
Ireland

Draft Material for SEA Public Consultation
Introductory Note

The material in this document represents a draft of particular chapters of Ireland’s Rural Development Programme (RDP), 2014 – 2020. The material draws on the preparatory work undertaken to date, and on the various stages of stakeholder consultation that have been undertaken as part of this preparatory work.

Work is currently ongoing in relation to the drafting of the RDP. The material in this document is being published now for public consultation in line with the requirement to undertake a Strategic Environmental Assessment of the RDP.

The draft chapters presented in this document have been developed in line with the requirements set out at EU level for the content of RDPs. These draft chapters are outlined on Page 2.

Work is also ongoing in relation to the other chapters which will form the RDP. These draft chapters do not, however, form part of this document. These other chapters include

- An indicator plan and performance framework setting out the performance indicators to be used in monitoring and evaluating the RDP
- An evaluation plan chapter setting out the approach to the monitoring and evaluation of the RDP
- Implementing and Management Arrangements for the RDP
- An assessment of the ex ante conditionalities set out in the relevant EU legislation
- An outline of the proposed arrangements for the National Rural Network.
- An outline of the actions taken to involve partners in the development of the RDP.
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Chapter 1. SWOT and Identification of Needs

1.1 SWOT Analysis
This SWOT analysis draws on a range of information both from within the Departments of Agriculture, Food and the Marine and of the Environment, Community and Local Government and from external bodies and documents. In developing the analysis, the drawing of information from such a wide range of sources led to the situation arising whereby certain issues and factors were categorised as more than one of Strengths, Weaknesses, Opportunities and Threats. The text below draws together all the information gathered during this process.

1.1.1 Overall description

This Situation Analysis is a comprehensive overall description of the current situation in Ireland. This is based on the EU common context indicators, some programme-specific context indicators, and also qualitative information. The text below draws together this information and is broken down into the following sections

- Definition of rural areas
- Geography and physical description
- Demographic Information
- General economic context
- The rural economy
- Agriculture and agri-business
- Income levels
- Environment and land management

1.1.1.1 Definition of Rural Areas
Comparable statistics show that Ireland is by its nature very ‘rural’ and has a much higher percentage of its territory and population living in rural areas than the EU 27 average. For example information presented in the 2012 European Commission report ‘Rural Development in the EU – Statistical and Economic Information’ confirms the significance of rural areas in Ireland.

However because there is no single internationally or EU accepted definition of ‘rural’ as a concept, different definitions can be used on different occasions. Therefore references to rural areas in this document may refer to different definitions depending on the data that is available. In the interests of clarity, the various definitions for rural areas are set out below.

The OECD methodology for calculating rural areas is based on population density and regions are classified in one of the three categories:

- Predominantly Rural region (PR): if more than 50% of the population of the region is living in rural communities i.e. less than 150 persons/km²
- Intermediate region (IR): if 15% to 50% of the population of the region is living in rural communities

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1 All statistics used pre-date the accession of Croatia to the European Union and so EU 27 figures are used as opposed to EU28 figures.


3
• Predominantly Urban region (PU): if less than 15% of the population of the region is living in rural communities

For statistical purposes Eurostat made some changes to the way in which they define rural areas in 2010, by adapting the OECD definition somewhat. However this did not have any effect on the relative size of Ireland’s rural areas in comparison to other EU Member States.³

For the purpose of the 2011 Census of Population, the Central Statistics Office (CSO) defines urban areas to include Dublin city and suburbs, the four other main cities (Cork, Limerick, Galway and Waterford), towns of 10,000 or over and towns between 1,500 and 10,000. I.e. urban areas are towns with a population of 1,500 persons or more and the remainder is classed as rural areas.

For the purposes of their work, in accordance with their terms of reference, the Commission for the Economic Development of Rural Areas (CEDRA)⁴ defined rural Ireland as “all areas located beyond the administrative boundaries of the five largest cities.” Therefore the term ‘rural areas’ was used to encompass open countryside, in addition to small, medium and large towns.

For the purposes of the 2007 – 2013 RDP rural areas were considered to be all those areas outside the hub cities and gateways towns identified in the Government’s 2002 National Spatial Strategy (NSS)⁵. These cities and towns were as follows:

• Border region: Cavan, Dundalk, Letterkenny, Monaghan, Sligo
• West region: Galway city, Tuam, Ballina, Castlebar
• Midlands region: Tullamore, Mullingar, Athlone
• Mid East region: None
• Dublin region: Dublin (excluding Fingal)
• South East region: Kilkenny, Waterford city, Wexford
• South West region: Mallow, Killarney, Tralee, Cork City
• Mid West region: Ennis, Limerick city/Shannon

Therefore the 2007-2013 RDP considered rural areas to be all other areas, for the purposes of establishing LEADER operational groups. A number of small to medium sized towns that did not meet the OECD definition of rural areas i.e. less than 150 persons/km² were included in the RDP. Therefore RDP rural areas accounted for 72% of the national population and almost 99% of the national area.

