



Rialtas na hÉireann
Government of Ireland



Ireland's European Structural and
Investment Funds Programmes
2014-2020

Co-funded by the Irish Government
and the European Union

Rural Development Programme 2014 - 2020

2016 Annual Implementation Report

Citizens' Summary



The European Agricultural
Fund for Rural Development

Europe investing in rural areas



Rural Development Programme 2014-2020

Annual Implementation Report

Citizens' Summary

What is the Rural Development Programme 2014-2020?

The Rural Development Programme (RDP) is part of the Common Agricultural Policy (CAP), a common set of objectives, principles and rules through which the European Union (EU) co-ordinates support for European agriculture. The CAP is structured around two complementary pillars:

- Pillar 1 deals with direct payments to farmers and market management measures;
- Pillar 2 covers multi-annual rural development measures which include those that have beneficial impacts on the environment and climate change.

The Irish RDP for the period 2014 to 2020 was formally adopted by the EU Commission in May 2015 and has subsequently been amended on three occasions – the most recent being in October 2017. Revised versions of the Programme are published on the RDP section of the Department's website.

Reflecting the EU policy framework set out in the governing legislation, the Programme contains a suite of schemes designed to enhance the competitiveness of the agri-food sector, achieve more sustainable management of natural resources and ensure a more balanced development of rural areas.

The RDP is co-funded by the EU's European Agricultural Fund for Rural Development (EAFRD) and the national exchequer. EAFRD support will amount to €2.19 billion over the seven-year Programme lifecycle and will be supplemented by exchequer funding to bring the total available Programme budget to approximately €4 billion.

What is an Annual Implementation Report?

As the Managing Authority for the Irish RDP, the Department of Agriculture Food and the Marine (DAFM) must submit to the European Commission an Annual Implementation Report

(AIR) setting out the progress made in implementing the Programme during the previous calendar year. This report must account for all active schemes supported by the 2014-2020 Programme budget. The AIR submitted in 2017, which was the second report for the present Programme, contained data on all operations implemented in the calendar years 2014 to 2016, including funding for transitional measures from the previous Programme. At the end of 2016, Ireland had spent €1.2 billion of the available budget for the current RDP.

A citizens' summary is intended to highlight and explain for a general readership the main points contained in the AIR. The remainder of this document outlines the progress made in the implementation of the RDP to the end of the 2016 calendar year.

How is progress measured?

Support under 2014-2020 Programme is provided through measures and sub-measures as set out in Regulation (EU) No. 1305 of 2013. In some instances, schemes cut across a number of sub-measures while in others a particular measure may encompass a combination of separate schemes.

For each RDP measure, a budget is allocated and various milestones / targets are set to quantify achievements for the priorities under which schemes are programmed. Results are monitored each year and progress towards the specified indicators is included in the annual report sent to the European Commission. Ongoing monitoring ensures that money is spent in the manner envisaged in the approved RDP.

Why has data on the 2007-2013 RDP been included?

Under the 2007-2013 Programme, DAFM entered into multi-annual agreements for agri-environment schemes which have extended into the 2014-2020 programming period. Transitional arrangements have been put in place to meet these and other overlapping commitments from the previous programming period.

Accordingly, transitional expenditure is included in the figures for Measures 1, 4, 10 and 13 and also for Measure 12 (Natura 2000 payments) for which there is no corresponding scheme in the current RDP. Separate data is also provided in respect of the Early Retirement Scheme introduced in 2007.

What progress has been made on the implementation of the Programme?

The following information outlines the progress made in implementing Ireland's RDP up to 31 December 2016.

Measure 1 – Knowledge Transfer and Information Actions

This measure consists of:

- Sub-measure 1.1: support for vocational training and skills acquisition actions – **Knowledge Transfer (KT) Groups**; and
- Sub-measure 1.1: support for vocational training and skills acquisition actions **training delivered in support of Measure 10 (Beef Data and Genomics Programme (BDGP), the Green Low-carbon Agri-environment Scheme (GLAS) and the Burren Programme).**

Knowledge transfer discussion groups for beef, sheep, dairy, equine, poultry and tillage sectors.

This measure involves interaction between farmers and qualified advisors in a group setting for the purpose of sharing knowledge and experience on competitiveness and sustainability issues affecting individual holdings and sectors. Approximately 1,200 KT groups consisting of some 19,000 farmers are currently participating in the scheme. Farmers are required to attend a specified number of meetings / events each year and to complete / update a tailored Farm Improvement Plan with their KT Facilitator and a qualified veterinary practitioner where appropriate. No scheme payments were made in 2016.

