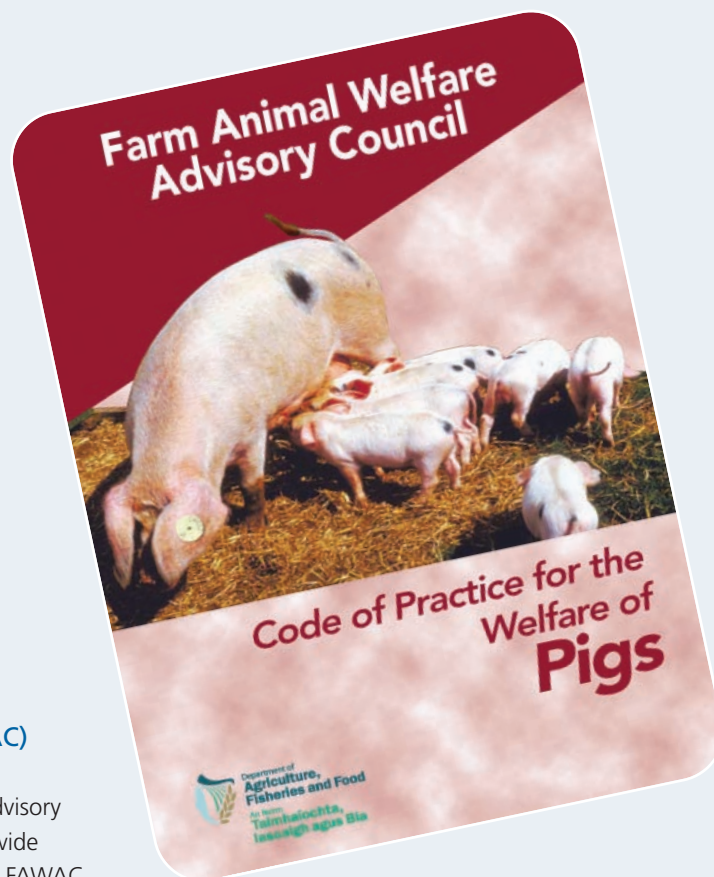
AHI seeks to complement the existing animal health programmes for regulated diseases and to focus on non-regulatory animal health issues – mainly Johnes, infectious bovine rhinotracheitis (IBR), Bovine Viral Diarrhoea (BVD), lameness, mastitis and infertility. Animal diseases that are already subject to regulation such as Tuberculosis and Brucellosis are specifically excluded from AHI's remit.

Further information is available on the website [www.animalhealthireland.ie](http://www.animalhealthireland.ie)

# ANIMAL WELFARE

## Animal Health and Welfare Bill

Progress continued on drafting a new Animal Health and Welfare Bill, to give effect to a number of commitments in the Programme for Government including the assignment of responsibility for the welfare of all animals to this Department. The new Bill will amend and consolidate previous legislation to protect the welfare of all animals, including non-farm animals and to significantly increase the penalties for offenders. Following the publication in 2008 of a draft consultation paper on the Bill, Department officials met with a very diverse range of organisations and received numerous comments for consideration. Consultations are now complete and drafting of the Bill is continuing.



### Farm Animal Welfare Advisory Council (FAWAC)

FAWAC is an independent advisory body to the Minister with a wide representative base. In 2009, FAWAC produced two booklets to complement similar publications relating to aspects of animal welfare. The first booklet, *"Animal Welfare Guidelines for Managing Acutely Injured Livestock on Farm"*, is aimed at assisting veterinary practitioners and farmers deal with an otherwise healthy animal, which has suffered an injury that prevented its transport to the slaughterhouse for welfare reasons. The second booklet a *"Code of Practice for the Welfare of Pigs"*, encourages the highest standards of pig husbandry.

### The Early Warning/Intervention System (EWS)

The EWS for animal welfare continued to operate successfully throughout the country in 2009. The objective of the system, which was established by FAWAC, is to provide a framework within which animal welfare problems can be identified and dealt with before they become critical. Animal welfare cases often arise as a result of social/health problems within the farming community. The Department has had several meetings with the Health Service Executive (HSE) with a view to exploring ways to develop contact points with HSE representatives for Department veterinary inspectors. As a result, agreement was made with the HSE to operate a pilot project. This initiative is a very useful development of the EWS and will be of great benefit to farmers and extremely valuable to the Department in dealing with animal welfare cases.

### Animal Welfare Organisations

The Department has made ex-gratia payments to a number of organisations directly involved in the delivery of animal care and welfare services since 1995. To date €11 million has been provided. In 2009, 112 welfare organisations throughout the country were assisted with payments totalling €1.185 million.

### Control of Horses

In 2009, the Department provided funding of over €2 million to 20 Local Authorities towards expenses incurred by them under the Control of Horses Act, 1996.





## LABORATORY SERVICE

### Veterinary Laboratories

#### Virology

The Virology laboratory is an EU National Reference Laboratory (NRL) for seven Class A and OIE Listed Diseases, and is required to have a diagnostic capacity, perform surveillance, and participate in proficiency trials for these diseases. It is required to be accredited to standard ISO 17025, so extensive test validation of PCRs, serological tests for Listed Diseases and internal audits were undertaken to further their application to INAB for accreditation for these techniques.

A number of new diagnostic techniques were introduced for List A diseases. These included two new serospecific rtRT-PCRs for bluetongue and a specific matrix and H1 PCR for “human swine influenza virus” which was used to detect this virus in a pig herd. A new rtRT-PCR for rabies virus was also evaluated for quality control purposes using a number of different rabies virus antigens from different species. Virology co-ordinated and provided technical support for piroplasmosis testing as a result of an outbreak of this disease.

In 2009, the Virology laboratory participated in proficiency trials organised by the EU Community Reference Laboratories for foot & mouth disease, swine vesicular disease, bluetongue, classical swine fever, african swine fever, avian influenza, newcastle disease, african horse sickness and equine viral arteritis.

#### *Bluetongue*

To maintain “country freedom” from bluetongue, Virology Division tested all imported cattle and sheep, continued to survey the national bovine population, and investigated suspected cases. A total of 2,271 sera were examined by ELISA for bluetongue antibodies of which 554 were positive. The rtRT-PCR for bluetongue virus was performed on 1,960 blood samples with negative results demonstrating that none of the sampled animals were infectious.

### *Avian Influenza and Newcastle Disease*

A total of 376 specimens from wild birds and 324 specimens from captive birds were tested by real time RT-PCR and /or virus isolation for avian influenza and newcastle disease virus. The results were reported online in accordance with EU requirements. In addition, 26,946 sera from commercial poultry flocks were examined for antibodies to avian influenza virus. A total of 37,426 sera were examined for antibodies to *Mycoplasma gallisepticum*. More than 4,000 sera were examined for antibodies to various enzootic diseases such as infectious bronchitis, chicken anemia, infectious bursal disease and avian rhinotracheitis. A PhD project on avian influenza was successfully completed and three test methods were prepared for accreditation.

### *Equine Viral Arteritis*

In 2009, the equine viral arteritis (EVA) vaccine "**Artervac**" was licenced for the sixteenth consecutive year for restricted use in thoroughbred stallions. As before, veterinary surgeons were required to collect a serum sample before vaccination or re-vaccination, and another sample 14-21 days after the second dose of vaccine for serological surveillance. A total of 300 stallions were vaccinated or revaccinated.

### *Leucosis, Aujeszky's Disease, Swine Fever,*

To confirm our "country-free" status for enzootic bovine leucosis and to comply with an EU Directive, sera from 70,149 animals in 2,305 herds were examined under the "Annual EBL Antibody Surveillance Programme" with negative results. Some 3974 sera were tested for Aujeszky's disease virus antibodies from selected herds as part of the "National Aujeszky's Disease Eradication Programme". Surveillance for a number of other porcine viral diseases, such as swine influenza, classical swine fever and porcine reproductive and respiratory syndrome (PRRS), was also undertaken. In addition, national serological surveillance was performed for a number of statutory mammalian diseases such as: caprine arthritis encephalitis (CAE), transmissible gastro-enteritis (TGE), and for *Mycoplasma* species in poultry

### *Viral Diagnostic Service*

One of the key targets of the Division is to provide a comprehensive virological, serological and molecular diagnostic service for farm animal including poultry. As part of this viral diagnostic service, 73,664 samples from horses, cattle, pigs, sheep, goats submitted by private veterinary practitioners, RVLs, & DVOs were examined for a wide variety of antibodies and viruses. These included samples from 16,061 animals in 2,707 herds that were examined serologically for IBR with 1,397 herds having at least one positive animal. In addition, bulk milk samples from 953 herds were examined for IBR antibodies, of which 649 were positive. In many cases, the relatively high prevalence of antibodies probably resulted from vaccination

For export purposes, 8,398 porcine sera and 1,210 equine sera were screened for various antibodies. Some 5,542 cattle from AI stations were tested for IBR, BVD and EBL viruses in accordance with EU legislation. A comprehensive investigation of a number of IBR outbreaks was also undertaken. The testing programme for IBR and BVD on herds and their progeny for entry to the ICBF testing station at Tully was continued and diagnostic tests for IBR and BVD were also performed for the "High Herd Health" status programme.

Cattle, sheep, and horses from Abbotstown Farm were screened for viral diseases to allow the establishment of Minimal Disease herds at Longtown Farm, and the experimental trial using a number of bluetongue vaccines in cattle and sheep continued. The Virology Division website at <http://www.agriculture.gov.ie/virology> was updated and incorporated into the new-look DAFF website.

## **Bacteriology/Parasitology**

This Division is the National Reference Laboratory for the major food borne pathogens such as *Salmonella*, *Campylobacter* and *E. coli*. In 2009, it undertook a major project to improve the typing systems across a range of pathogens, as molecular typing of foodborne pathogens is critical for tracing both the sources and distribution along the food chain. In association with UCD and using FIRM funding, staff were trained at the USDA, Richard B Russell Agricultural Research Centre, in PulseNet, standardised PFGE protocols and VetNet

BioNumerics software in concordance with the CDC-PulseNet programme. Following implementation of procedures in the CVRL, the laboratory participated successfully in a number of ring trials and became one of the first non-US laboratories to be awarded VetNet certification in Pulsed Field Gel Electrophoresis for *Salmonella*. Certification for *E. coli* is expected in 2010.

Bacterial pathogens can now be genetically compared with other isolates from various sources and across many countries where standardised typing techniques are in operation. Some key bacterial isolates from across the food sector in Ireland are now routinely typed and a major project to identify the sources of salmonella in pig meat has been completed. These initiatives not only ensure that technologies developed under the various R&D programmes are applied in front line food safety surveillance but also further enhance the existing food safety controls. Efforts are continuing to develop and apply other typing techniques in front line surveillance of food borne pathogens.

Further detail on activities are available via the following link:

<http://www.agriculture.gov.ie/media/migration/animalhealthwelfare/veterinary/veterinaryresearchlaboratoryservice/bacteriology.pdf>.

## Pathology

Pathology Division comprises three Sections – Histopathology, Clinical Chemistry and Dublin Regional Veterinary Laboratory. The primary role of the Division is to provide diagnostic pathology expertise and resources to support animal health. It also provides project management for the LIMS which is networked throughout the Department's veterinary laboratories. In 2009, a Quality Manager was appointed to progress the implementation of a quality system, initially in the TSE NRL, to meet ISO 17025. In October, an application for accreditation to ISO 17025 was made to INAB in respect of two TSE Western Blot tests.

Histopathology Section supports the Regional Veterinary Laboratories in terms of routine and special staining of tissues, immuno-histochemistry, and a specialist pathology referral service. As the National Reference Laboratory (NRL) for TSEs, Histopathology is also responsible for the confirmatory diagnosis of all suspect TSE cases identified in the State. In 2009, confirmatory diagnosis was carried out on samples from 53 bovines. BSE was confirmed in nine animals. All nine were from the active surveillance program of rapid-testing. 38 cases of Scrapie were confirmed and of these, 33 were classified as Classical Scrapie, with the remaining five being classified as Atypical Scrapie. The TSE NRL is also responsible for the approval and monitoring of private rapid-testing laboratories (RTLs) carrying out screening tests for TSEs. Two approvals for change of test by RTLs were carried out in 2009. All aspects of the NRL annual monitoring plan, including unannounced inspection visits of the five RTLs, were completed.

Clinical Chemistry Section performs metal, metabolite, and enzyme analyses on animal blood and tissues to diagnose animal diseases. In 2009, it performed over 9,000 tests on blood and tissue samples. These included over 200 selenium and other mineral and metabolite analyses in an investigation of suspected feed-associated selenium poisoning in pig herds.

Dublin Regional Veterinary Laboratory (Dublin RVL), which is part of the Department's network of Regional Veterinary Laboratories, provides a diagnostic pathology service to the agriculture industry in the North Leinster area and in counties Monaghan and Cavan. In 2009, it provided continued support for the Department's control and eradication schemes for TSEs (BSE and scrapie), tuberculosis, and brucellosis. This included a collaboration with Dublin-Wicklow DVO in the investigation of tuberculosis in East Wicklow and South County Dublin. Notifiable diseases diagnosed in submissions to Dublin RVL during 2009 included tuberculosis in goats, badgers, and calves, caseous lymphadenitis in sheep, *Mycoplasma gallisepticum* infection in turkeys, *Salmonella typhimurium* in pigs and cattle, and *Trichinella spiralis* in foxes. Dublin RVL also provided support to the Bacteriology Division-led project as part of the DAFF response to the dioxin animal feed contamination incident.

## Central Meat Control Laboratory (CMCL)

The CMCL is the National Reference Laboratory for 7 groups of residue tests and for *Trichinella* testing. During 2009, in excess of 12,292 samples from food of animal origin were tested under the National Residue Plan. A further 12,338 samples were sent to other approved laboratories as CMCL does not currently have the testing capabilities for them. While the majority of samples are taken on the basis of standard targeting criteria, cases arise where Departmental inspectors sample animals which they suspect of being a particular risk of being residue positive. In such cases the animals concerned are withheld from the food chain, pending the outcome of the test.

In 2009, the overall level of non-compliant samples taken from Irish produced food of animal origin was 0.3% (81 non-compliant results from a total of 24,630 samples). This outcome continues the trend of low levels of residues in Irish produced food of animal origin over the past number of years. No residues of growth promoters covered by the EU hormone ban were found in 2009; see table for details

Species/Animal Produce	No of planned samples	No of samples analysed	No of samples Non-compliant
Bovine	7,345	11,897	24
Porcine	6,350	7,234	15
Ovine	1,843	2,057	17
Poultry	1,205	1,328	10
Equine	220	218	0
Farmed Deer	122	122	0
Wild Deer	100	102	1
Eggs	265	274	0
Milk	1,070	1,303	14
Honey	100	100	0

Ireland's Residue Plan for 2009 and results for 2008 were approved by the EU.

Testing on 3215 samples of Pork and 79 Horsemeat was carried out as part of the Official monitoring Programme for *Trichinella*. There were no positive results.

In addition, the CMCL provides laboratory support to the Veterinary Public Health inspectorate to assure compliance with international standards of food safety and hygiene. It carries out microbiological tests on meat, meat products and water used in food production to detect a range of pathogens.

In 2009, 1,613 'Open-Pack' or ready to eat products were tested as part of the Official Control Sampling programme. Of these, 75 were unsatisfactory (4.6%) - down from 5.3% in 2008-; 47 had high TVC's; 6 were positive for E coli; 8 were positive for Clostridia; 5 were Coag+ Staph positive and 5 were positive for Listeria. In addition, 588 Water samples were tested for Physico-chemical properties, Conductivity, TVC, Faecal Enterococci, E.coli and Coliforms. Of these 80 were unsatisfactory. High residual Chlorine was responsible for 18 unsatisfactory results. There were 12 samples with Faecal Enterococci, 14 with E. coli, 11 with Clostridia. 25 were reported to have a Chlorine odour and 9 had an unacceptable appearance.

### *Accreditation, auditing and quality control.*

A process is in place to upgrade all laboratory procedures (analytical methods, sample control, documentation, including revisions to the Quality Manual, and result reporting), to meet the requirements of the National Accreditation Board (NAB). By end 2009, there were currently 30 test methods which have been awarded INAB accreditation and a comprehensive method validation programme is underway, with a view to broadening the scope of accreditation. Furthermore, 48 internal audits and 3 external (2 INAB and 1 FSAI) audits were carried out in 2009.