1.1.1.2 Geography & Physical Description

Irish Territory & Climate
Ireland is situated in the North Atlantic on the Western peripheral edge of Europe, and its geography generally consists of a flat low lying midlands part of the country surrounded by

⁴ http://www.ruralireland.ie/
⁵ http://www.irishspatialstrategy.ie/images/NSSMap2.JPG
coastal hills and low mountains. The total area of Ireland is some 70,270 square kilometres, of which around 98% is land and 2% is comprised of water. The land area of Ireland is approximately 6.9 million hectares (ha) of which around 5 million ha is Utilised Agricultural Area (UAA). At the end of 2012 forestry accounted for around 10.5% of the total land area according to the National Forest Inventory.  

The North Atlantic coastal drift contributes to Ireland’s temperate climate which distinguishes it from other countries on the same latitude. Over the last approximately 50 years, average temperatures in Ireland have varied between 8 and 10.4 degrees Celsius. The thirty years moving average temperature shows that the average temperature is increasing. The average temperature for 1981-2010 was 0.5 degrees Celsius higher than the average for 1961-1990. The wettest year was 2009, when 1,503 mms of rain were recorded and the average rainfall per year for the period since 2000 has been 1,236 mm. (In comparison the driest year in a roughly 50 year period was 1971, when only 915 mms of rain were recorded.) The thirty years moving average rainfall is also increasing.

2005 data points towards the inherent difficulties in farming certain land in Ireland: 77.5% of the UAA in Ireland is classified as Less Favoured Areas (formerly Disadvantaged Areas) compared to the EU 27 equivalent which is less than 55%.

**European Comparisons**

In relation to the EU Common Context Indicator data, the latest available CORINE data for 2006 shows Ireland to be quite different from the EU27 in terms of the structure of its land cover. Ireland has a higher share of agricultural and natural land, but a lower share of some categories such as forestry land, woodland shrub and artificial land. For example the share of agricultural land in Ireland is more than 67% but the forestry land is only 4%. The corresponding EU equivalents are around 47% and 30%.

Ireland has around 13% of its territory classified as Natura 2000, lower than the EU 27 equivalent which is almost 18%. In terms of the share of UAA and forestry area under Natura 2000, Ireland was also below the EU 27 average. Ireland has the smallest percentage of land in the EU designated as a Special Protected Area (SPA), under the EU Birds Directive, with only 3% of total land area designated as SPA in 2010. Ireland has less land designated as an SPA (11%) under the EU Habitats Directive than the EU average of 14% in 2010.

In territorial terms, more than 98% of Ireland is classed as Predominantly Rural (PR) and only 1.3% is defined as Predominantly Urban (PU) in the Eurostat definition. There is no territory classified as Intermediate in Ireland. In 2012 the EU average equivalents were 52% PR, 38% intermediate and 10% PU.

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8 This figure differs from that used elsewhere in the overall analysis as it comes from a different data source (CORINE 2006 vs. other data sources)
1.1.1.3 Demographic Information

2006 and 2011 CSO Census

Ireland’s population in 2011 was almost 4.6 million inhabitants. This represents an increase of around 8% from the 4.2 million found in the 2006 Census. Very high birth rates combined with low death rates and estimated net migration account for the population increase of around 350,000 persons over this period according to the 2011 CSO Census.

In 2011 the total urban population was 2.85 million people and the total rural population was 1.74 million people. So the urban population was 62% of the total population and the rural population was 38% of the total. This compares to 61% and 39% for urban and rural population respectively in 2006 so there has not been any major change in the urban-rural split in the period.

Between 2006 and 2011 the average number of persons per household fell from 2.8 to 2.7. Urban households tend to be smaller than rural households, although this trend is not new and has been evident for around 30 years.

Between the 2006 and 2011 Census there was a 17% increase in the number of students in Ireland. Education participation rates increased for those aged 15-24, reflecting both a long term trend towards increased participation in education and a greater uptake of third level education and the effects of the economic downturn which occurred in recent years. By 2012, almost 34% of those aged between 15-64 had a third level qualification compared to only 26.3% in 2006. By 2012, 71% of all persons aged 15-64 had attained education levels of higher secondary level or above compared to only 62% in 2006.