Training for farmers in the BDGP

This training is provided to approved participants in the BDGP which is programmed under Measure 10 of the RDP. It aims to optimise the implementation of the BDGP and while the

scheme intervention logic and contribution is linked to Measure 10, funding for this training is allocated under Measure 1. Total expenditure on the training of BDGP farmers in 2016 amounted to €8.5m.

There are two elements to the BDGP training. The first element is a four-hour general course designed to provide participating farmers with the information and skills necessary to meet their scheme commitments and to improve their knowledge of genomics and breeding strategies. In 2016, more than 24,000 scheme participants were trained in over 940 such courses held at 90 locations throughout Ireland.

The second element consists of two hours of personalised coaching on the use of the carbon navigator – a compulsory element of the scheme that must be completed annually by each participant. The carbon navigator is an online decision support tool to reduce greenhouse gas emissions from livestock production systems; it estimates the potential environmental and financial gains that can be made on each holding through carbon-efficient farming practices (e.g. by turning animals out to grass two weeks earlier in spring, a farmer can save on feed costs and increase herd performance by getting more grass into its diet). Some 24,000 carbon navigators were completed in 2016.

Training for other agri-environment schemes

No GLAS training events for farmers were held in 2016. All farmers participating in the Burren Programme attended training workshops in 2016 and were reimbursed as part of the overall scheme payment issued in that year.

Measure 2 – Advisory Services

This measure includes support for the use of advisory services (sub-measure 2.1) and support for the training of advisors (sub-measure 2.3).

- Sub-measure 2.3 – **Continuous Professional Development (CPD) for Agricultural Advisors.**
- **Targeted Advisory Service on Animal Health and Welfare (TASAHW) incorporating**
 - Sub-measure 2.3: Animal Health & Welfare – Training for advisors; and
 - Sub-measure 2.1: Animal Health & Welfare – On-farm advice.

CPD for Agricultural Advisors

There are four separate strands of support for farmer advisory services:

- CPD to train farmers on using the carbon navigator for the BDGP and / or KT;
- CPD for KT meeting facilitation skills;
- CPD for the provision of a Farm Health and Safety Training Programme under KT;
- CPD for training of dairy farmers on the Somatic Cell Check workshop under KT.

No expenditure was claimed in respect of CPD for advisors during 2016.

TASAHW training and advice

This scheme aims to limit the costs associated with certain animal diseases. Animal Health Ireland is responsible for setting up and organising the provision of an advisory service to farmers on the control and prevention of diseases falling within the scope of the scheme which include Bovine Viral Diarrhoea (BVD), Johne's Disease (JD), Infectious Bovine Rhinotracheitis (IBR) and mastitis in dairy herds. Specialist advice is provided on request to individual farmers and eligible private veterinary practitioners (PVPs) who have undertaken TASAHW training on the relevant disease are paid by DAFM for up to three hours of advice per visit.

PVP training in 2016 focused on BVD and JD. A total of 1,088 farmers benefitted from the advisory service in 2016. Scheme expenditure amounted to €288,000 in 2016 and to €301,000 for the period 2014 to 2016.

Measure 4 – Investments in Physical Assets

This measure consists of:

- Sub-measure 4.1: support for investments in agricultural holdings – **Targeted Agricultural Modernisation Scheme (TAMS II)**; &
- Sub-measure 4.4: support for non-productive investments which are potentially available through the GLAS and Burren schemes. As the underlying logic of this sub-measure is intrinsically linked to the achievement of agri-environment objectives, funding is allocated under Measure 10.

TAMS II will make €395m available to Irish farmers for investment in infrastructure, facilities and equipment under the suite of seven measures (listed below) which are opened for applications in rolling three-month tranches.

- Young Farmers Capital Investment Scheme;
- Dairy Equipment Scheme;
- Organic Capital Investment Scheme;
- Animal Welfare, Safety and Nutrient Storage Scheme;
- Low Emissions Slurry Spreading; and
- Pig and Poultry Investment Scheme; and
- Tillage Capital Investment Scheme.

Of the €7.8m expended on this measure in 2016, €3.8m related to sending on ongoing TAMS 1 investments from the previous programming period and €4m related to TAMS 2 schemes. The main expenditure items for TAMS 2 were the Dairy Equipment Scheme and the Young Farmers Capital Investment Scheme at €1.8m and €1.5m respectively. A further €0.5m was spent on funding the acquisition of Low Emissions Slurry Spreading equipment.