## Regional Veterinary Laboratories

The six Regional Veterinary Laboratories (RVLs) in Dublin, Athlone, Sligo, Limerick, Kilkenny and Cork, provide specialist diagnostic pathology, investigative and advisory services to private veterinary practitioners and farmers. Dublin RVL is operated as an integral part of Pathology Division, while the other RVLs, with the Brucella Testing Laboratory in Cork, comprise the Regional Veterinary Laboratory Division. The scanning surveillance of this flow of diagnostic material monitors the occurrence of endemic disease and maintains vigilance for exotic disease conditions in Irish food animals. Real time data on the results of the clinical samples submitted can be extracted from the Laboratory Information Management System (LIMS) - the centralised database. The RVL Surveillance Reports, which are an analytic review of the RVL network's activities are published annually. In addition, monthly updates on current findings are published on the Department's website and in the Irish Veterinary Journal. Both sets of reports are available on the DAFF website at: <http://ezone/intranet/businessareas/veterinaryservices/regionalveterinarylab/reports/>. In recent years the Division has published a series of articles on animal disease in the farming press.

In 2009 RVL network reported a continuation of the increased demand for the farm animal post mortem service noted in recent years, against national trends in the population of cattle (steady) and sheep (decreasing). The RVLs reported a continuation of the high incidence of liver fluke disease which has been noted in recent years, associated with wet summers and mild winters. Similar trends were evident with other parasitic diseases. For example, in 2009 1,203 bovine faecal samples were submitted to the RVLs for examination for the presence of lungworm larvae (primarily *Dictyocaulus viviparus*); both submission numbers and the percentages positive for lungworms were higher in 2009 than in either of the two previous years.

As well as monitoring common endemic parasites and diseases, some less common conditions were identified and investigated by the network. The RVLs reported several herd outbreaks of chondrodysplastic dwarfism in calves. While this condition has been recognised for many years, the exact cause has been the focus of much debate. The condition is most prevalent in beef herds, where pit silage makes up the bulk of the winter ration, and particularly in those herds which are exposed to an extended period of feeding on winter rations due to geographical position or climatic conditions.

Bluetongue is a viral disease of ruminants that is spread primarily by midges. The disease formerly circulated in warmer climates. However, the spread of the range of the midge vectors has resulted in the spread of the virus into many countries in northern Europe where it was not previously found. No cases of Bluetongue were detected in 2009.

The RVL network also remained vigilant for Neonatal Pancytopenia (BNP) a newly emerging disease syndrome of calves under one month of age, which was recently reported in Europe and in the UK. It is variously referred to as 'Calf Haemorrhagic Disease', 'Calf Bleeding Syndrome' or 'Blood Sweating Disease' and the first cases of the condition were reported in Germany in 2007. Since then, reports of confirmed cases have slowly risen in a number of European countries while on the island of Ireland, the first confirmed case was recently diagnosed (2010) in the Republic by Cork RVL, and cases have also been confirmed in Northern Ireland.

The RVLs continued to offer free post mortems to animals showing clinical signs suggestive of Bluetongue or Bovine neonatal Pancytopenia in 2009, and to promote the availability of this facility.

*Trichinella* species (almost exclusively *Trichinella spiralis*) are nematode parasites that are significant internationally as zoonotic agents, with pigs and humans being the most important hosts. Most infections can be traced back to wild animals. A risk-based, wildlife monitoring *Trichinella* programme has been established in Ireland, a country where the risk of Trichinellosis in domestic pigs is officially recognised as negligible. The RVLs carry out this work in compliance with Commission Regulation (EC) No 2075/2005, which lays down specific rules on official controls for *Trichinella* in meat intended for human consumption. In 2009, 442 foxes were collected from multiple locations across the Republic of Ireland and submitted for post mortem examination and testing to the local RVLs. Foxes are examined because, as top predators, they are the most



efficient way to survey the country's wild mammal population. Three foxes (one each in counties Monaghan, Cork and Limerick) were found to harbour *Trichinella* larvae.

In addition to the ongoing passive surveillance service, the RVLs visited farms to investigate a range of disease outbreaks including infertility in cattle, triclabendazole-resistant liver flukes in sheep, psoroptic mange in cattle, paramphistomosis (rumen fluke disease) in both cattle and sheep, and bovine actinobacillosis.

## Agriculture Laboratories

### Dairy Sciences

The Dairy Science Laboratory operates as the National Reference Laboratory for *Listeria monocytogenes*, coagulase positive Staphylococci in food products and Total Bacterial Count and Somatic Cells in raw milk. It has a major food safety testing function, including microbiological surveillance of milk and milk products from samples taken from food business operators as well as for export certification and market support schemes.

In 2009, the laboratory carried out microbiological analysis on 6,245 dairy products and as a result issued

- 3 Food Safety hazard notifications
- 52 Process Hygiene criteria non-conformances
- 27 non-conformance reports out of a total of 181 water samples
- Zero non-conformances reports from 90 animal-by-products tested

#### *Market Support and Export Certification*

Testing was also undertaken for market support schemes and for the certification of product for export. In this regard, a total 5,918 samples of milk and milk product were tested, representing an increase of over 100% on sample numbers from 2008. This was largely due to the reopening of intervention for butter and skim milk powder in 2009.

### Plant Health, Seed Testing and Pesticide Laboratory

#### *Plant Health Laboratory*

Horticultural pathology includes tests for quarantine organisms as detailed in Commission Directive 2000/29/EC. The main test conducted was for *Phytophthora* spp. 960 tests on woody ornamentals and tree species, of which 102 tested positive for *P. ramorum* and 38 for *P. kernoviae*. The latter were the first findings of *P. kernoviae* in Ireland and make Ireland only the third country in the world to confirm the presence of this potentially serious pathogen. New organisms isolated for the first time by the Plant Health Laboratory included *Cylindrocladium buxicola* (box blight). *Puccinia horiana* (Chrysanthemum rust) was also detected. Several samples of escallonia were also tested for the presence of a new disease, escallonia leaf spot, which is caused by *Mycosphaerella* spp. This disease has been responsible for significant defoliation of escallonia in the south and west of Ireland.

#### *Seed Testing and Seed Pathology Laboratory*

All agricultural and horticultural seeds, subject to official certification, are required to be officially tested for purity and germination to ensure compliance with EU regulations. This testing is carried out at the Official Seed Testing Laboratory Backweston, which is accredited to the International Seed Testing Association (ISTA). Over 10,000 tests, comprising mainly of cereals and grasses, were completed in 2009. Approximately 62% of these tests were for germination, 19% for purity and 7% for tetrazolium, with the remaining 12% divided across advisory tests such as moisture, other seed determination, thousand seed weight, etc.

During 2009, 360 cereal samples were tested for *Total Fusarium spp.* and *Microdochium nivale*, with barley samples also tested for leaf stripe and net blotch as appropriate. Approximately 39% of pathology tests were carried out on barley, 54% on wheat, 6% on oats and 1% on triticale. In addition, over 100 tests were conducted on barley for the presence of loose smut. Approximately 82% of these tests were carried out on spring barley, with the remaining 18% on winter barley. A small number of bean samples were submitted for *Ascochyta* and *Botrytis spp.* testing.

In 2009, lower levels of loose smut were detected in barley than in 2008. *Fusarium spp.* infection levels were extremely high in 2009 due the very wet and mild summer for the third year in a row, with winter wheat and spring barley varieties being amongst the crops most severely affected.

#### *Feedingstuff Microscopy Laboratory*

The Feedingstuff Microscopy Laboratory is the National Reference Laboratory for Animal Protein (AP) detection and in 2009, it analysed circa 300 samples for AP. It participated successfully in three international proficiency test schemes in 2009 and also assisted the Community Reference Laboratory in a number of method validation projects. The laboratory was awarded accreditation to the ISO17025 standard, by INAB in December 2009.

#### *Pesticide Laboratories*

The DAFF pesticide laboratories are the accredited National Reference Laboratories for pesticides in fruit and vegetables, cereals, food with high fat content and for single residue methods.

#### *Residues*

In 2009, the pesticide laboratories carried out the testing required under the pesticide residue monitoring programme agreed under the DAFF/FSAI service contract. This involved analysing 862 samples of fruit, vegetables and cereals for residues of up to 330 pesticides and metabolites and 462 samples of food of animal origin for residues of up to 70 different pesticides and marker PCB's.

The Maximum Residues Level (MRLs) for pesticide residues in food were exceeded in 10 samples and action taken. 213 samples of animal feed were analysed for seven PCB's used as markers for the presence of dioxins on behalf of the Feedingstuffs, Fertiliser, and Poultry Division. It was also agreed that the laboratory would also test some feed samples for pesticide residues during 2010. A new method of analysis for the determination of Chlormequat, Mepiquat and Glyphosate in fruit, vegetables and cereals was developed and it is planned to analyse around 150 samples for these pesticides during 2010.

#### *Formulation*

The Pesticide Formulation Laboratory provides the analytical support necessary to assure the quality of plant protection products on the Irish market. In 2009, the laboratory participated successfully in 3 collaborative studies with a view to developing and validating methods for the analysis of plant protection products.

163 samples of plant protection products were analysed to check that the composition of these products complied with the authorised product specifications. Of the samples analysed, some 8 (5%) were out of specification.



## PLANT HEALTH

### Plant Protection and Health

In order to maintain Ireland's high plant health status the Department carried out an action programme involving the following activities in 2009:

- Mandatory inspections were carried out on relevant plants and plant products imported directly into Ireland from third countries. Quarantine and harmful organisms were intercepted on a number of occasions. None of these became established in the country due to successful interception measures.
- Intensive inspection of nurseries and garden centres for quarantine pests and elimination of harmful organisms where found.
- Surveys were carried out in public parks, private gardens and the wider environment for harmful organisms following several European Commission emergency decisions.
- Farms producing potatoes, tomatoes, maize and beet were inspected for specific harmful organisms.
- On-going measures to prevent the spread of the disease commonly referred to as 'Sudden Oak Death', caused by the fungus *Phytophthora ramorum* were undertaken at nurseries, garden centres, public parks and private gardens.
- The annual survey for the bacterium *Erwinia amylovora*, that causes fireblight, was conducted, all findings were successfully eradicated.
- A new survey was established for *Anoplophora chinensis*, the Citrus Longhorn Beetle, which is harmful to a large range of shrub and tree species.
- No further finding of the brown rot disease of potatoes were detected following ongoing intensive testing of seed and ware potatoes.
- Certification schemes for plant propagating material were conducted at several locations to ensure disease free material is available.

# goal three



## Annual Output Statement

*Promoting Sustainable Farming*

*Climate Change*

*Bioenergy*

*Rural and Coastal Economy*

■ *Rural Development Programme*

■ *Seafood*

■ *Fisheries Management and Conservation*

■ *Fishery Harbour and Coastal Zone Management*



# Annual Output Statement- GOAL 3

*"Promote economic, social, environmental sustainability, and appropriate structural change in the agriculture, forestry, fisheries, bio-energy and food production sectors"*

## Inputs - Goal 3

Programme 3	2009 Budget € million	2009 Outturn € million	2010 Budget € million
Programme Expenditure	908.2	869.6	758.2
Current	430.7	399.8	387.9
Capital	477.5	469.8	370.3
Programme Administration	54.3	52.9	49.1
Pay	36.6	36.1	31.5
Non-Pay	8.3	7.3	8.3
Support Expenditure	9.4	9.6	9.3
Total Gross Programme Expenditure	962.5	922.6	807.3
Number of staff (FTE) as at 31 December 2009		694	

## Outputs - Goal 3

2009 Output Target	2009 Output Achieved
3.1 Implement the RDP within budgetary limits while ensuring maximum drawdown of EU funding allocation of €329.2 million. Ensure effective implementation of the RDP as measured by the Department's 2009 progress report to EU	<p>The RDP was implemented within budgetary limits during 2009 and EU funds were fully drawn down.</p> <p>Budgetary measures implemented during the year resulted in a 14% decrease in Reqs 4 payment rates and the closure of the scheme to new entrants.</p> <p>Ireland's Progress Report on implementation of the RDP was submitted to the EU Commission in June and accepted without query.</p>
3.2 Complete review of RDP by July	Ireland completed its review of the RDP and submitted a revised Programme to the Commission in July



## Outputs - Goal 3

2009 Output Target	2009 Output Achieved
<p>3.3 Improve environmental sustainability by</p> <ul style="list-style-type: none"> <li>■ maintaining current participation rates in REPS,</li> <li>■ increasing by 5% the amount of land farmed using organic methods and</li> <li>■ improving on 2008 levels of environmental compliance as measured by cross-compliance inspections.</li> </ul>	<p>Despite the budgetary situation which closed REPS to new entrants in July, by year end 34,000 farmers were in REPS 3, and a further 31,000 had applied to REPS 4.</p> <p>To improve environmental sustainability, the Dept. submitted proposals to the European Commission for a new co-funded Agri-Environment Options Scheme (AEOS) with an annual budgetary provision of around €50m</p> <p>In 2009 the amount of land farmed using organic methods increased by 4,414 ha. a 10% increase over 2008, while afforestation planting levels of 6648 hectares achieved a 6% increase over the 2008 outturn, thus reversing the previous downward trend in planting levels.</p> <p>Under Cross Compliance rules, farmers must demonstrate that direct payment support is linked to respect for environmental and other laws. Analysis of inspections in 2009 showed marginal improvements in the areas of Groundwater (SMR 2) and Sludge (SMR 3).</p>
<p>3.4 Deliver structural change in the marine economy as indicated by the delivery of the 2009 fleet restructuring plan and the Fishery Harbour Infrastructural Programme.</p> <p>Also, deliver Ireland's fisheries environmental priorities under the Common Fisheries Policy</p>	<p>The substantial programme of decommissioning of the whitefish fleet has been completed. This voluntary scheme, which is now closed, focused on the larger whitefish vessels over 18 metres. It has resulted in a further 6,900 GT and 19,000 kW being removed from the Irish sea-fishing boat register. The total payout for decommissioning was €36.6m with €15.5 million being paid in 2009.</p> <p>The 2009 Fishery Harbour &amp; Coastal Infrastructure Development Programme was completed at a cost of €14.809m. Infrastructural projects included work on the replacement of the Dinish Wharf in Castletownbere and the construction of pontoons in Rossaveel.</p> <p>Ireland successfully defended its environmental priorities during the negotiation of key EU fisheries measures adopted in 2009, including:</p> <ul style="list-style-type: none"> <li>■ A comprehensive fisheries control and inspection framework agreed at the Fisheries Council in October 2009.</li> <li>■ The 2010 TAC and Quota Regulation agreed at the December 2009 Fisheries Council.</li> </ul> <p>In addition, a pilot scheme was implemented nationally to manage Ireland's fishing effort allocations under the EU Cod Recovery Plan.</p> <p>The Minister initiated a nationwide consultation process to inform Ireland's response to the EU Commission's Green Paper on the 2012 review of the Common Fisheries Policy.</p> <p>Meetings were held with DEHLG to agree a roadmap for compliance with the EU Birds and Habitats directives. Following progress, three fisheries which were subject to assessment were opened in 2009.</p>



## Promoting sustainable farming

### Rural Environment Protection Scheme (REPS)

REPs is an agri-environment measure to encourage farmers to go beyond basic good farming practices and to farm in a way that benefits the landscape, biodiversity and water quality. The REP scheme involves the whole farm and commits the farmer to eleven basic undertakings designed to maximise environmental benefits. Additional payments are made for engaging in supplementary measures which vary from keeping rare breeds, conservation of wild birds to protecting heritage buildings. By the end of 2009, there were some 62,000 farmers in REPS. On 8 July 2009, the scheme was closed to new applicants due to curtailed national finances. Over €341 million was spent on REPS in 2009 and the allocation for 2010 is €330 million.

### Agri-Environment Options Scheme

Proposals for a new measure, the Agri-Environment Options Scheme (AEOS), were included in proposals for an amended Rural Development Programme which were submitted to the European Commission in July 2009. EU funding for the new measure was available from modulation funds emerging from the CAP Health Check and from the European Economic Recovery Package. The Government agreed to provide for the new scheme at a rate of up to €5,000 for up to 10,000 participants. AEOS will be launched in 2010 when Commission approval has been obtained.

### Farm Waste Management Scheme

The revised Farm Waste Management Scheme, introduced in March 2006 to assist farmers meet the additional requirements of the Nitrates Directive, closed for the receipt of payment claims at the end of 2008. In February 2009, the Government decided to pay the remaining claims for grant-aid under the Scheme on a phased basis with 40 per cent being paid in 2009 as claims are approved, a further 40 per cent in 2010 and the remaining 20 per cent in 2011. In addition, a special ex-gratia payment not exceeding 3.5 per cent of the value of the deferred amount will be made to those farmers whose grants have been partially deferred. This payment will be made in January 2011 along with the final instalment.