Levels of education tend to be lower in rural areas, compared to urban areas. This trend has also been noted in the CEDRA report.

Dependency ratios can provide a useful indication of the age structure of a population with young and old people shown as a percentage of the population of working age (i.e. aged 15-64). In Ireland, the total dependency ratio increased to 49.3 in 2011 from 45.8 in 2006, due to high birth rates. This indicates approximately one young or old person for every two people of working age. Urban areas have lower dependency ratios areas than rural areas in Ireland.

Ireland has been negatively affected by emigration as a result of the economic downturn in recent years. For example an estimated 89,000 people emigrated in the year ending April 2013, compared to immigration of 55,900. This has resulted in net emigration of 33,100. Emigration affects rural areas more than urban areas. According to a September 2013 UCC study, an estimated 27% of rural households have been affected by emigration compared to 15-17% of other households.

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13 CSO Population and Migration Estimates
14 http://www.ucc.ie/en/emigre/
EU Comparisons

EU Common Context Indicator data shows that in 2012 of the total national population, around 72.5% were living in Predominantly Rural (PR) areas and 27.5% were living in Predominantly Urban (PU) areas. Ireland was unusual in that it did not have any population living in Intermediate areas. The average figures for the EU27 were 22.5% in PR areas, 35% in Intermediate areas and 42.5% in PU areas.

In relation to age profile in 2012, overall almost 22% of the population was aged under 18, and only 12% was aged over 64 years of age. Very similar figures are found for rural areas. Across the EU the corresponding figures are 16% (aged under 18) and 18% (over 64 years of age) so Ireland has a lower share of old people compared to people of working age. Indeed in 2011 Ireland had the lowest old-age dependency ratio (share of old people compared to people of working age) in the EU at 17%, compared to 26% for the EU.

The population density of around 70 inhabitants per square kilometre overall means that Ireland is much less densely populated than many other EU Member States, where this figure is 115 inhabitants per square km. However, population densities in rural areas are broadly similar in Ireland and the EU 27, with around 50 inhabitants per square km.

1.1.1.4 General Economic Context

The economic context at the start of the 2014 – 2020 RDP is markedly different to that found at the outset of the previous RDP. At the commencement of the 2007-2013 Rural Development Programme, the Irish economy was still on a strong upward path both with respect to growth and employment. After an average growth rate of about 5.7% in the years 2005-07, this trend halted in 2008 when the economy shrank by 3% and by over 5% in 2009. The major property bubble began to unwind from 2007, and the fall-out from this was exacerbated by the major deterioration in the external environment. As a result, GDP fell by around 15% from its peak in Quarter four of 2007. Therefore the economic environment is undoubtedly less propitious at the beginning of the 2014 – 2020 RDP than at the commencement of the 2007-2013 RDP.

Similarly the labour market was extremely buoyant in the years previous to and including 2007 with strong growth in employment and very low levels of unemployment. In these years unemployment averaged about 4.5% and employment was growing by about 4% per annum. Employment in 2006 exceeded two million for the first time in the history of the state and the unemployment rate was only 4.3%. In subsequent years unemployment began to increase rapidly reaching 15% in 2012 with around 1.84 million people in employment. The effects were particularly felt in rural areas as the construction sector went into rapid decline. According to Teagasc between 2008 and 2010 the accumulated off-farm employment gain of farmers from the mid nineties was wiped out due to the economic crisis and in particular as a result of the construction crash.

Concerns remain about the increasing nature of long term unemployment. This accounted for almost 60% of all unemployment, and the long term unemployment rate was 8.1% in 2013.

The onset of the global financial crisis, combined with major domestic economic difficulties associated with the end of the ‘Celtic Tiger’, a collapse in property prices and the construction sector, and major difficulties in the banking sector have resulted in a much more straitened economic context for the 2014 – 2020 RDP than for the 2007-2013 RDP. For example there were three successive annual declines in the Irish economy from 2008 to 2010 and this resulted in a growing Government deficit and higher debt: GDP ratios. This culminated in the need for the Irish Government enter the EU/IMF Programme of Financial Support.

This has since been followed by a more stable period, but with only very modest levels of economic growth being seen. The Irish economy grew slightly again in 2012 with the CSO indicating full-year growth in GDP during 2012 of 0.2%. There is some indication that the economy has gained momentum in the period since mid 2013. There are signs of a stabilisation in domestic demand, with data pointing to a gradual recovery in both consumer and investment spending. The strength of employment growth in recent quarters is also indicative of a modest recovery in domestic demand. In December 2013 Ireland emerged from the EU/IMF Programme of Financial Support.