For the period 2014 to 2016, a total of €29.5m was spent on support for almost 15,800 investments in physical assets under TAMS 1 and 2 and on non-productive investments from the previous Programme. Transitional expenditure accounted for €25.5m of the cumulative Measure 4 spend.

Measure 7 – Rural Services and Renewal

Sub-measure 7.6: support for investments associated with the maintenance, restoration and upgrading of the cultural and natural heritage of villages and rural landscapes – GLAS Traditional Farm Buildings Scheme

This scheme provides once-off grant aid for approved conservation work to traditional farm buildings and associated structures that are now used for agricultural purposes or available for such use. It ensures that traditional farm buildings and other structures are restored and conserved for practical agricultural use and is administered by the Heritage Council on behalf of DAFM. Participation in the GLAS is a primary eligibility condition for entry to the scheme.

No expenditure was incurred in respect of this measure in the years 2014 and 2015. In 2016, €0.73m was paid to support the restoration of 72 buildings and related structures on 48 farms. When private funding is taken into account, the total amount invested in these operations in was €1.05m.

Measure 10 – Agri-environment-climate

- Sub-measure: 10.1: payment for agri-environment-climate commitments

The table below provides a breakdown of all the schemes contributing to spending under Measure 10. The total spend for this measure in 2016 was €183m comprised of €152m on current RDP schemes (i.e. the GLAS, BDGP and Burren Programme in order of importance) and €31m in transitional spending related to the previous RDP.

<i>2016</i>	<i>Expenditure (€m)</i>	<i>Total Area (ha)¹</i>	<i>Number of contracts</i>
GLAS	100.9	614,358	53,178
BDGP	50.80	334,830	23,185
Burren Programme	0.23	3,524	58
REPS / AEOS (2007-2013 RDP)	28.09	37,314	5,647
Organic Farming Scheme (OFS) (2007-2013 RDP only)	2.91	22,000	476

¹ Note that individual holdings may be counted under more than one scheme if different types of agri-environment contracts are being implemented on the same area of land.

GLAS promotes agricultural production methods with environmental benefits related to climate change mitigation, improving water quality and the preservation of priority habitats and species. Scheme payments totalled €101m on 53,178 contracts in 2016 compared to €11.5m on 17,509 contracts in 2015.

The BDGP requires participating farmers to undertake a range of actions design to accelerate genetic improvement in the beef herd resulting in climate benefits associated with lower greenhouse gas emissions. Scheme payments totalled €50.8m to over 23,000 beneficiaries in 2016 compared to €29m to almost 16,000 beneficiaries in 2015.

The Burren Programme is focused specifically on the conservation of the unique landscape of that region in counties Clare and Galway. It promotes a particular farming model that couples traditional farming practices with scientific assessment of environmental health at field level. The scheme was activated in 2016 and payments amounting to over €228,000 were made to 58 farmers.

Transitional payments for REPS / AEOS totalled €28.1m for over 5,500 holdings in 2016 compared to an aggregate sum of €263.2m for over 49,000 holdings in 2014 and 2015.

Transitional payments for the OFS totalled €2.91m for almost 500 contracts in 2016 compared to an aggregate sum of €10.6m for over 1,700 contracts in 2014 and 2015.

Measure 11 – Organic Farming Scheme (OFS)

Measure 11 consists of:

- Sub-measure 11.1: payment to convert to organic farming practices and methods; and
- Sub-measure 11.2: payment to maintain organic farming practices and methods.

The OFS aims to encourage farmers to convert from conventional to organic farming methods and to maintain those methods after the initial two-year conversion period.

Public expenditure of €4m was paid in respect of 50,000 hectares (ha) on 1,264 holdings under the OFS in 2016. This compares to €1.84m paid on 40,000 ha on 548 holdings in 2015.

Additionally, €2.91m in transitional money, incurred in support of 476 unexpired contracts relating to the previous period, is reported under Measure 10 in the current Programme.

Measure 12 – Natura 2000 payments

- Sub-measure 12.1: Compensation payment for Natura 2000 agricultural areas.

Natura 2000 is an EU-wide network of protected areas designated as being of special value and importance for the endangered animals, plants and habitats that they contain. These sites comprise both Special Protection Areas (SPAs) for birds and Special Areas of Conservation (SACs) for habitats and species. Some sites can be both an SPA and an SAC.