€292.76 million was paid out under the scheme in 2009. This included €49 million by way of payments of the second instalment of 40% due to the reallocation of savings from other parts of the Department's Vote.

## Cross Compliance Checks

EU cross compliance means that farmers must comply with 18 Statutory Management Requirements (SMRs) on the Environment, Public Good, Animal and Plant health, and Animal Welfare as well as maintaining their land in good agricultural and environmental condition (GAEC). These requirements are monitored by mandatory inspections on between 1-5% of farms annually and are an effective means of protecting the environment and ensuring that farmers implement a wide range of public good regulations.

The most common examples of poor compliance with these requirements during 2009 were as follows:

### *Cattle*

68% of all non-compliances found included bovine identification and registration breaches. Of these the majority involved the failure to notify movements, births and deaths of animals, passports discrepancies and herd register discrepancies.

### *Nitrates*

20% of all non-compliances found at inspection related to Nitrates breaches. These breaches relate to:

- inadequate collection of livestock manure, other organic fertilisers, soiled water or silage effluent;
- inadequate management of the storage facilities for livestock manure, other organic fertilisers, soiled water or silage effluent;
- Inadequate management of clean water;
- structural defects in the storage facilities in use leading to direct or indirect discharge; stockpiling of farmyard manure on land during a prohibited spreading period; insufficient emergence of green cover within 6 weeks of the application of a non-selective herbicide between 1st July and 15th January.

### *Sheep*

29% of all non-compliance found at inspection included ovine identification and registration breaches. Of these, 54% concerned discrepancies related to a failure to ever submit a census while 38% had failed to submit census details in the previous year. 27% involved a failure to maintain a flock register i.e., movements of sheep on/off farm not recorded or incorrectly recorded or missing dockets.

## Noxious weeds control campaign

Control of noxious weeds is one of the cross-compliance requirements under Good Agricultural and Environmental Condition, for purposes of Single Farm Payments. The campaign to generate public awareness of the obligation to control noxious weeds continued in 2009, consisting of Department press releases, public notices in the news media and posters erected in areas frequented by the farming community and the general public.

## Fertiliser Usage

There has been a steady decline in overall use of fertiliser over the past twenty years. Better correlation between rates of application and crop requirements, reduced commodity returns and high rainfall in 2008-2009 have contributed to the reduction in the use of the main fertiliser ingredients nitrogen, phosphorous and potassium.

For statistical purposes, the fertiliser year runs from the 1st October to 30th September. The following table details current annual usage and illustrates the decreasing levels of fertiliser use in recent years, particularly for phosphorous and potassium.

Table 3.1 Fertiliser Consumption

	2008 – 2009	2007 - 2008	Peak Annual Use (Since 1989-90)
	Tonnes	Tonnes	Tonnes (Year)
Nitrogen (N)	306,806	308,960	442,916 (1998-99)
Phosphorus (P)	20,231	26,350	64,573 (1989-90)
Potassium (K)	52,403	69,584	158,432 (1989-90)
Total (All) Fertilisers	1,172,424	1,242,073	1,921,038 (1994-95)

### Ground Limestone

Ground limestone use is calculated on a calendar year basis. Agricultural grade ground limestone use in 2009 amounted to 698,460 tonnes compared to 595,926 tonnes in 2008, an increase of 17% on 2008 levels. The use of lime in 2009 is in line with the average use over the past ten years of 709,394 tonnes per annum.

### Fertiliser and Limestone Compliance Inspections

There were 135 samples taken from fertiliser manufacturing/importer premises and 36 samples taken at ground limestone manufacturing premises and analysed for compliance with quality and formulation standards. Analysis is carried out by the State Laboratory. All instances of non-compliance are notified to suppliers and companies with non-compliant products targeted for increased inspection in the following years.

### Forestry

Forest cover in Ireland is over 10% of the land area. This is one of the lowest covers in Europe where the average cover is closer to 40%. Annual planting levels increased from 6,249 hectares in 2008 to 6,648 hectares in 2009 but these are considerably lower than the 10,096 hectares planted in 2005. However, overall forest cover in Ireland has increased from over 480,000 hectares in 1990 to approximately 737,142 hectares in 2009.



The planting and growing sectors have been supported by the various grant and premiums schemes to the value of €565 million during the period 2005 to 2009. These various schemes have helped establish a network of over 13,000 private plantation owners, mostly farmers, who have begun the process of entering the forest economy. Forestry activity enhances the rural environment and offers employment in areas where there are often very few alternatives. Forests also provide the largest outdoor recreational area with an estimated €268 million generated annually in local communities by 18 million visitors to forests.

## Review of Forestry Policy

The Renewed Programme for Government included a commitment that state forestry policy should be reviewed to take account of its critical role in relation to climate change, its importance to construction, bio-energy, bio-diversity and its potential to deliver long-term employment in other downstream industries. This review which includes the role of Coillte is currently ongoing and is expected to be completed before the end of 2010.

## Forest Environment Protection Scheme

2009 saw the continuation of the Forest Environment Protection Scheme (FEPS) which was first launched as a pilot scheme in 2007. FEPS focused on the creation of woodlands that contribute more to landscape character, biodiversity, retention of local habitats and the protection of water quality. In 2009, 3,310 hectares of FEPS were planted and over €11 million was paid in FEPS payments.

## Restructured Reconstitution of Woodland Scheme

The Reconstitution of Woodland Scheme was restructured from 1st June 2009. Since that date the scheme is only available for plantations that suffer from 'significant damage' due to frost, drought, deer, grey squirrel, vole, disease and insects. All forestry premium recipients were informed in writing of this change.

## Premium reduction

As a consequence of the serious decline in the economy and the resultant negative impact on the national finances, it was decided in early 2009 to reduce the value of the forestry premium by 8%. This reduction applied to all premiums.

## Forestry and Freshwater Pearl Mussel Requirements

The freshwater pearl mussel lives in rivers and streams and requires water of the highest quality. It is protected under the Habitats Directive and Wildlife Acts and is currently in serious decline throughout Ireland and the rest of Europe. To marry the conservation of this mussel with the benefits of forestry, this Department and the National Parks and Wildlife Service (NPWS) have published the Forestry and Freshwater Pearl Mussel Requirements. These describe a range of measures intended to reduce any potentially negative impacts on the species arising from forest operations including forest road construction in designated candidate Special Areas of Conservation (cSACs) for the species. In 2009, the initial field work was completed on a water quality monitoring study into the effectiveness of the Freshwater Pearl Mussel Requirements.



## Felling Licenses and Turbulence Felling

Turbulence felling is felling in the vicinity of the wind turbines. The Department published its policy on Felling Licenses and Turbulence Felling on its website in 2009. This set out that the turbulence felling may be allowed in certain cases, at the discretion of the Minister, and subject to a replanting requirement.

## Forestry Producer Groups

Development of Forestry Producer Groups continued in 2009 culminating in a very successful National Forestry Producer Group Conference and Demonstration held in Kiltimagh, Co. Mayo. The conference examined the potential for growers to manage and harvest their crops together. This formula has proven to be successful in other parts of Europe, including Scandinavia, Belgium, Germany and Austria.

## 2009 Forest Service Publications

*Forestry and Otter Guidelines*

*Forestry and Kerry Slug Guidelines*

These guidelines, developed in consultation with the NPWS, describe the habitats of these species and how they will be protected during forest operations.

*Bats and Forestry leaflet .*

This leaflet, adapted for Ireland by the Forest Service and the NPWS, provides information about bats life cycle, their protection, and good practice guidelines for bat friendly forestry. It also provides information on three bat species - Whiskered, Natterer's and Lesser Horseshoe- that are associated with forestry.

*Securing Ireland's Broadleaf Forests and Conservation of Native Red Squirrels through Integrated Management of Grey Squirrels*

*Conservation of Red Squirrels School Pack,*

These publications developed from the 3-year Department funded CRISIS project, i.e. *Combined Research and Investigation of Squirrels in Irish Silviculture*. Based on studies of public and private woodland in Britain and Ireland, the project devised strategies, developed an educational programme for schools and other stakeholders and generally raised public awareness on forests and squirrels.

## Research on Pine Martens

The Forest Service funded a research project that examined the capacity of coniferous plantations to support breeding populations of pine martens and to determine the potential impacts of forest operations on the species. The final report was received by the Forest Service in late 2009.

## Organic Farming-

At the end of 2009, there were 1,548 organic operators in Ireland with 49,165 hectares of land under organic production methods, compared with the 2008 figures of 1,450 operators and 44,751 hectares. This land area equates to just under 1.2 % of agricultural land which is considerably less than the Programme for Government's objective of 5% by the end of 2012. The Irish organic retail market was estimated to be worth €124 million in 2009 compared with €104 million in 2008.

In August 2009, a new body called Forás Orgánach was established, to drive forward the development of the organic sector in Ireland. Forás Orgánach is made up of individuals with expertise in particular areas, who can bring their talents and specialist knowledge to efforts to develop the organic sector further. This Group which is chaired by Mr Noel Groome is supported by two sub-Groups, the Organic Market Development Group, chaired by Bord Bia and the Partnership Expert Working Group, chaired by Teagasc. All current initiatives are reviewed and monitored by this group.

A range of organic events took place in 2009 to raise awareness on organic farming. In February, 2009 Bord Bia joined BIM for the first time in co-ordinating Ireland's participation at Biofach. Biofach is recognised as the most important trade event for organic food in the international calendar. It has been described as the global meeting place for organic food industry professionals and companies. Those attending the event, both from Europe and further afield, are predominantly purchasing decision-makers from the retail, foodservice and distribution sectors, seeking business partners. Other events included the National Organic Week and presentation of the National Organic Awards in September. In 2009, demonstration organic farms continued to attract interest and the numbers of farms involved expanded to 19.

In order to ensure that the resources available are used to bring maximum benefit and to realise the growing potential of organic farming in Ireland, a review of the Organic Farming Scheme was carried out in 2009. The purpose of this review was to look at how available funds could be used to best effect to deliver increased organic production and attain the 5% Government target. As a result of this review, two significant changes were made. New entrants to organic farming now have to do an approved training course before they can apply for the Scheme, and all applicants have to submit a five-year business plan. These changes will help to identify those farmers who are most likely to increase Ireland's organic output. In particular it will target support to those operators who intend producing the kind of food that we now import in large quantities.

Organic capital grant schemes under the RDP continued to provide grant aid for investments by farmers and processors in facilities and equipment. Grant aid of 40% of the cost up to a maximum of €60,000 in the case of on-farm investments and €500,000 for investments off-farm is available. Grant aid amounting to €1.5m was awarded in 2009. Due to the significant interest in these grant schemes by July, the applications on hand had fully taken up the 2009 allocation. Consequently the decision was made at that stage to suspend these schemes for new applications with the intention of re-opening them in January, 2010.

## Genetic Resources

The Advisory Committee on Genetic Resources for Food & Agriculture, established in 1996, provided grant aid in the order of €150,000 to a broad range of projects concerned with the conservation of plant and animal genetic resources in 2009. Animal projects funded included conservation activities and research work on Ireland's rare and native cattle, sheep and horse breeds. A project studying native strains of the Dark European Honeybee was also funded. Plant projects included conservation work on Ireland's forest genetic resources, the production of a crop wild relative priority list for Ireland and characterisation of cereals held in the national genebank.

In February, the Department made an official deposit of Irish agriculture seeds to the Svalbard Global Seed Vault in Norway. The Irish deposit consisted of some of the most important seeds in the reference collections of Teagasc and the Department. Almost two-thirds of a million seeds, representing unique accessions of Ireland's forage grasses, potatoes, wheat, oats and barley collections will be deposited at Svalbard as part of Ireland's international commitment to maintain a broad genetic resource base for future needs. The Global Seed Vault is a major asset to the world seed community in their collective efforts to protect global agricultural crop diversity.

## Climate change

The natural processes associated with food production lead to emissions of methane, mainly from enteric fermentation in ruminant animals and nitrous oxide from the use of manure on soils.

In 1990, agriculture produced 35.9% of emissions but this level has declined both in real terms and as a proportion of Ireland's total emissions. By 2008 (the latest year available), the level had fallen to 27.3% due mainly to improvements in production efficiency which enabled a reduction in cattle and dairy cow numbers. The overall increase in afforestation has improved the amount of carbon sequestered and in 2008 this reached 2.8m tonnes. Thus net emissions from land use activities were of the order of 23% of national emissions in 2008.

In addition to the carbon sequestered by forests, there is research indicating that there is substantial soil carbon sequestered in Irish soils. This arises due to the good management of Irish grassland soils and can contribute to a low carbon footprint of food produced in Ireland. Under the current rules, this sequestration cannot be fully considered as a contribution to meeting national targets as the rate of sequestration is similar to the rate in 1990 – the reference year for setting climate change targets. DAFF is examining the scientific literature in conjunction with other interested agencies to establish the contribution that soils can make to reducing Irish emissions.

The National Climate Change Strategy (2007) sets down the measures to be implemented to enable Ireland to meet its legally binding commitments for 2008-2012 under the Kyoto Protocol. The EU has agreed an Energy Policy for Europe providing for a 20% reduction in greenhouse gas emissions (compared to 1990 levels) by 2020. This target may increase to a reduction of up to 30% in the event of an international agreement on global emissions reductions. In addition, new EU Directives, to give effect to the Climate Change Package for 2013 to 2020 period, including new rules governing the EU Emissions Trading Scheme, are now in force.

Achieving these targets presents a considerable challenge to all sectors of the economy including the agriculture sector. Of immediate concern to DAFF is the achievement of the 2008–2012 commitment in terms of greenhouse gas emissions.

DAFF is engaged in a very intensive analysis, in conjunction with other relevant departments, to review all measures available in the sector to reduce emissions, along with their impacts and costs. This Department has committed €15.5m to climate change research projects since 2005 under the Research Stimulus Fund and continues to monitor ongoing research both nationally and internationally.

In December 2009, Ireland was a founder member of the Global Research Alliance on Agricultural Greenhouse Gas Emissions. DAFF and other Irish agricultural scientists are playing a central role in a worldwide assessment of current research and technologies and defining the most promising pathways for future research. DAFF is also involved in an EU Joint Programming research initiative on Agriculture, Climate Change and Food Security. In addition the Department is involved in the international negotiations on climate change under the UNFCCC (United Nations Framework Convention on Climate Change) with the aim of developing an approach to agriculture that will help to contribute to climate change mitigation while at the same time ensuring that worldwide food security can be realised.