Ireland, as a small open economy, continues to be driven by external economic events and the recovery of the Irish economy is heavily dependent on wider European and global economic growth. The Economic and Social Research Institute, and various economic commentators, have pointed out that any improvement in GDP growth looks set to be more subdued than previously had been expected as global economic activity is weaker. For 2013 real GDP growth of 0.2% is expected. In Budget 2014 (October 2013) real GDP growth of 2.0% (2014), 2.3% (2015) and 2.8% (2016) was forecast by the Department of Finance.\(^{17}\)

The Government published its Medium Term Economic Strategy \(^{18}\) in December 2013. This Strategy sets out the Government’s the approach to building and sustaining a competitive economy that can pay its own way, serve society, and that can survive and thrive in a reformed eurozone and an increasingly globalised international economy. It provides an overall framework for social and economic policies that are being developed and implemented by the Government. It includes the Government’s aim for a return to full employment by 2020, also reflected in the Action Plan for Jobs 2014,\(^{19}\) and acknowledges the fact that improved economic regulation is a medium term priority for the Government as this will enhance Ireland’s international economic competitiveness. Although forecasts for the years up to 2016 had been available as part of Budget 2014, real GDP growth of an average 3.4% between 2017 and 2020 was profiled, given assumptions of steady growth in the world economy.

1.1.1.5 The Rural Economy

A 2010 European Commission report on the Future of Rural Areas \(^{20}\) noted that although the development of rural areas is likely to become increasingly driven by factors outside agriculture,
many rural areas, in particular remote and depopulated ones and those that are dependent on farming, will probably face particular challenges in relation to economic and social sustainability. Nonetheless it was noted that these areas have significant potential to meet the growing demand for the provision of rural amenities and tourism and as a store of natural resources and highly valued landscapes. However this potential remains closely linked in many rural areas to the presence of a competitive and dynamic agri-food supply chain. Therefore it can be difficult to separate the ‘agriculture’ from the ‘rural’, and this is particularly so in Ireland. Ireland is clearly a strongly rural country in population and territory terms, and this reaffirms the importance of a well funded, designed and managed Rural Development Programme for the 2014 -2020 period both for agriculture and the wider rural economy.

Clearly agriculture, which is discussed specifically in the next section, has a crucial part to play in the rural economy. However, there are various other sectors that are important in terms of the rural economy. EU Common Context Indicators for 2012 showed that Ireland had an overall unemployment rate of 14.7%, youth unemployment rate of 30.4% and rural (thinly populated) unemployment rate of 15.6%. The EU27 equivalents were 10.5%, 22.8% and 10% respectively. Rural employment accounted for 66% and urban employment accounted for 34% of the total employment in 2010. Due to Ireland’s more rural character as referred to above, these figures are quite different to the EU27 totals, where rural employment was the least prevalent (around 21% of the total); intermediate employment (34% of the total) and urban employment were the most significant (45% of the total).

The rural economy and rural communities have experienced the negative impact of current economic crisis due largely to their heavy reliance on declining employment sectors, particularly the construction industry. This has resulted in an increase of 192% in unemployment in rural areas when compared to 114% in their urban counterparts. This has had a knock on effect on the overall rural economy and quality of life in rural areas particularly in small and medium sized towns where the evidence of small town decline is clear throughout Ireland.

In a 2010 report where rural poverty and social exclusion on the Island of Ireland was examined it was noted that while poverty and social exclusion is more difficult to identify in a rural setting there was evidence to suggest that rural areas continue to register lower average living standards than their urban counterparts. Generally the ‘at risk of poverty’ rating is higher in rural areas with the 2011 CSO/SILC statistics showing that the risk of poverty in rural areas (18.8%) is higher than in urban areas (14.2%).

The CEDRA research process and the performance of the LEADER/CLLD element of the current RDP indicate both the importance and the potential of community participation in development processes in rural Ireland.

Ireland is currently undergoing a process of local government reform that aims to facilitate a leadership role for local government in the local development process and this will have an impact


CEDRA

on the processes that support the delivery of rural development interventions. The aim is to create a system of local development, including rural development, that is coherent, cohesive and ensures that all funding opportunities available to rural areas are channelled through communities on the ground in order to maximise their impact. The new system will be fully cognisant of the need to involve rural communities in their own development choices learning from the success of the LEADER approach to date to develop a local and rural development framework that will support the creation and development of sustainable rural communities into the future.