The measure is programmed solely to provide for ongoing commitments from the 2007-2013 RDP as Natura sites are targeted under Measure 10 in the current RDP. The scheme supports farmers in dealing with specific disadvantages arising from the conservation of natural habitats and the effective management of those ecologically important sites. It thus contributes to the appropriate environmental management of farmed Natura sites in compliance with EU rules.

Total funding for this scheme in the current programming period has so far amounted to €41.68m. A sum of €4.4m was spent on supporting the management of over 67,000 ha on almost 2,900 holdings in 2016. In the preceding two years, €37.28m was expended on over 329,000 ha in almost 13,500 holdings.

Measure 13 – Areas facing natural constraint

The measure consists of the following two sub-measures:

- Sub-measure 13.2: compensation payment for other areas facing significant natural constraints; and
- Sub-measure 13.3: compensation payment to other areas affected by specific constraints (referring to island farming).

Support under these two sub-measures is disbursed nationally under a single Areas of Natural Constraint (ANC) Scheme based on the previous Less Favoured Areas and Disadvantaged Areas Schemes. The scheme provides important environmental and social benefits by

compensating farmers for additional costs and income foregone related to constraints on agricultural production in the areas concerned. A separate category of support is available to compensate island farmers in recognition of the specific constraints on agricultural activity in those locations.

Total public expenditure of €208m, including transitional monies of some €0.26m, was paid to approximately 97,000 farmers in respect of 2.1m ha under Measure 13 in 2016. This brings total ANC payments in the current programming period to almost €609m.

EU legislation sets out new biophysical criteria based on a standardised methodology for the designation of eligible land under the ANC scheme and work is currently underway to delineate these areas in accordance with the new rules.

Measure 16 – Co-operation

- Sub-measure 16.3: Co-operation among small operators in organising joint work processes and sharing facilities and resources – **Collaborative Farming Grant Scheme**.

Collaborative approaches to farming can address some of the structural challenges facing Irish agriculture such as limited land availability and intergenerational transfer. This scheme is specifically aimed at encouraging the formation of new farm partnerships by contributing up to 50% of vouched legal, accounting and advisory costs incurred in drawing up a partnership agreement, subject to a maximum payment of €2,500.

In 2016, almost €335,000 was paid towards costs incurred in setting up of 242 farm partnerships. Additionally, almost €80,000 was paid to support the creation of 86 farm partnerships in 2015. Thus, a cumulative sum of over €0.4m was paid to support the creation of 328 registered partnerships under the first three tranches of the scheme in the period to the end of 2016.

Measure 19 – LEADER

There are 4 sub-measures to LEADER:

- Sub-measure 19.1: Preparatory support;
- Sub-measure 19.2: Support for implementation of operations under the Community-led Local Development strategy;
- Sub-measure 19.3: Preparation and implementation of co-operation activities of Local Action Groups; and
- Sub-measure 19.4: Support for running costs and animation.

LEADER aims to address local needs under the broad themes of economic development, social inclusion and rural development. Local communities direct where this funding is provided through their participation in Local Action Groups (LAGs) and the implementation of Local Development Strategies (LDSs) formulated by the LAGs.

Total expenditure of €1.97m was incurred in respect of preparatory and administrative activities in the period 2014 to 2016; €1.13m was spent on supporting the preparation of local strategies and €0.84m on LAG running costs and animation. The corresponding figures for 2016 were €0.37m for preparatory activities and €0.84m for administration. No expenditure was paid to support the implementation of projects prior to the end of 2016 because local interventions must first be preceded by the selection of LAGs and the design of their strategies identifying area needs. LAGs have been selected in all 28 sub-regional areas covering a population of 2.3m rural dwellers and funding agreements signed with all groups.

Measure 20 – Technical Assistance

- Sub-measure 20.1: Support for technical assistance (other than the National Rural Network (NRN));
- Sub-measure 20.2: Support for establishing and operating the NRN.

Technical assistance (TA) supports evaluation, information, communication and other activities that contribute to the effective management of the RDP and strengthen stakeholder capacity.

Cumulative payments of almost €865,000 (excluding VAT) were made from the TA budget in the period 2014 to 2016. This sum consists of approximately €65,000 paid in 2015 and

€800,000 paid in 2016. The main expenditure items in 2016 related to the operation of the National Rural Network, the administration of the Burren Programme, a GLAS evaluation contract and a contribution towards the costs of administering a database for the TASAHW scheme.

Measure 113 – Early Retirement Scheme

A sum of €4.25m was paid to 403 scheme beneficiaries in 2016. No transitional funding was paid on this scheme during the years 2014 and 2015.

Rural Development Division

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