Protecting and enhancing the forest resource can make a contribution to meeting Ireland's GHG emissions targets. In Ireland, the main potential climate related benefits associated with forestry have been identified as:

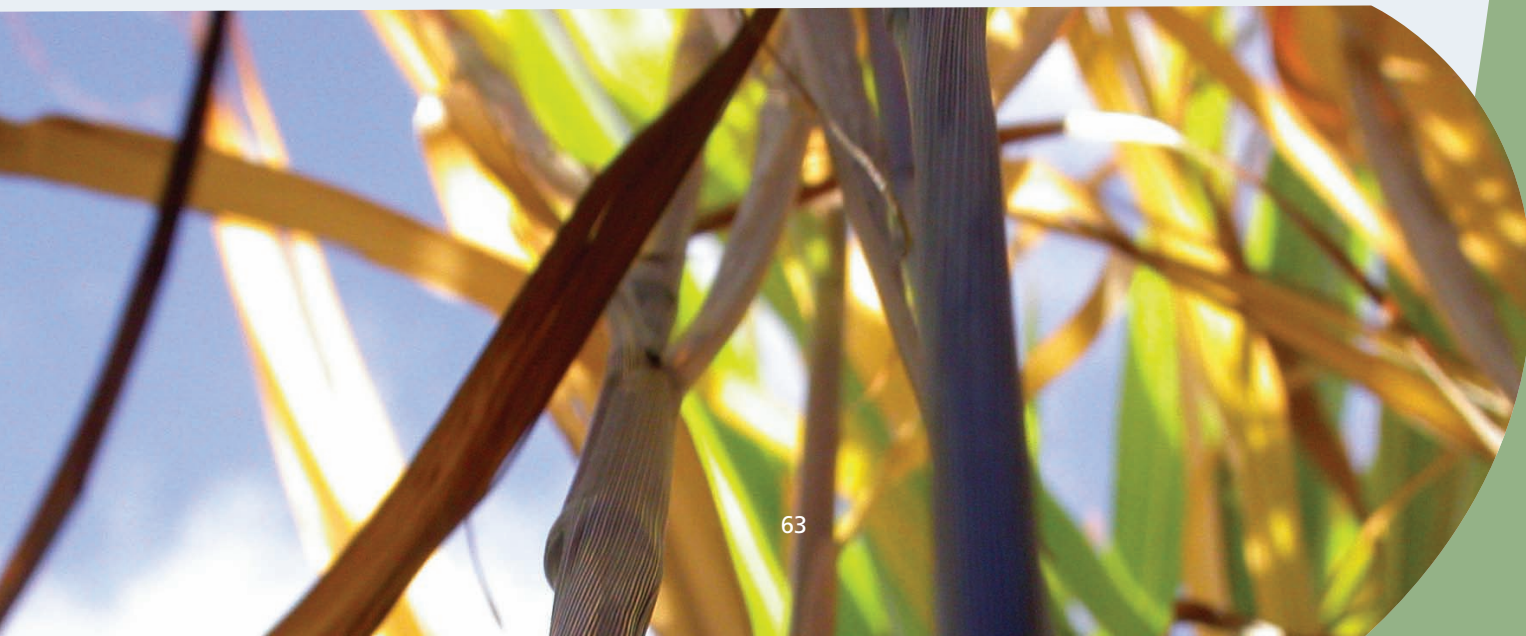
- The potential to sequester up to 110 million tonnes of CO<sub>2</sub> by 2035,
- The potential annual supply of 2 million tonnes of wood biomass for renewable energy by 2020,
- The reduction in emissions of 1.6 million tonnes CO<sub>2</sub> per annum by 2020 by switching to wood-biomass

The emissions sequestered by Kyoto approved forest sinks amounted to 2.8 Mt CO<sub>2</sub>eq in 2008 - the latest figure available from the Environmental Protection Agency. In 2009, inventory data from the National Forest Inventory and from Coillte Inventory was collated for input to Ireland's LULUCF (land use, land use change forests) submission for the Copenhagen Conference of Parties on climate change.

## Bioenergy

Bioenergy is the term used to describe renewable energy derived from biomass, (the biodegradable fraction of products and residues from agriculture), forestry and related industries. It is a sustainable source of energy and has a range of environmental and economic benefits in helping to secure energy supply and in mitigating the effects of climate change.

Ireland's agricultural sector creates significant quantities of biomass materials that can be utilised to meet the EU 2020 targets. Potential sources include dedicated energy crops such as miscanthus, willow and oilseed rape as well as forest residues and thinnings. Agriculture residues, principally manures, straw, poultry litter and mushroom compost can also be used for energy production through combustion or anaerobic digestion.



## Energy Crops

In 2009, the Department continued to implement the actions in the National Bioenergy Action Plan to increase production of bioenergy from agriculture raw materials. Just over €1m in establishment grants was paid to farmers under the Bioenergy Schemes in 2009. This relates to first installment payments for successful establishment of miscanthus and willow crops under the 2009 Scheme and also some payments related to the successful establishment of crops under the 2007 and 2008 Schemes. Approval was granted to plant some 960 hectares of crops under the 2009 Scheme. In addition to establishment grants, some 560 farmers qualified for energy crop premiums in 2009 under the EU Energy Crops Scheme, of which some 500 were eligible for the National Energy Crop Premium.

## Animal By-Products (ABP)

The Department's policy is to encourage the development of safe alternative methods of ABP disposal which can also generate added value. In that context, most of the ABP from the meat sector is rendered to produce tallow and meat and bonemeal (MBM). The 9 approved rendering plants, which operate under the supervision of DAFF, produced 137,000 tonnes of MBM and 68,000 tonnes of tallow in 2009. Tallow is used as boiler fuel and in the manufacture of bio-diesel, both of which help reduce dependence on imported fuels. Significant amounts of MBM were used as a co-fuel in the Irish cement industry and the proportion of MBM being sent abroad for incineration is declining. In 2009, an approved technical plant commenced using low risk MBM in the manufacture of organic fertiliser. The Department is also aware of commercial proposals to use MBM as a co-fuel in power plants.

In 2009, an updated ABP Regulation was adopted by the EU which will come into effect in March 2011, and provides, inter alia, for the wider use of ABPs as fuel for combustion.

## Wood biomass

Ireland's 737,000 hectare forest estate affords significant potential to displace fossil fuels with locally produced wood fuels, particularly in heat generation for industrial, commercial, domestic and institutional markets. Projections by COFORD and Sustainable Energy Ireland indicate a potential supply of 2 million tonnes of wood biomass by 2020. In 2009, the co-firing of biomass with peat at the Bord na Mona owned Edenderry Power Plant displaced 66,600 tonnes of peat, representing approximately 7% of the fuel used. It is anticipated that the use of biomass at the Edenderry plant will increase to 10% in 2010, and 30% by 2015.



## RURAL DEVELOPMENT PROGRAMME

### Rural Development Programme 2007 – 2013

Since the introduction of the RDP in 2007, close on €2.1 billion was spent in the period 2007-2009 on rural development measures, i.e. Installation Aid (€10.5m), Early Retirement (€149.2m), Farm Investment (€41m), Disadvantaged areas (€862.5m) and REPS (€1,083.5m).

TABLE 3.2: RDP EXPENDITURE

EAFRD Expenditure	2009	2008	2007	Cumulative 2007 - 09
Measure	€m	€m	€m	
Training (REPS*)	0.8	1.2	0.1	2.1
Setting Up of Young Farmers	5.1	5.4	0	10.5
Early Retirement of Farmers and Farm Workers	40.1	46.1	63.0	149.2
Farm Modernisation	28.1	12.9	0	41.0
Disadvantaged Areas Scheme	337.5	258.1	266.9	862.5
Rural Environmental Protection Scheme + Natura 2000	340.2	310.6	432.7	1,083.5
<b>Total</b>	<b>751.8</b>	<b>634.3</b>	<b>762.7</b>	<b>2,148.8</b>

### Revised RDP

A major revision of the programme took place in 2009 which took account of additional funding of €120 million under the Health Check Agreement for the period 2010 to 2015, and €26.8 million under the European Economic Recovery Plan (EERP). Following a consultative process, it was decided that the total Health Check funds and half of the EERP fund should be allocated to an agri-environment measure, titled "Agri-Environment Options Scheme" (AEOS). This investment amounts to €132.9m. The balance of the EERP fund of €13.4m is allocated to a broadband measure which will be implemented by the Department of Communications, Energy and Natural Resources. In addressing the new challenges Ireland opted to prioritise biodiversity, water management, climate change and broadband.

In addition, Ireland addressed the challenges relating to dairy restructuring, renewable energies and water management with the introduction of a new scheme titled "Targeted Agricultural Modernisation Scheme [TAMS]. This scheme includes a dairy enterprise, a sheep enterprise, pig welfare, poultry welfare, water conservation and bio-energy measures.

## SEAFOOD

The Irish seafood industry makes a significant contribution to the national economy in terms of output, employment and exports. Generating approximately 11,000 jobs in rural coastal regions, BIM estimate that the industry contributed approximately €720 million to the national economy in 2009.

Consumer demand for seafood held up reasonably well in 2009 given the global recession and adverse impact of currencies particularly the weak sterling. Sales of €668 million were down from €731 million in 2008 but continued their upward trend from €617 million in 2000. When landings of fish by Irish vessels at overseas ports are included, the estimated total value of seafood sales was in the order of €720 million. Of the €668m, domestic seafood sales amounted to €352million with exports reaching €316 million. The sector performed reasonably strongly in the face of increasing competition. Approximately 80% of seafood exports were to EU markets with the balance going mainly to Far Eastern and African markets

### Landings

The volume and value of fish landed by Irish vessels in 2009 amounted to almost 158,000 tonnes, worth approximately €230 million; see data in Table 3.3 following

**Table 3.3: 2009 Fish Landings**

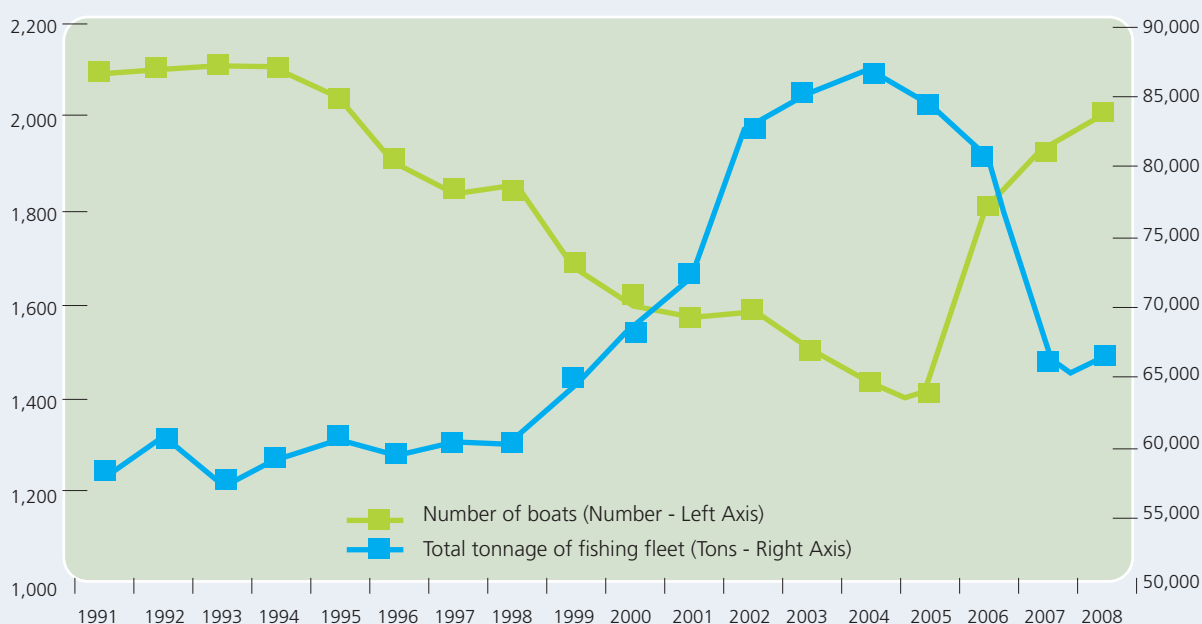
	Weight Tonnes	Value €m
Irish Ports Total	172,314	158
Irish Vessels @ Foreign Ports Total	109,792	N/A
<b>Total Landings by Irish Vessels</b>	<b>282,106</b>	<b>158</b>
of which	89,109	42
Demersal (Cod, Saithe, Haddock, Whiting, Hake, Mgrim, Monkfish, Ling)		
Pelagic (Mackerel, Herring, Sprat, Sardine)	155,543	53
Deepwater	93	24
Shellfish	37,360	63

Source SFPA

### Seafood Strategy 2007 – 2013

The implementation of the seafood strategy *“Steering A New Course – A Strategy for a Restructured, Sustainable and Profitable Irish Seafood Industry 2007 – 2013”* continued to be overseen by the Seafood Strategy Implementation Group (SSIG) under the chairmanship of Dr. Noel Cawley. The strategy sets out a large number of initiatives and recommendations across the seafood and coastal zone management areas which are intended to assist the sustainable development and economic expansion of the fisheries and aquaculture sectors. The Government endorsed the main recommendations of the plan which envisaged substantial State aid support for the strategy. A significant element of the plan has been delivered with the decommissioning (permanent scrapping) of 46 fishing vessels from the whitefish fleet at a cost of €36 million (75% EU and 25% national). The new BIM Seafood Development Centre, which opened in late 2009, is providing expert research assistance and is opening up new opportunities for many seafood companies in terms of innovation and new product development. BIM’s also intends to produce its new three year corporate strategy in 2010.

**Table 3.4: CHANGES IN FISHING FLEET STRUCTURE-**



### National Development Plan.

Ireland’s National Development Plan 2007-2013 provides for substantial combined EU and national funding support for development of the seafood sector. This funding is to enable the seafood industry to restructure, innovate and achieve the vision set out in *‘Steering A New Course’* and the National Seafood Strategy.

Two Operational Programmes for 2007 – 2013 have been developed. The co-funded programme, approved by the EU Commission, allows for funding on decommissioning, environmental management schemes and formation of Local Action Groups. The decommissioning scheme has been completed and the other activities are being advanced. The second, national, programme has not yet been approved due to concerns about the environmental compliance of certain schemes. Work is well advanced on adapting these schemes to take account of the concerns. When approved, the programme will be delivered by BIM through a number of measures and schemes geared to meet the targets set out in the strategy.

# Fisheries Management and Conservation

goal three

## Common Fisheries Policy Review

The Common Fisheries Policy (CFP), first put in place in 1983, is subject to review every 10 years with the next review scheduled for 2012. In April, the European Commission published a Green Paper on the latest reform of the CFP in order to launch a consultation with Member States and stakeholders and to initiate a broad public debate on the issue.

In order to ensure a wide ranging review, Minister of State Killeen established a steering group, under the chairmanship of Dr. Noel Cawley, to oversee the consultation process with Irish stakeholders. This process involved a series of meetings around the country which were attended by both Minister Killeen and Dr Cawley and also a public call for submissions. This process is now complete and will be the basis for Ireland's submission to the EU Commission in early 2010. As part of this process, Minister Killeen has requested a meeting with Commissioner Maria Damanaki to explain Ireland's position and priorities for the review and has invited her to see at first hand the workings of the Irish fishing industry.

It is envisaged that the main Irish requirements for the new Common Fisheries Policy will include:

- proposals to address discarding of fish at sea,
- The retention of a management system based on national quotas and a rejection of the mandatory privatisation of fish quotas or the introduction of international trading of fish quotas,
- Access to coastal waters to be re-examined with a view to an extension of the coastal limit to 20 miles,
- New measures to strengthen the market for EU producers and increase quay side prices;
- Reinvigoration of European aquaculture with continued structural support and a route for growth in harmony with environmental law.
- New regional structure to decision making at EU level with increasing industry responsibility and the development of a culture of compliance.

## Total Allowable Catches (TACs)

The annual Total Allowable Catches (TACs) and quotas for 2010 were agreed at the December Agriculture and Fisheries Council. The main elements of the package secured were quotas valued at approximately €202million, the successful defence of the Hague Preferences and a review of conservation measures introduced in the North West fisheries.

An ongoing disagreement between the EU and Norway in respect of mackerel fishing made the job of setting quotas for EU fishermen more difficult than normal. As an interim measure, a provisional quota of 65% of the 2009 quota was made available from the start of the year and an assurance received from the Council that any new agreement will be fairer in the benefits and costs it delivered for all Member States

Major reductions in the TACs of a number of key stocks, cod, haddock and prawns were proposed by the EU Commission. The Commission had proposed a 25% cut in the cod TAC but a rollover of the 2009 TAC was achieved for Ireland. The proposed cut of 54% for the haddock TAC was cut to a more reasonable 25%. The 50% substantial cut for prawns as recommended by International Council for Exploration of the Sea (ICES), was reduced to 9% and combined with the seasonal closure off the south west coast in the summer months when stocks are most vulnerable to over-fishing.

Fishermen in the south west and the Marine Institute scientists actively worked on a long term plan for herring. This stock was facing collapse two years ago but the efforts taken by fishermen to rebuild the stock meant that a TAC increase of 71% has been possible

A commitment was also secured for a review and early amendment of the restrictions on whitefish fishing off Donegal introduced at last December's fisheries council. This review should take place in early 2010 with the aim of making changes as early as possible in 2010.



### 2009 Fish Quota Management

The existing fish quota management system is designed to ensure the best possible spread between fishermen and the take up of quota with the avoidance of early exhaustion of quota being a key objective.

The management of the TAC and Quota Regulation is effected by the Department in conjunction with the Quota Management Advisory Committee which includes fishing industry representatives. In 2009, this involved the management of over 183,195,000 tonnes of fish quotas valued at approximately €202million.

In 2009, 40 separate demersal (whitefish) fish stocks were managed in consultation with the fishing industry and sea food processing representatives. Agreed regimes for the management of these fish stocks were reached at these monthly meetings and referred for Ministerial approval. The approved monthly catch limits were displayed on the Department's web- site and circulated to industry. In this context, over 3166 authorisations and amendments were issued on specific management schemes in 2009. This will increase with the advent of new management regimes restricting fishing activity in certain vulnerable stocks e.g. cod, in particular areas. In addition, 36 Fisheries Management Notices, 7 Statutory Instruments and 1 Fisheries Determinations were effected to improve the management of quotas.

The fishing of pelagic species (Mackerel, Herring, Horse Mackerel, Blue Whiting and Atlanto-Scandian Herring) is generally confined to the spring and autumn months. These fisheries are managed, by way of Fisheries Management Notices, on the basis of industry recommendations and catch levels. Qualifying vessels book in with the Department to fish the various pelagic fisheries and the available quotas are then distributed in the agreed ratios to the participating vessels. Landing figures are constantly monitored during the fishing periods. Remaining quota is re- allocated to ensure that all available quotas are landed.

### Aquaculture Licencing

A licence for aquaculture development can only be issued after the potential ecological consequences have been assessed. This is a detailed process which often requires inter-agency collaboration, particularly when conservation sites are involved. A significant backlog of applications has been developing in recent years owing in large part to the increasing complexity of coastal development and necessary regulatory requirements, particularly the conservation status of sites. During 2009, 5 licences were issued and 1 application for a licence was refused. One licence was renewed and a further 10 licences were re-assigned to a new licence holder. Over €327,000 was received in licence fee payments.



## Fisheries in Natura 2000 Areas

In December 2007, the European Court of Justice (ECJ) found that Ireland was not in compliance with the requirements of the Birds and Habitats Directives in a number of respects. For wild fisheries, the findings meant that fishing should not be undertaken in Natura 2000 areas without a prior “appropriate assessment”.

In January 2009, Minister Smith met Environment Commissioner Dimas to secure his agreement to a structured approach to meet the requirements of the Birds and Habitats Directives and the ECJ judgement. The approach was agreed and over the following months, officials from DAFF, the Marine Institute, Bord Iascaigh Mhara, the Sea Fisheries Protection Authority and the National Parks and Wildlife Service worked diligently to secure agreement with the EU Commission on steps towards full compliance with the Directives. In August, the Minister was in a position to sign the European Communities (Natural habitats and birds) (Sea-fisheries) Regulations 2009 setting down a new statutory framework for the management of fisheries in Natura 2000 areas. As a direct outcome of this process, fisheries were opened and managed in an environmentally appropriate way in Castlemaine Harbour, Kerry (mussels) and Dundalk Bay (cockles).

In the meantime the Department, in conjunction with the Marine Institute, is gathering the necessary baseline data for each Natura 2000 site relevant to marine aquaculture and wild fisheries. A sum of €1m was provided in the Department’s budget for 2009 for the collection of this baseline data. This data will enable the establishment of conservation objectives by the National Parks and Wildlife Service of the Department of the Environment, Heritage and Local Government and the subsequent assessment of all relevant aquaculture applications in those sites.

## Fishery Harbour and Coastal Zone Development.

### Fishery Harbour Centres (FHC)

The Department has responsibility for the management and development of the six Fishery Harbour Centres, located at Killybegs, Castletownbere, Dunmore East, Howth, An Daingean and Ros an Mhíl. Located strategically around the coast of Ireland, each of the Fishery Harbour Centres provide an essential service for our fishing fleet and its fishermen.

In addition they

- Accommodate various fishing related industries which generate local employment,
- Provide facilities for the repair and maintenance of the shipping fleet,
- Provide facilities for the support of passenger and cargo ferries to the islands,
- Play an important role in the Irish tourist and marine leisure industry

#### *Killybegs*

Killybegs is Ireland’s premier fishing port. It accounts for a significant share of all the registered fish landings in the country and contributes enormously to the local and national economy. In excess of €50 million has been invested in recent years in bringing the harbour up to world class standards.



#### *Castletownbere*

Castletownbere enjoys the benefit of being a natural harbour and in 2009 in excess of €7.8million was invested in its ongoing development. This represented the single most significant project undertaken by the Department in 2009. Civil engineering contract works for the second phase of the quay development were progressed, with pre-casting and installation of concrete structural elements ongoing. When complete, in 2010, the development will provide a deepened navigation approach channel to the harbour, a new berthing basin, and a new 210m length quay wall at Dinish Island.

Works were completed on the provision of a new effluent treatment plant at Castletownbere. The plant provides for the treatment of fish waste from fish processing industries located on Dinish Island.

#### *Ros an Mhíl*

Ros an Mhíl Fishery Harbour Centre, located on the west coast of Ireland provides a valuable and essential service to fishermen. Its proximity to the Aran Islands makes it invaluable to the residents of these islands and acts as a catalyst for its tourism industry. There were in excess of 170,000 passenger movements at the harbour in 2009.

As part of the ongoing development of the harbour, significant work on the construction of pontoons took place in 2009. When completed and commissioned these will separate fishing and ferry activities at the harbour, improve safety and reduce congestion. In addition they will facilitate the relocation of the cargo service to the Aran Island from its current location in Galway. The total investment at Ros an Mhíl Fishery Harbour Centre in 2009 was in excess of €6.6 million. The Department of Community, Rural & Gaeltacht Affairs has provided a contribution of €3 million towards the overall cost of providing the pontoons at Ros an Mhíl.

### **NDP: Fishery Harbour and Coastal Infrastructure Development Programme**

The National Development Plan 2007-2013 provides for an investment of €203m under the Fisheries & Coastal Infrastructure sub-programme over its 7-year duration. The strategic objective of this Sub-Programme is to ensure the future viability of the fishing industry, to bring the Fishery Harbour Centres up to international practice, to reduce congestion at the harbours and to improve safety for the fisheries sector.

In 2009, the total expenditure on the Department's Fishery Harbour and Coastal Infrastructure Development Programme was €17.855 million, of which over €16 million was spent on the FHCs. The significant investment on FHCs is project managed by the Department's Engineering Division which also provides technical support and advisory and inspectorial services on all fishery harbour developments.

The total investment under the Fishery Harbour and Coastal Infrastructure Development Programme for 2009 was €17.855 million. The following table provides a breakdown of the total expenditure for the year.

Table 3.5 : Fishery Harbour and Coastal Infrastructure Development Programme 2009

County	Location	Project	2009 Outturn €
Cork	Cape Clear	Safety and Maintenance	42,741
	Cape Clear	Research for Development options	12,859
	Castletownbere	Safety and Maintenance, Disability Access, Dinish Wharf Extension, Effluent Treatment upgrade, RNLI Reclamation	7,871,969
Donegal	Killybegs	Environmental Study, Disability Access, Safety and Maintenance	426,242
	Greencastle	Harbour Development	1,603,707
Dublin	Howth	Safety and Maintenance, dredging	176,863
Galway	Ros an Mhil	Gear Store Workshop, Onshore Works, Safety and Maintenance, Disability Access, Ferry Pontoons	6,602,305
	Doonloughan	Repairs to access road and pier	84,798
	Bunowen	Pier works	8,845
Kerry	Caherciveen	Completion of Slipway	5,625
	Dingle	Safety and Maintenance, additional berthing pontoons, Disability Access.	410,938
Waterford	Dunmore East	Safety and Maintenance, upgrade slipway, repairs to east pier, sedimentation study	588,695
All Areas	Miscellaneous	Piers, lights and beacons etc.	20,257

## Foreshore Management and Dumping at Sea

In 2009, 54 licences and 12 leases were granted under the Foreshore Acts by the Department for projects such as pier and slipway developments and extensions, outfall pipes for waste water treatment plants, coastal protection works, pontoons/moorings, seaweed harvesting and leisure activities. Income of over €1.66million was received in rent/licence fee payments for foreshore licences and leases. In addition, 8 permits for the disposal of dredge spoil arising from dredging works undertaken by port companies, were granted under the Dumping at Sea Acts during the course of 2009. A total of €825 was received in fees for Dumping at Sea permits during the year.

By the end of 2009 the Department had in excess of 100 applications for offshore renewable energy installations on hand. The Department made a detailed submission to the Interdepartmental Marine Coordinating Group in order to facilitate a “whole of Government” approach to the assessment of the applications. In addition the Department engaged in close consultations with the Department of Communications, Energy and Natural Resources in the context of energy supply and the Attorney General's Office in the context of legal issues. In view of the impending transfer of Foreshore functions to the Department of Environment, Heritage & Local Government in 2010, that Department was also fully briefed in relation to offshore renewable energy applications received. The transfer of foreshore functions will take effect from the 15th January 2010 in accordance with the terms of the Foreshore and Dumping at Sea (Amendment) Act, 2009.

## Transfer of Functions

### *Foreshore and Coastal Management*

The Foreshore & Dumping at Sea (Amendment) Bill was enacted on 15th December 2009 paving the way for the transfer on 15th January 2010, of a large part of Foreshore licensing and Dumping at Sea responsibilities, to the Department of Environment, Heritage & Local Government. This Department retains responsibility for the management of Aquaculture licensing and Foreshore licensing in respect of Aquaculture and Sea Fishery related activities.



# goal four

Annual Output Statement

*Scheme Operations*

*Customer Service*



## GOAL 4

goal four

*"Operate all our schemes and programmes in an efficient, effective and customer focused manner, improve the quality of service delivery and simplify the regulatory burden on our clients"*

### Inputs - Goal 4

Programme 4	2009 Budget € million	2009 Outturn € million	2010 Budget € million
Programme Expenditure	1,681.1	1,673.8	1,579.8
Current	1,681.1	1,673.8	1,579.8
Capital	0	0	0
Programme Administration	36.6	34.6	32.1
Pay	24.8	23.9	20.8
Non-Pay	5.4	4.5	5.2
Support Expenditure	6.4	6.4	6.1
Total Gross Programme Expenditure	1,717.7	1,708.6	1,611.9
Number of staff (FTE) as at 31 December 2009		459	

### Outputs - Goal 4

2009 Output Target	2009 Output Achieved
4.1 Agree 2009-2011 Charter of Rights for Farmers	<p>The Farmers Charter and Action Plan was agreed in May 2009. This specifies targets for payment and decision on all schemes operated by the Department.</p> <p>The achievement of these targets is assessed by a monitoring committee which, uniquely, consists primarily of our customers' representatives.</p>
4.2 Complete 95% of direct payments in 2009 and within the service delivery targets of the agreed Charter	In 2009, 99% of the payments under the SP scheme (€1.251 billion) and 96% of the Disadvantaged Areas scheme (€220m) met the Charter service delivery targets.
4.3 Implement direct payment schemes in accordance with EU regulations and in a manner which maximises environmental compliance and EU receipts	The eligibility and cross-compliance checks met EU requirements and are acceptable to other bodies charged with responsibility for implementing relevant EU legislation governing the Environment, Public Animal and Plant Health and Animal welfare.

## Outputs - Goal 4

2009 Output Target	2009 Output Achieved
<p>4.4 Improve the quality of service delivery by</p> <ul style="list-style-type: none"> <li>■ Increased usage of on-line facilities by customers and agents</li> <li>■ A redeveloped Website and intranet</li> <li>■ Performance of front-line service delivery monitored and assessed</li> <li>■ Assessed and improved service delivery satisfaction levels for the internal customer</li> <li>■ Improved aquaculture licensing system in operation</li> </ul>	<p>Overall, 47% of customers now have online capability. The numbers registered have risen by 30% from 50,000 in 2008 to 65,000 by end of 2009 and includes a 75% increase in the number of online SPS applications.</p> <p>Following extensive customer surveys, the intranet and public website developments were completed and went live in 2009. Both were well received.</p> <p>The 2009-2011 Customer Charter &amp; Customer Service Action Plan specified delivery targets for front line and other services. An Internal Customer Panel was established in 2009 to assist the achievement of improved delivery standards. This panel is expected to produce its recommendations in 2010.</p> <p>The licensing template is being updated to take account of complexities of foreshore activities</p>

## Scheme Operations

Table 4.1 and 4.2 beneath gives operational details on the main schemes operated by the Department in 2009.

**Table 4.1 : 2009 Payments to Farmers**

Scheme	Applications received in 2009	Applications processed	Payments made* € M
Single Payment	124,690	123,080	1,250
Disadvantaged Areas	103,350	100,676	220
Rural Environmental Protection	-	-	312.45
Farm Waste Management	-	17,361	292.76
Dairy Hygiene	-	338	3.54
Afforestation Grant	846	839	22.08
Forestry Premium	-	-	70.76
Early Retirement	175	158	45.63
Installation Aid	-	543	7.71
Alternative Enterprise	-	74	0.75
Pig welfare	-	14	1.58
TB and Brucellosis Compensation	5,935	6,173	22.40
BSE Compensation	26	25 (60 cattle)	0.06
Scrapie Compensation	9	9 (802 sheep)	0.08
Fallen Animals	-	151,685 animals	16.3
Dioxin - Bovine Compensation	49 (5,707 cattle)	49 (5,707 cattle)	6.0
Dioxin - Pig Compensation	18 (170,605 pigs)	18 (170,605 pigs)	17.6
Suckler Welfare Scheme	-	-	29.00
Farm Improvement	-	1,979	27.08
Investment Aid for Commercial Horticulture	147	112	2.29

\*This column refers to all payments made in 2009 which can involve commitments over and above applications processed in 2009.

**Table 4.2 : Trader Payments in 2009**

Scheme	Applications received	Applications processed	Payments made €
<b>Intervention</b>	321	305	84.6
<b>Export Refunds</b>			
Dairy	1,914	881	6.157
Beef	207	92	0.794
Processed Products	11,173	10,642	11.189
Cereals, Pigmeat,	200	131	0.871
<b>Total</b>	<b>13,494</b>	<b>11,746</b>	<b>19.012</b>
Pigmeat Recall Scheme	347	347	49.76

### Early Retirement Scheme (ERS3)

The Minister re-opened the ERS3 Scheme temporarily from 23 September to 30 October 2009 to facilitate applications that were completed or close to completion at the time entry to the Scheme was suspended in October 2008. 175 applications were received, but none of these applications were processed to payment stage by end 2009.

158 applications received prior to the suspension of the scheme in 2008 were paid in 2009 amounting to €45.6 million.

### Export Refunds

Difficult trading conditions in international markets for milk products saw the re-introduction of export refunds for milk products and ingredients in processed products in January 2009. This gave traders the opportunity to move product onto international markets with the support of export refunds. Global prices continued to improve during the summer with the Commission gradually reducing the rate of refunds, until 20th November, when refunds were again zero-rated.

Export refunds for sugar were zero rated on 1st October 2008 but the extension of the validity of refund certificates to 10 months allowed refunds to be paid up to end of September 2009.

### Direct Payments

Annual expenditure of almost €1.9 billion, on the Single Payment/Disadvantaged Areas and REP schemes, was made by this Department to help achieve the objective of protecting farmers' incomes and of maintaining the optimal number of family farms.

### Suckler Welfare Scheme

Approximately 50,000 farmers continued to participate in the Animal Welfare, Recording and Breeding Scheme for Suckler Herds during 2009, which covered in excess of 880,000 animals, despite the reduction in the payment per animal to €40. This reduction was necessary because of the greater than expected level of participation by farmers in the scheme and the worsening of the national economic position. This scheme is fully funded by the Exchequer and will run until the end of 2012. €29m was paid to these participants during 2009 in respect of the 2008 born animals in addition to the €31m paid during 2008.

The scheme aims to underpin the adoption of high standards of animal welfare in suckler herds while also recording essential breeding data. This will lead to a reduction in the incidence of disease and weight loss at weaning in the animals, build a database to allow farmers identify the best breeding stock and should lead to an overall improvement in the quality of the national beef herd. Mandatory training for applicants is a feature of the scheme. The course lays emphasis on best practice in animal husbandry and breeding improvement. It also provides farmers with practical information regarding the completion of paperwork, as well as the day-to-day management of their suckler herds.

### Pigmeat Recall Scheme and Pig and Cattle Disposal Scheme

In December 2008, the Irish pork industry was hit by a recall of pork products due to dioxin contamination of feeding-stuffs. This resulted in serious disruption to the market and in response, the Department introduced two schemes, the Pigmeat Recall Scheme to deal with the effective disposal of eligible pigmeat products and the Pig and Cattle Disposal Scheme to remove affected animals from the food chain.

The original industry estimate of product affected was 46,000 tonnes and based on this, financial assistance of €180m was made available under the terms of the Framework Agreement with the pig processing sector. However, the final expenditure under the Pigmeat Recall Scheme will amount to about €105m in total. This is well below anticipated expenditure, largely because of rigorous controls applied by the Department and successful efforts by industry to place uncontaminated product back on the market. Claims assessed by the Department relate to around 30,000 tonnes, some 20,000 of which was on the home market and 10,000 tonnes was on the overseas market in 22 different countries. All product in Ireland was disposed of by rendering and treated as Category A animal by-product. The resulting material was used as fuel, either here or abroad. Material overseas was either returned to Ireland or disposed of abroad, according to the conditions applying in the country concerned.

Some €8m of expenditure on product was recouped from the EU as co-funding under the terms of Regulation No.94/2009.



# Customer Service

## Farmers Charter and Action Plan

The Farmers Charter and Action Plan 2009-2011 was agreed with the farm organisations in May 2009. It contains specific commitments on service delivery targets for farmers. Further consultations subsequently took place with the farm organisations in relation to changes to a number of the main Department schemes, delaying the appointment of an independent chairman of the Charter Monitoring Committee. The first meeting of the Monitoring Committee will be held in 2010.

Table 4.3, following, indicates the progress achieved on the targets specified in the Customer Service Action Plan. Achievement of service delivery targets is predicated on correct scheme requirements and documentation being available.

**Table 4.3: 2008 Performance on Customer Service Delivery Targets**

goal four

SERVICE	TARGET DELIVERY TIME	2009 PERFORMANCE
Single Payment Scheme	EU Regulations provide that payments shall be made once a year within the period 1 December to 30 June of the following year. However, in 2009, EU agreement was obtained which allowed for 70% advance payments from 16/10/2009. Balancing payments commenced on 1/12/2009.	Advance payments commenced on 16/10/2009 with balancing payments on 1 December. By end 2009 €1.250 billion had been paid to 99% of applicants.
Disadvantaged Area Compensatory Allowances	Agreement was reached with the farming organisations that payments in all eligible cases would commence in September.	Payments commenced on 24 September and in excess of €220m was paid to 99% of all applicants by 31 December 2009.
Early Retirement Scheme	Processing of valid application to scheduling for payment stage:- Applications not selected for pre-payment inspection within 9 weeks* Application selected for pre-payment inspection within 11 weeks* Issue of payment following approval within 6 weeks* Payments monthly thereafter for duration of pension period.	98% within target
Rural Environment Protection Scheme Application for admission to scheme	Applications not selected for pre-payment inspection within 10 weeks* Applications selected for pre-payment inspection within 12 weeks* Issuing of payment following approval within 1 month	N/A N/A 85%
Application for annual payment	Processing of valid application to scheduling for payment within 8 weeks Issue of payment following approval within 1 month	100%

SERVICE	TARGET DELIVERY TIME	2009 PERFORMANCE
Farm Waste Management Scheme	Issue of approval following receipt of valid application within 3 months* Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months* Issue of payment following approval for payment within 6 weeks*	95%
Dairy Hygiene Scheme	Issue of approval following receipt of valid application within 3 months* Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months* Issue of payment following approval for payment within 6 weeks*	100%
Alternative Enterprise Scheme	Issue of approval following receipt of valid application within 3 months* Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months* Issue of payment following approval for payment within 6 weeks*	100%
Installation Aid	Processing of valid application to scheduling for payment stage:- Applications not selected for pre-payment inspection within 10 weeks* Applications selected for pre-payment inspection within 12 weeks* Issue of payment following approval within 6 weeks*  * To apply from commencement of new schemes	100%
Improvement in Animal Welfare Standards (Sow Housing)	Issue of approval following receipt of valid application within 3 months Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months Issue of payment following approval for payment within 6 months.	100%
Farm Improvement Scheme	Issue of approval following receipt of valid application within 3 months Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months Issue of payment following approval for payment within 6 months.	100%
Young Farmers Installation Scheme	Issue of approval following receipt of valid application within 3 months Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months Issue of payment following approval for payment within 6 months.	100%

### Afforestation Programme

Grant Schemes	Approvals within 10 weeks of application except where public consultation is required under statute.	Over 90% of all approvals and payments are within the targets as set out in the Charter of Rights for farmers
Forestry Premium Scheme	40% inspection level within 4 weeks of receipt of application. Payment within 6 weeks for non inspection cases or 10 weeks where inspection is required  Annual bulk run carried out during March but payments will continue throughout the year.	2,092 applications received for 16,467ha. 1,568 approvals issued for 16,463 ha.  Over 90% of premium commitments relating to valid applications received were paid before the end of April in line with the Charter target 846 applications received in respect of 6,960 ha. €22.08m paid in respect of 839 applications involving 6,898 ha  2009 Annual Premium Run: €60.25m, subsequent Runs: €10.51m Total Expenditure: €70.76m

### DISEASE CONTROL SCHEMES

Compensation – Bovine TB and Brucellosis Eradication Schemes	TB and Brucellosis compensation will be paid within 3 weeks of the date of receipt of the required correct documentation or of eligibility as per terms and conditions.	98% of Reactor Grant, Valuation compensation payments were made in within 3 weeks of receipt of all the required documentation and over 99% were made within 8 weeks.  92% of Income Supplement, Depopulation and Hardship Grant payments were made within 3 weeks of receipt of the required documentation and over 99% were made within 8 weeks.
BSE Compensation	BSE compensation to be paid within 21 days of receipt of completed documentation.  (Since 5 April 2006, the policy of whole herd depopulation has changed. BSE depopulation has been replaced with a partial depopulation scheme, where the cohorts and progeny of the infected animal are depopulated)	BSE Cohorts and Progeny - Compensation of €60,587.40 was paid by 31 December 2009.  84% of herd owners were paid within 21 days.
Scrapie Compensation	Compensation paid within 14 days of receipt of the last document, i.e. receipt of confirmation of slaughter.	Following receipt of slaughter documentation, all compensation payments were processed and paid within the required period.  No outstanding payments.

Service	TARGET DELIVERY TIME	2009 Performance
Milk and milk products	85% in 60 Days	76%
Beef	2 months	81%
Processed products	85% in 60 Days	94%
Pigmeat and poultry	85% in 60 Days	60%
Import/Export Licences		
Cereals		
- Export licence	3 Days	100%
- Import licence	24 hours	100%
Milk and milk products		
- Export licence	5 working days	100%
- Import licence		
Tariff quota for unspecified countries of origin	5 working days	100%
Non quota preferential licence	5 working days	100%
Tariff quota licence for specified countries	5 working days	100%
General licences	1 working days	100%

## Complaints Procedure

The Department continued to operate a formalised complaints procedure. The 14 complaints received in 2009, were investigated by the Quality Service Unit and settled in accordance with the Ombudsman's guidelines on principles of good practice in public administration.

## Office of the Ombudsman

The Office of the Ombudsman received a total of 48 complaints relating to the Department in 2009. The Department met the statutory deadlines for reply in all cases.

## Freedom of Information (FOI)

A total of 233 FOI applications were received during 2009 of which 40% were for personal information. The remaining 60% were from a number of different sources including the media, business and interest groups. 40 requests in total were received from journalists. A total of 20 requests have proceeded to internal review, with 7 being appealed to the Information Commissioner.

## The Agriculture Appeals Office

The Agriculture Appeals Office provides a statutory appeals service to farmers who are dissatisfied with financial penalty decisions of the Department on their entitlements under the Schemes set out in the Schedule to the Agriculture Appeals Act, 2001. The Agriculture Appeals Office Annual Report for 2009 is available on the Office's website; [www.agriappeals.gov.ie](http://www.agriappeals.gov.ie)

In 2009, the office received 692 appeals, an increase of 45% on 2008 figures. 458 cases were closed at the year-end. A summary of the outcome of the cases closed is set out below.

Summary	%
Appeals Allowed, Partially Allowed or Revised by the Department	58%
Appeals Withdrawn, Not Valid or Out of Time	13%
Appeals Disallowed	29%

In addition to its statutory functions, the Single Payment Appeals Committee, which comprises 4 Appeals Officers and an Independent Chairman, examined appeals in relation to various facets of the Single Payment Scheme. In 2009, this Committee held 2 meetings and issued recommendations on 77 cases.



# goal five

Annual Output Statement

*Financial Management*

*Staff and Organisational Management*

*Developing IT Capability*



# Annual Output Statement: GOAL 5

goal five

*"Continually enhance our capability by developing our people and systems, maintain the highest standards of corporate governance, and implement the decentralisation programme and public service modernisation".*

## Inputs - Goal 5

Programme 5*	2009 Budget € million	2009 Outturn € million	2010 Budget € million
Pay	36.5	39.2	34.2
Non pay current	12.7	10.3	13.5
Capital	0.1	0.1	0.4
Total	49.3	49.6	48.1
Number of staff (FTE) as at 31 December 2009		614	

\*All resources (financial and staffing) associated with Programme 5 have been redistributed across Programmes 1-4 on a pro-rata basis and shown as support expenditure. The totals are shown above.

## Outputs - Goal 5

2009 Output Target	2009 Output Achieved
5.1 Ensure a high standard of financial management, as verified by reports of monitoring authorities ( <i>Audit Committee, EU Certifying Body, EU Commission and Court of Auditors and C &amp; AG</i> ). Remain in bottom quartile of EU Member States in terms of EU disallowances.	<p>The DAFF external auditors certified the EAGF and EAFRD annual accounts and had no major or intermediate findings. The accounts were subsequently cleared by EU Commission.</p> <p>DAFF calculations show that between 1999-2008 inclusive, Ireland had the 2nd lowest level of disallowances of EAG(G)F / EAFRD monies of the EU-15 Member States at 0.13%. This compared with a total EU-15 percentage of 1.38% disallowed.</p>

## Outputs - Goal 5

2009 Output Target	2009 Output Achieved
5.2 Improved use of ICT facilities as evidenced by increased proportion of business processes underpinned by ICT applications	In 2009, departmental business processes were made more effective by enhanced ICT applications particularly on the Animal Field Inspection & Tracking System (AFIT) and the Animal Identification & Movement System (AIM). The net effects are that AFIT now underpins the new REP scheme and animal welfare inspections, while AIM facilitates online calf registration, animal dealers requirements, pigs movements and test requirements.
5.3 Reviewed and updated Human Resource Strategy delivered	The review of the HR strategy was completed in 2009. The draft strategy and its implementation plan will be published in 2010 following a public consultation process
5.4 Continue the process of reducing and redeploying staff with the aim of achieving a staffing complement target of 3,974 by end 2009 (a reduction of 250 on 2008 nos.)	The 2009 staff target reduction was exceeded as the overall staffing complement had fallen to 3,881 by end December
5.5 Contribute effectively to the development and implementation of Government measures on economic recovery and public service modernisation within reduced budgetary allocation.	The Dept. has undertaken numerous review of its activities to enhance its effective delivery of service and its modernisation programme. The Local Office reorganisation project to scale down the number of offices from 58 to 16, resulting in a staffing reduction of 400, is an example of efficiencies achieved.

# Financial Management

## Overall Expenditure

The Department was responsible for Voted expenditure of €1.938 billion in 2009. In addition to voted expenditure, the Department spent €1.34 billion in administering EU fully funded CAP Guarantee schemes, bringing total expenditure to €3.285 billion (see table 5.1). This latter expenditure mainly comprised the Single Farm Payment, but also includes market support schemes such as Export Refunds and Market Intervention. Intervention for Butter and SMP returned in 2009 and there were significant purchases during the year.

**Table 5.1: Summary of 2009 Expenditure on Irish Agriculture\***

(Period 1 January to 31 December 2009)	€m	€m
EAGF Guarantee direct expenditure		1,347.6
Single Farm Payment	1,299.5	
Premia/Area Aid	0.6	
Export Refunds	26.0	
Sugar Restructuring	0.5	
Other Market Supports	8.5	
Intervention Purchases	12.5	
Voted Expenditure (excluding Administration)		1,660.9
Rural Development	612.18	
Structural Measures	371.76	
State Bodies	221.49	
Animal Health	236.76	
Research & Training	35.47	
Market Support Costs	18.44	
Forestry & Bio Fuels	119.08	
Fisheries	21.05	
Food Aid	9.96	
Other	14.35	
Administration		276.9
Total Voted Expenditure		1,937.8
Total Expenditure		3,285.4

\* includes modulation payments

## Vote Expenditure

Vote 31 expenditure in 2009 was approximately 8% lower (€167m) compared with 2008. For a detailed breakdown of Vote expenditure see Appendix B-Financial Statements

## EU Expenditure and Receipts

The Department claimed and received funding from the EU in 2009 in respect of measures financed from the following EU Funds:

- EAGF Guarantee Fund for agriculture market and direct payments and for fisheries market supports;
- EAFRD Rural Development Fund;
- Veterinary Fund and
- Fisheries Funds.

See Table 5.2 following for summary of EU receipts in 2008 and 2009.

*EAGF Guarantee Fund:* The European Agricultural Guarantee Fund (EAGF) fully finances CAP expenditure on direct payments to farmers and EU market supports. A detailed breakdown of measures is set out in Appendix B – Financial Statements.

*EAFRD Rural Development:* The European Agricultural Fund for Rural Development (EAFRD) co-finances a range of agricultural policies on structural and rural development measures under Ireland's 2007- 2013 Rural Development Programme (RDP). The RDP is operated by this Department and the Department of Community, Rural and Gaeltacht Affairs. See Table 3.2 for details of DAFF expenditure in 2008 and 2009.

*Veterinary Fund:* The European Commission contributes, through the Veterinary Fund, towards the cost of measures to monitor and eradicate animal diseases. This funding is provided as part of the approved annual eradication and monitoring programmes operated by the Department.

*Fisheries Measures (FIFG, EFF, EAGF and Conservation):* The Financial Instrument for Fisheries Guidance (FIFG) finances expenditure on the 2000-2006 Operational Programmes and is now at final closure stage. Receipts in 2009 amounted to €2.53m. The European Fisheries Fund (EFF) finances measures under the Sea Food Development Operational Programme for the period 2007-2013. EFF Receipts in 2009 amounted to €2.96 million. EU funding for Market Supports for Sea Fisheries is separately provided from the EU Guarantee fund and in 2009, the Department received €617,000.

**Table 5.2: Summary of EU Receipts**

	2008 €m	2009 €m
EAGF Guarantee – Agriculture	1,450.33	1,318.99
EAFRD Rural Development 2007-2013	355.01	329.17
EAGGF Guidance 2000-2006 Programme	9.04	0.7
Veterinary Fund	8.11	6.4
Fisheries - FIFG, EFF, EAGF fish markets and Conservation and Management	16.18	6.10
<b>Total</b>	<b>1,838. 67</b>	<b>1661.38</b>

EAGF Guarantee Receipts are amounts received in calendar year and are received in arrears in respect of claims in EAGF year -Oct to Oct. Thus receipts do not directly relate to expenditure claims in a given calendar year.

The EAFRD Rural Development receipts are the total calendar year receipts for Ireland. They relate to - 2009 - DAFF (€ 323.7m) and the Department of Community, Rural and Gaeltacht Affairs (€5.4 m). 2008 - DAFF (€346.8m) and the Department of Community, Rural and Gaeltacht Affairs (€8.2m).



**EAGGF Guidance Fund:** The Guidance Fund, although it has been repealed under Regulation 1290/2005, continues in place solely to fund outstanding expenditure on the 2000- 2006 Structural Funds Operational Programmes. These Operational Programmes are now at the closure stage and the final balancing payments will be made upon reconciliation and approval by the Commission of final claims. In 2009, the Department received €743,949 on behalf of the Department of Community, Rural and Gaeltacht Affairs (DCRGA). See Table 5.3 following

**Table 5.3: EAGGF/FEOGA Guidance Receipts (€m) 2009**

2000-2006 Programme period	2008 €m	2009 €m
NPD S&E/BMW Regional OP's [DAFF]	1.05	0
LEADER Plus [DCRGA]	7.99	0.74
Peace and Reconciliation Initiative	0	0
<b>Total Guidance</b>	<b>9.04</b>	<b>0.74</b>

## Financial Controls

The Department operates a comprehensive range of financial management, control and accounting systems to comply with EU and national accounting and governance requirements.

In accordance with stringent EU accreditation requirements, the Department submitted its independently certified annual accounts of expenditure to the EU Commission. The Department's performance as a national paying agency continued to be monitored in 2009 by the Accreditation Review Group (ARG). The Secretary General chaired this group which includes representatives from the Department of Finance and the Revenue Commissioners. It met on four occasions during 2009. One of the Group's key duties is to ensure that the recommendations of the Certification Body for the previous year are implemented and that all EU audit findings are followed up appropriately.

## External Audit Committee

The Department's longstanding External Audit Committee, currently consists of Helen Nolan, (Chair) Group Secretary of Bank of Ireland, Bill Cunningham, former partner of PricewaterhouseCoopers Ireland, Claire O'Connor, West LB Ireland PLC, Gráinne McGuckin, Department of Finance, Paddy O'Shaughnessy, Revenue Commissioners, and Martin Heraghty of this Department.

The External Audit Committee advises on the operation of the internal audit function. It monitors the application of EU Regulation of transactions funded under various market support schemes funded by the EAGGF Guarantee Fund and advises on best practice for risk management.

The Committee met four times in 2009 and the Chairman met regularly with the Minister and the Secretary General. Its Annual Report for 2008, which was issued in April 2009, expressed satisfaction with the financial management of the programmes operated by the Department. The Chairman went on to indicate that "the Internal Audit Unit is making a significant contribution to the evaluation and improvement of controls in the Department".

## Internal Audit

The Internal Audit Unit completed a substantial body of internal and scrutiny audit work during 2009 to help maintain the highest standards of corporate and financial management and accountability. The Department's activities were subjected to a total of 2,584 audit person days while a further 334 audit person days were directed to post factum scrutiny auditing of companies in receipt of EAGF funding. Twenty two internal audit reports and twenty three scrutiny audit reports were completed and issued during the year. All regulatory requirements on audit and control were completed in accordance with the prescribed timescales of the EU Scrutiny and Structural Fund Regulations. The IT audit group, assisted by specialist external consultants, completed a significant amount of audit coverage. Staff of the IAU also undertook 131 training days as part of their continuous upskilling programme.

### EU 2009 DAFF Audit Programme

European Commission Audits	<ul style="list-style-type: none"> <li>■ 2 audits on Pigmeat and Beef Disposal Aid.</li> <li>■ RDP 2000-2006 (EAGGF) and 2007-2013 (EAFRD)</li> <li>■ Area Aid &amp; Rural Development</li> </ul>
European Court of Auditors	<ul style="list-style-type: none"> <li>■ Statement of Assurance on 2008 Financial Year ( EAFRD)</li> <li>■ Leader RDP 2007-2013 &amp; Community Initiative 2000-2006</li> <li>■ On line Questionnaire on agri-environmental measures (2007-2013)</li> </ul>

## Risk Management

The Risk Management Committee, chaired by the Secretary General, met on 4 occasions during 2009. At these meetings, the Committee identified and assessed the key risks (strategic, operational, financial, reputational) facing the Department and outlined measures for addressing them.

## Value for Money

Two topics were selected for review under the 2009-2011 VFM round, following consultation with the Department of Finance. The first is the review of the Fisheries Decommissioning Scheme. A considerable amount of work was completed on it in 2009 and it is expected to be finalised in 2010. A review of the Suckler Cow Welfare Scheme is due to commence in 2010 for completion in 2011. A third topic for review will be selected in 2011.

### CAP Beneficiaries Website

On 30 April the Department published details on its website of all payments received under the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD). This requirement is part of the European Transparency Initiative intended to increase transparency and accountability. Initially introduced in 2008 in respect of EAFRD, it was extended in 2009 to also cover EAGF payments. Details publicly recorded were in respect of the previous financial year and involved data on over 140,000 beneficiaries and net payments in excess of €2, 065 million.

## Prompt Payment

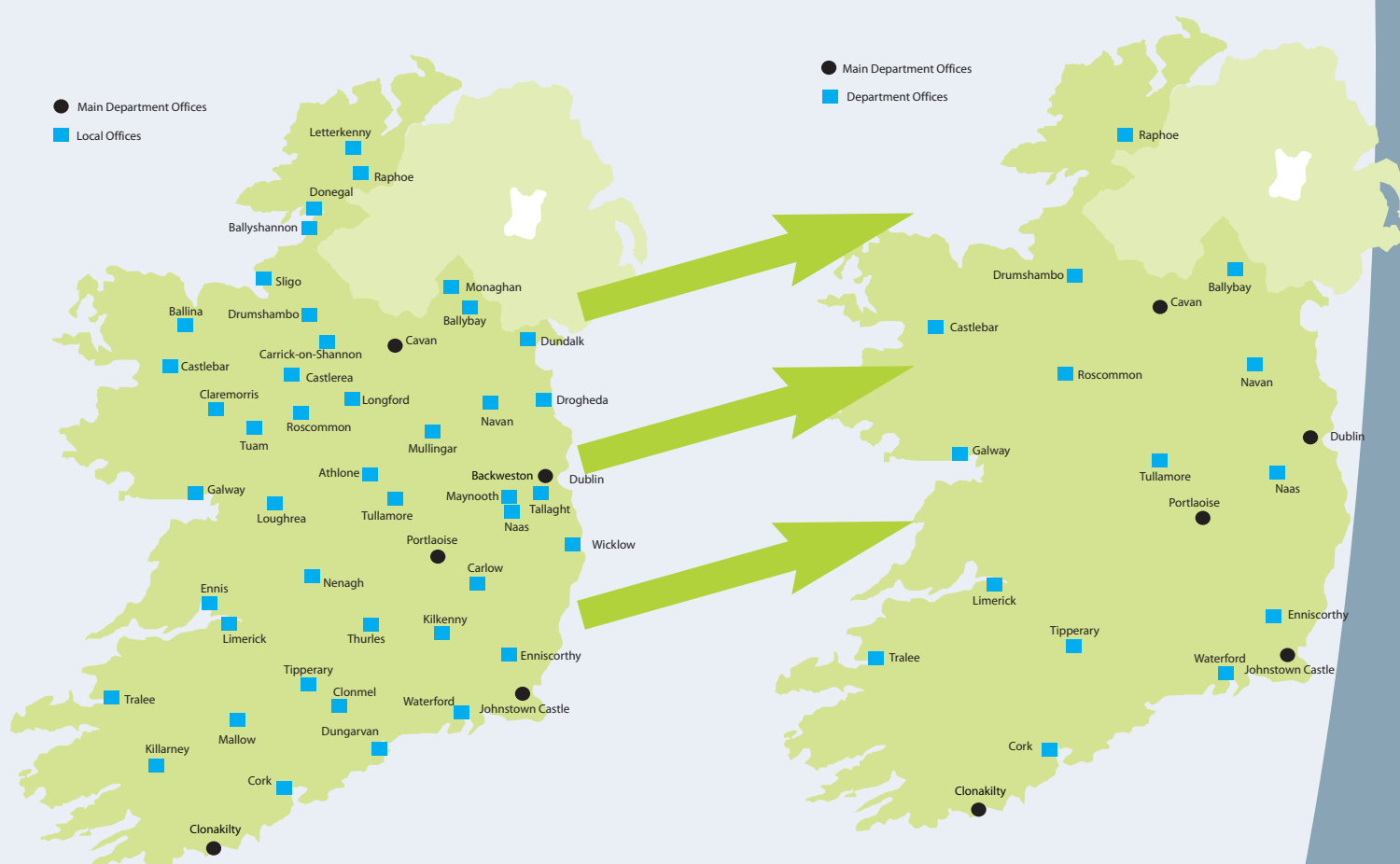
In 2009, a total of 136 invoices of which 120 were valued in excess of €317.44 (the prescribed threshold) incurred late payment penalties. The value of all invoices that were paid late amounted to €1,012,982. This represents 0.3% of the €291,649,910 total payments falling within the terms of the Regulations. The average payment delay in excess of 30 days, (late payment period) was 8 days. The total interest paid during 2009 resulting from late payments amounted to €4,106..

Following a Government Decision in May, Government Departments are now required to pay Irish suppliers within 15 days of receipt of a valid invoice, late interest penalties become payable after 30 days, as heretofore. Since its introduction with effect from 15 June 2009, in excess of 88% of supplier invoices were paid within 15 days. Quarterly reports on the Department's compliance levels are published on the website.

## Staff & Organisational Management

### Efficiency Review Group and Local Office Reorganisation:

The Efficiency Review Group was established to facilitate a strategic approach to budgetary decision-making, while addressing the structural changes necessary to enable the Department fulfil its wide ranging remit.



One of the key structural areas identified for examination was the Local Office organisation, including staffing levels. Following a detailed review, the Government approved, on 15th July 2009, a plan for a comprehensive restructuring of the Department's Local Office Network. The plan involves the closure of 42 offices and the retention and expansion of 16 regional offices to provide an enhanced service to the Department's customers. Ten information meetings were held to explain the plan to relevant staff. This restructuring process, when completed, will result in an overall reduction of 400 full-time equivalent staff across all streams through significant redeployment to other Departments, particularly the Department of Social Protection. It is estimated that savings of the order of €30m per annum will be realised on completion of the plan. The Plan will be progressed in 4 phases over 2010.

## Organisational Review Programme (ORP)

Following the report on this Department in late 2008 under the Organisational Review Programme (ORP), an Action Plan was drafted to address its recommendations. These action points were incorporated into the business planning process for 2009 and their implementation was monitored on an ongoing basis by the MAC. In addition the ORP Action Plan featured in a MAC/HODs seminar held in April. This seminar also included other elements deriving from the work of the Efficiency Review Group.

## Internal Reviews:

Management Services Division presented a review of the Technical Staffing in the Veterinary and Public Health Inspection Service (VPHIS) to the MAC. This review made recommendations in relation to the nature of controls in meat plants; auxiliary training and the level of cost recovery and has been referred to line management for implementation.

During the course of the year the following reviews were commenced:

- Review of the Veterinary Inspectorate in District Veterinary Offices
- Review of the Single Payment Unit
- Review of the Forestry Inspectorate

A review of the Inspectorate Staff in both the Agricultural and Environmental Schemes and Integrated Controls Divisions was ongoing throughout the year.

## Human Resource Strategy

Work commenced on revising the Department's HR strategy to take into account external developments such as the Report of the Task Force on the Public Service 'Transforming Public Services' and the outcome of the Organisational Review Programme (ORP). The strategy is at an advanced stage and is due to be published in 2010.

## Training and Development Strategy

The key objectives of the Department Training and Development Strategy achieved in 2009 included:

- Increasing the number of programmes delivered directly by internal trainers
- Upskilling and reorganising staff of the Training and Development Unit
- The completion of a major leadership programme for Senior Managers
- Setting up of the Regional Office training programme and roll out of the delivery of Quality Customer Service training as part of Local Office restructuring
- Roll out of on the job Train the Trainer Course for technical staff working in VPHIS
- Participation of Veterinary Inspectors in UUJ/UCD on line Post Graduate Certificate in Veterinary Public Health
- Organisation of Agricultural Inspectorate Conference for Inspectorate staff
- Promotion and participation in course and facilities sharing initiative across Government Departments and Offices
- Commencement of the process of implementing an ISO based Quality Management System in the Training Unit

In 2009, a total of 8,437 days training were delivered at a cost, including overheads, of €3,952,797 million.

The training provided covered a wide range of formal training and development opportunities for staff including management, interpersonal and communication skills, grade development, equality and diversity, communication, language, IT, legal and financial. Specialist veterinary, fisheries, technical, engineering and scientific programmes were also provided.

## Performance Management & Development (PMDS)

The Report of the Task Force on the Public Service, 'Transforming Public Services' set out a number of recommendations for PMDS. This Department participated in the central civil service-wide review of the current PMDS system. During 2009, its PMDS Committee issued the final Progress Report on the Department's PMDS Action Plan.

## Equality and Diversity

During 2009 the Department exceeded the 3% employment target for people with disabilities.

Given the changing demographic of the country now being reflected in this Department, a two day training programme '*Managing in an Equal and Diverse Environment*' was provided for all line managers covering a wide range of issues. Besides dealing with the nine grounds of discrimination (Race, Member of the Traveller Community, Family Status, Marital Status, Religion, Disability, Sexual Orientation, Gender and Age), there was a strong emphasis on proactively fostering positive attitudes towards diversity and equality issues in the workplace. A total of 19 courses were provided in 2009 involving 257 staff members with very positive feedback.

## Library and Information Service

The Department's Library and Information Service continued to provide a wide range of services to the staff of the Department including :

- Access to a wide range of electronic information resources via the Department's Ezone (Intranet)
- Subject information research and advice service
- Cataloguing of a wide range of material
- Access to a large subject collection of publications, both hardcopy and electronic
- Access to external libraries and information services.

In 2009, it continued to provide its real time updates of relevant news to all internal customers. Another important service provided was the maintenance of the database on the current status of the Department's legislation. Due to staff shortages some projects were not progressed to the extent they might have been, in particular, there were no formal information skills courses.

## Health and Safety

During 2009, over 800 staff attended health and safety training, which covered 17 different courses ranging from ½ day to 3 day. The courses covered such topics as fire safety, safe pass, first aid and manual handling.

The Department continues to work in conjunction with the State Claims Agency (SCA). During 2009 the SCA conducted a review of health and safety risk management in the fisheries area and during the visit to Killybegs FHC, identified a number of occupational health and safety and environmental concerns in its Boat Repair Yard and Boat Repair Building. Its report made 7 recommendations requiring action. The SCA also requested completion of a fire survey of all work locations in 2009 which will provide recommendations to further enhance fire safety.

Meetings were held with the SCA and the office of the Chief Medical Officer to provide noise information and health surveillance in the form of hearing checks to identified Department staff.

Work continues towards the implementation of a Safety Management System.



## ISO

The Department commenced work on the implementation of an ISO 9001 quality management system in the Department's Training and Development Unit in 2009. This project is the largest single undertaking to date and it is planned to put the Unit forward for external assessment by the National Standards Authority of Ireland (NSAI) in 2010.

Certification to ISO standard was retained in Veterinary Medicines Section, Maynooth; Beef Export Refunds Division, Wexford; Livestock Breeding Division, Cavan; Input Section, Cash Office and Payments Section of Accounts Division in Cavan; and, Asset Management Unit, Portlaoise.

The Department made a significant contribution to a NSAI working group which in September produced its guidance document: *"Embedding Effective Management Systems in public sector organisations – Guidance for the implementation of ISO 9001:2008"*.

## Decentralisation

The Department made good progress with the phased implementation of its decentralisation programme to date. In 2009, the Department's permanent building in Clogheen, Clonakilty was completed and occupied. In the context of Budget 2010, the Minister for Finance decided that the Public Private Partnership arrangement for the construction of the Department's building in Portlaoise would not go ahead but the project would proceed on a traditional procurement basis.

## Accommodation

During 2009 staff moved into new offices in Drumshanbo Co. Leitrim. Staff also moved from offices in Maynooth to Backweston which allowed the Office of Public Works negotiate the relinquishment of the lease in Maynooth.

Following the Government Decision in July 2009 the Minister announced the commencement of the reorganisation of the Department's local office network. This became the main focus of the Department's accommodation brief in 2009.

## Energy Efficiency

Regular energy audits were carried out during 2009 in Departments offices as part of the *Optimising Power at Work* programme. Arising from changes made on foot of these audits to date, there has been an average decrease of around 10% in energy usage in these offices.

## Asset and Procurement Management

Work on developing the updated Corporate Procurement Plan continued during 2009 and is scheduled for presentation to MAC in 2010. The improved procurement management processes of the Department bedded in satisfactorily around the country during 2009 and the direct delivery of stationery reduced storage requirements, continued to yield efficiencies and financial savings. The Local Office reorganisation programme resulted in the streamlining and upgrading of multi-function copier and printing devices and other equipment to the larger regional offices.

More than 15 locations were visited countrywide in 2009, to verify and update the historical asset information. The majority of these audits were in the laboratory complexes and a full inventory of their assets was recorded.



## Developing IT Strategy

### Strategy for Information, Management and Technology 2008-2011

The Department's Strategy for Information, Management and Technology (IMT) 2008-2011 was published in 2009. It set out the Department's- IMT Principles, IMT Governance Structures, Technical Environment, IMT Sourcing Strategy and the Department's strategic approach to Online Services, ICT and the Environment.

### Department's Website and Intranet

During 2009 the Department implemented a newly designed website incorporating a content management system that provides for quicker and easier publication of material on the website. Information is classified by subject across the Department's structure and the improved search facility makes finding the right information much simpler and quicker.

The internal intranet was also redesigned along the same principles and both sites have been very well received.

### Major ICT developments in 2009

The Department is critically dependent on ICT for the operation of its schemes and services and the major ICT developments in 2009 included the following:

#### *Single Payment Scheme (SPS)*

Enhancements continued to be made to SPS iNet system in 2009. These included enhancements to agent login and agent-farmer screens. Enhancements were also introduced to assist help-desk staff provide a greater service to online users.

The uptake in online filing in 2009 continued to grow, increasing by 75% to over 34,000. Also in 2009, batch data capture was introduced for the 1st time in SPS. This resulted in 60% of paper applications being captured automatically. The combination of online and batch capture, meant that up to 70% of applications were captured without manual intervention in 2009.

### *Agriculture Field & Inspection Testing (AFIT)*

The Department's AFIT system was successfully extended in 2009 to cater for REPS and ten new medicines /animal welfare inspections. Development work to cater for the five new Rural Development Programme (RDP) schemes also began in 2009.

### *IFORIS - The Integrated Forestry Information System*

Release 2 of IFORIS iNet went into production in the first quarter of 2009. This system provides online filing and digitising services to registered foresters and forestry companies and seamlessly integrates with the internal Integrated Forestry Information System (IFORIS). Enhancements provided on IFORIS in 2009 included:

- Changes to premium rates following the 8% reduction in the budget
- Monitoring system to control the Financial commitments for pre-approvals
- Tending and Thinning Scheme implemented to IFORIS
- Minor enhancements identified by the Forest Service

### *Animal Health Computer System (AHCS)*

Major work on the development of a module to support the management of a Class A disease outbreak, such as Bluetongue, was completed in 2009. This will provide a platform for the future development of Class A disease management facilities.

New functionality and enhancements on the AHCS during 2009 included:

- Bluetongue vaccination and Brucellosis epidemiology modules
- Changes to Brucellosis testing functionality following Ireland's attainment of OBF free status.
- Increased integration between the AHCS, AFIT, CMMS (Cattle Movement Monitoring System) and its replacement system AIM (Animal Identification and Movement system)
- Enhancements to BSE Forward Tracing functionality
- Functionality to pay veterinary test fee arrears and to calculate fees in accordance with revised rates.

### *Animal Identification Movement (AIM)*

As a consequence of the enhanced internet facilities provided in 2009, there was a significant increase in online registrations compared with 2008. Electronic herd registration increased from 8,905 in 2008 to 11,070 in 2009. Calf birth registration also continued to show a steady increase during 2009 with over 460,000 calves registered online compared with 377,000 in 2008. In addition, animal dealers were provided with new internet facilities to record the movement of cattle and 66% of such moves in 2009 were recorded online.

### *Fisheries*

During 2009 the Department commenced the development of a computerised solution for the Fisheries Electronic Log Sheets (ERS) as required under EU legislation. The Irish ERS Hub was designed to cater for all of the interactions between the various computer systems e.g. Vessel Webservice, OMS Web service, EU/Norway Web service and Inspectors' Web service. The Vessel Webservice was also developed. This is a secure portal through which all vessels, from the Irish Fishing fleet, send catch information from their on-board system, vCatch, and receive confirmation messages.

Development of the Other Member States (OMS) Web service commenced in 2009, this will provide interaction between Ireland and all the other member states that carry out fishing in Irish waters or in whose waters Irish vessels fish.

Further enhancements were developed for the Integrated Fisheries Information System (IFIS) including the re-engineering of IFIS GIS Technology.

# APPENDIX A

## STATE BODIES UNDER THE AEGIS OF THE DEPARTMENT

### **Teagasc, Agriculture and Food Development Authority**

Oak Park, Carlow

Tel. 059 9170200

Website: [www.teagasc.ie](http://www.teagasc.ie)

Teagasc provides integrated research, advisory and training services for the agricultural and food industry and for rural communities. It was established in September 1988, under the Agricultural (Research, Training and Advice) Act, 1988. Research is carried out at eight dedicated centres. Advisory services are provided from 90 regional and local centres while training is provided from eight colleges, 45 local training centres and research centres. It is governed by an eleven-member authority. The chair and five ordinary members are appointed by the Minister for Agriculture, Fisheries and Food; remaining members are appointed by the Minister following nominations from designated organisations.

### **Bord Bia**

Clanwilliam Court, Lower Mount Street, Dublin 2

Tel: 01 6685155

Website; [www.bordbia.ie](http://www.bordbia.ie)

Bord Bia, the Irish Food Board, has responsibility for the market development and promotion of Irish food and horticulture including amenity horticulture at home and abroad and champions the success of the Irish food and horticultural sectors through delivery of effective and innovative market development, promotion and information services to secure new business for clients. It operates quality assurance schemes for beef, pork and bacon, horticultural and egg products. Its trade brand Ireland the Food Island is used to support the marketing activities of all sectors and products. Bord Bia has a network of international offices in Amsterdam, Chicago, Frankfurt, London, Madrid, Milan, Moscow Paris and Shanghai.

### **The Irish National Stud Company Limited**

Tully, Kildare, Co Kildare

Tel 045 521251, 521301, 521377

Website: [www.irish-national-stud.ie](http://www.irish-national-stud.ie)

The Irish National Stud Co Ltd is a state body, established under statute, operating under the aegis of the Department of Agriculture, Fisheries and Food. The Company keeps a range of top class stallions with a view to making quality bloodlines available to the thoroughbred horse industry in Ireland. The Japanese Gardens and St Fiachra's Garden, both of which are located on the grounds of the Stud, plus the opportunity for visitors to view the horses standing at the Stud have proven to be a major tourist attraction through the years. The Stud also engages in farming activities and trains people for employment in the bloodstock sector.

**National Milk Agency**

IPC House, Shelbourne Road, Dublin 4

Tel: 01 6603396;

Website: [www.nationalmilkagency.ie](http://www.nationalmilkagency.ie)

The National Milk Agency was established in 1994 under the Milk (Regulation of Supply) Act, 1994 and is responsible for the regulation of the supply of milk for liquid consumption throughout the State. It is funded by means of a statutory levy on milk used for liquid consumption.

The chairman of the Agency is appointed by the Minister for Agriculture, Fisheries and Food. Five members of the Agency are directly elected by registered producers while the other members are appointed by the Minister following nominations from designated organisations.

**Coillte Teoranta**

The Irish Forestry Board, Newtownmountkennedy, Co Wicklow.

Tel: 01 2011111

Website: [www.coillte.ie](http://www.coillte.ie)

Coillte Teoranta is a private limited company, which operates in forestry and related activities on a commercial basis. The company is co-owned by the Minister for Finance and the Minister for Agriculture, Fisheries and Food. The company was established under the Forestry Act, 1988 which sets out its objectives and duties.

**Veterinary Council of Ireland**

53 Lansdowne Road, Ballsbridge. Dublin 4.

Tel (01) 6684402

Website: [www.vci.ie](http://www.vci.ie)

The Veterinary Council of Ireland which regulates the practice of veterinary medicine was established on the 1 January 2006 under Section 11 of the Veterinary Practice Act 2005. The Veterinary Council of Ireland has 19 members which reflects interests such as education, animal welfare, consumers and food safety and a balance as between veterinarians and others.

**Bord Iascaigh Mhara**

Crofton Road, Dun Laoghaire, Co. Dublin

Tel: 01 2144 100

Website; HYPERLINK "<http://www.bim.ie>" [www.bim.ie](http://www.bim.ie)

Bord Iascaigh Mhara (BIM), the Irish Sea Fisheries Board, is the Irish State agency with responsibility for developing sustainable Irish Sea Fishing and Aquaculture industries. BIM was established under the Sea Fisheries Act 1952. BIM provides a range of services including advisory, financial, technical, marketing and training supports to all sectors of the Irish seafood industry. BIM's primary objective is to expand the volume, quality and value of output from the seafish and aquaculture sectors by focusing on the opportunities for growth in these sectors. BIM has a network of international offices in Paris, Madrid and Dusseldorf.

**Marine Institute**

Rinville, Oranmore, Co. Galway

Tel. 091 387 200

Website: [www.marine.ie](http://www.marine.ie)

The Marine Institute (MI) is the national agency with responsibility for Marine Research, Technology Development and Innovation (RTDI). The Institute was established under the 1991 Marine Institute Act. The role of the MI is to promote the sustainable development of marine industry through strategic funding programmes and essential scientific services that safeguard the marine environment through research and environmental monitoring. The Institute undertakes and co-ordinates marine research and development that has the potential to promote economic development, create employment and protect the marine environment.

**The Sea-Fisheries Protection Authority (SFPA)**

West Cork Technology Park

Clonakilty

Co. Cork

Tel: 023 59300

Fax: 023 59720

Website: [www.sfpa.ie](http://www.sfpa.ie)

The SFPA is the statutory authority responsible for the enforcement of sea-fisheries protection and seafood safety legislation in the Republic of Ireland and throughout Ireland's exclusive fishing limits. It was established under the Sea-Fisheries and Maritime Jurisdiction Act 2006 and employs 107 staff. The Authority was established on the 1st of January, 2007 and its principal responsibilities are to enforce Sea Fisheries Conservation legislation and Seafood Safety legislation fairly and consistently and to ensure that the marine fish and shellfish resources from the waters around Ireland are exploited sustainably and may be consumed safely for the long term benefit of all.



# APPENDIX B

## 2009 FINANCIAL STATEMENTS

### VOTE 31: EXPENDITURE ON AGRICULTURE, FISHERIES AND FOOD, 2009

Subhead	€m
<b>Administration</b>	<b>276.823</b>
A.1 Salaries Wages and Allowances	226.126
A.2 Travel and Subsistence	9.752
A.3 Incidental Expenses	5.719
A.4 Postal and Telecommunications	5.822
A.5 Office Machinery	14.169
A.6 Office Premises Expenses	7.800
A.7 Consultancy Services	0.072
A.8 Supplementary Measures to protect the Financial Interests of the EU	0.667
A.9 Laboratory Equipment	5.861
A.10 Value for Money	0.310
<b>Other Services</b>	
<b>Education, Training and Research</b>	<b>182.948</b>
B Research and Testing	35.475
K Teagasc Grant in Aid	119.927
M Marine Institute Grant in Aid	27.546
<b>Food Safety, Public Health, Animal Health &amp; Welfare etc</b>	<b>236.897</b>
C Bovine Tuberculosis and Brucellosis Eradication	51.926
C BSE	6.177
C Meat Inspection	21.719
C Fallen Animals	16.993
C Animal Welfare	3.408
C Integrated animal movement and monitoring system (including National Beef Assurance Scheme)	9.237
C Other	127.437
<b>Market Supports, Operational Controls</b>	<b>18.439</b>
D Financing of the Common Agricultural Policy	7.293
D Clearance of Accounts	5.945
D Integrated Administration & Control System	4.302
D School Milk Scheme	0.899
D Other	0
<b>E Income Support in Disadvantaged Areas</b>	<b>223.807</b>
<b>F Rural Environment Protection Scheme</b>	<b>341.123</b>
<b>G Land Mobility</b>	<b>47.248</b>
Early Retirement Scheme	39.541
Young Farmers Installation Aid Schemes	7.707

<b>H</b>	<b>Development of Agriculture</b>	<b>371.762</b>
	Farm Improvement Scheme	27.076
	Farm Waste Management Scheme	292.763
	Marketing & Processing Scheme	37.982
	Dairy Hygiene Scheme	3.539
	Horticulture, Potatoes, Alternative & Organic Farming	3.791
	Livestock and Equine Breeding Schemes	3.069
	Animal Welfare	1.582
	Other	1.960
<b>I</b>	<b>Forestry &amp; Bio Fuels</b>	<b>119.080</b>
	<b>Fisheries Sector *</b>	<b>67.176</b>
J	Fisheries Harbours Development	15.014
J	Fish Processing & Aquaculture Development	4.351
J	Other	1.686
N	Bord Iascaigh Mhara	34.932
O	Sea Fisheries Protection Authority	10.853
P	Aquaculture Licences Appeals Bord	0.340
<b>L</b>	<b>Bord Bia Grant in Aid</b>	<b>28.221</b>
<b>Q</b>	<b>Food Aid Donations</b>	<b>9.960</b>
<b>R</b>	<b>Other Expenditure</b>	<b>14.356</b>
	Food & Horticultural Promotion, Quality Assurance	5.854
	Miscellaneous Pensions	2.537
	International Co operation	2.618
	Legal and related costs	0.865
	Other	2.482
	<b>Total Gross Expenditure</b>	<b>1,937.842</b>
	<b>Appropriations in Aid</b>	<b>408.140</b>
S.1	Recoupment of Salaries	-0.997
S.2	Forfeited deposits and securities under EC intervention, export refunds etc. arrangements	-0.793
S.3	Refunds from fees for veterinary inspections services at poultry plants and meat inspection fees	-13.968
S.4	Receipts from veterinary inspection fees for live exports	-1.626
S.5	Receipts from fees for dairy premises inspection services	-4.732
S.6	Receipts from sale of vaccines, livestock, farm produce etc	-1.076
S.7	Receipts from seed testing fees, certification fees, Licensing fees, pesticides registration etc.	-1.702
S.8	Receipts from licences and from sale and leasing of livestock etc. (Subhead C1)	-0.30
S.9	Receipts from farmer contributions towards the cost of eradicating Bovine Disease (Subhead C2)	-5.243
S.10	Land Commission receipts (Subhead A3)	-0.546
S.11	Other Receipts	-0.328
	<b>EU Co Funding transfers</b>	
S.12	Market Intervention expenses and financing costs for other FEOGA (Guarantee) section measures (Subhead D)	-3.011
S.13	Receipts for Intervention Stock Losses	-1.947
S.14	National Development Plan - Guarantee Receipts (Subhead E, F, G, I)	-323.771
S.15	BSE Receipts (Subhead C)	-6.424
S.16	Veterinary Fund (Subhead C)	-18.801
S.17	Other Guarantee Receipts	-0.617
S.18	NDP - Structural Receipts	0
	<b>Fisheries related receipts</b>	
S.19	Fines, Forfeitures for fishery offences	-0.160
S.20	Foreshore Acts / State Property Act	-1.666
S.21	EU recoupment for fisheries conservation etc	0
S.22	Aquaculture Licence Fees	-0.285
S.23	EU co funding for aquaculture development	-2.526
S.24	EU co funding for fisheries development	0
S.25	Pension Levy	-17.918
	<b>Net Expenditure</b>	<b>1,529.702</b>

## EAGF GUARANTEE EXPENDITURE 2009

The following Table shows the payments made in Ireland from the Guarantee section of the EAGF Fund during the 2009 financial year. It also shows (minus sign) the charges collected and paid into the Fund.

<b>Arable Crops</b>	
Export Refunds	2,318
Dehydrated Fodder	74,302
Arable Crops -Area Aid	611,975
<b>Total</b>	<b>688,595</b>
<b>Sugar</b>	
Sugar Restructuring	528,061
Intervention Costs (Sugar)	3,300,806
<b>Total</b>	<b>3,828,867</b>
<b>Fruit and Vegetables &amp; Other Sectors</b>	
Producer Organisations	4,946,878
<b>Total</b>	<b>4,946,878</b>
<b>Dairy Products</b>	
Export Refunds	341,293
Additional Payment to Milk Producers	12,716
Intervention Costs (Skim Milk Powder and Butter)	8,786,002
Private Storage	1,210,704
Measures to Reduce Butter Fat Surplus	58,684
Aid for Supply of School Milk	651,657
<b>Total</b>	<b>19,897,880.55</b>
<b>Beef and Veal</b>	
Export Refunds	2,741,861
Live Animal Export Refunds	60,052
Suckler Cow Premium	87,507
Special Premium	38,137
Extensification Premium	94,389
Slaughter Premium	39,846
BSE & Slaughter Compensation Measures	7,218
<b>Total</b>	<b>668,442</b>
<b>Sheepmeat</b>	
Ewe Premium	74,764
Upland Sheep Scheme	4,702,588
<b>Total</b>	<b>4,777,352</b>
<b>Pigmeat</b>	
Dioxin (Pork & Bovine)	17,677,508
Private Storage	477,730
Export Refunds	135,604
<b>Total</b>	<b>18,290,842</b>
<b>Processed Products</b>	
Export Refunds	14,073,203
<b>Total</b>	<b>14,073,203</b>
<b>Other Measures</b>	
Plant Promotion	40,540
Bee Keeping Programme	0
Agri- Monetary Measures	4,144,918
<b>Total</b>	<b>4,185,458</b>
<b>Direct Aid</b>	
Single Farm Payment	1,299,410,917
<b>Total</b>	<b>1,299,410,917</b>
<b>CAP Rural Development Programme 2000-2006</b>	
Accompanying measures (Rural Environment Protection Scheme (REPS) Early Retirement and Forestry) and Compensatory Allowances	(36,549)
<b>Total</b>	<b>(36,549)</b>
<b>Other</b>	
Recoveries	(1,188,395)
Cross Compliance	(1,022,404)
Clearance of Accounts by EU	(3,556,154)
Food programme	376,977
<b>Total</b>	<b>(5,389,976)</b>
<b>Grand Total</b>	<b>1,365,341,910</b>