1.1.1.6 Agriculture and Agri-Business

**Food Harvest 2020**

The need for smart, sustainable and inclusive growth has been set out at the EU level in the EU 2020 Strategy and also lies at the heart of the ‘Food Harvest 2020’ strategy, an industry led vision for the Irish agri food sector up to 2020. This sets a number of targets for the Irish agri food sector including:

- Increase the value of primary output in the agriculture and fisheries sector by €1.5 billion by 2020 (33% increase compared to the 2007 – 2009 average)
- Increase the value-added output by €3 billion by 2020 (40% increase compared to 2008)
- Achieve an export target of €12 billion by 2020 (42% increase compared to the 2007 – 2009 average)
- Various sectoral targets such as growth of 20% in the output value of the beef sector and a 50% increase in the production of milk by 2020. (Both of these are based on an average of 2007 – 2009 as a baseline.)

The agriculture and food sector can be considered one of the more successful parts of the economy, despite the ongoing impact of the recession. The September 2013 Food Harvest 2020 Milestones for success report[^24] showed that there have been growth rates in the agri food sector in excess of 25% (primary production), 20% (value added) and 13% (exports) demonstrating significant progress towards the overall targets for 2020.

**Agriculture/Agri Food in the Economy & Employment in the Agri-Food Sector**

In the economy as a whole in 2012, the primary sector together accounted for 2.2% of Gross Value Added (GVA), the secondary sector accounted for 27.4% of GVA and the tertiary sector was responsible for 70.4% of GVA. This reflects a change since 2006, when the primary sector accounted for 2.5% of GVA, the secondary sector accounted for 35.1% of GVA and the tertiary sector was responsible for 62.5% of GVA, although the significance of the primary sector (agriculture, fishing and forestry) has not changed very much.

However, this understates the relative importance of the overall broader agri-food sector, which is taken to include primary production along with food, beverages & tobacco and wood processing sectors. The agri-food sector remains very important to the wider rural economy and in turn to the Irish economy overall. It is estimated that the agri-food sector accounted for almost 8% of GVA at

factor cost for 2011, the most recent year for which data is available. In 2006 the equivalent figure was under 7%.

In terms of the structure of total employment in Ireland, data for 2012 shows that 4.7% of people employed were employed in the primary sector (agriculture, forestry and fishing), 18.4% in the secondary sector (industry and construction) and 76.9% in the tertiary sector (services and others). Employment in the agri-food sector accounted for almost 150,000 jobs. This was equivalent to 8% of total employment, at the end of quarter four of 2012, which is similar to what was found in 2006. The composition of employment in the agri-food sector includes more than 90,000 people in Agriculture, Forestry and Fishing and more than 47,000 people in food with the remainder, approximately 10,000 people, in beverages and wood processing.

Agri Food Exports

Ireland’s agriculture and agri-food industry is heavily dependent on Ireland’s position as a small open economy and its ability to export. For example Ireland successfully exports food products to 170 countries worldwide and is the largest net exporter of beef in Europe, and the fourth largest in the world. It is also a key player in the infant formula market and the largest exporter of infant formula in Europe. Ireland’s export dependency is exceptional within the European food sector with more than 80% of its dairy and beef products exported.

Despite a more modest increase in exports in 2012 than in the two previous years, the food and drink sector continued to perform well. Figures from the CSO show that total Irish merchandise exports increased by around 1% to €92 billion in 2012, of which around 10% was accounted for by food and drink exports as categorised by Bord Bia (the Irish Food Board). Furthermore, the agri-food sector provides a significantly higher percentage of the net foreign earnings from merchandise exports, than its overall export share, due to its low import content and the smaller role of foreign owned businesses in its export activities.

The Dairy and Beef sectors were still the biggest export categories in 2012, representing €2.7 billion (29%) and €1.9 billion (21%) of total food and drinks exports respectively. Prepared Foods accounted for €1.4bn (15%), while Beverages contributed €1.3bn (14%). There have been small increases in the share of Dairy and Beef and declines in Prepared Foods and Beverages compared to 2006. For example in 2006 dairy and beef accounted for 25% (€2.1 bn) and 20% (€1.6 bn) respectively and Prepared Foods accounted for €1.7bn (21%), while Beverages contributed €1.4bn (17%).

The UK market accounted for 42% of total Irish food and drink exports in 2012 compared to 45% in 2006. Exports to other European markets were 31% of the total in 2012 and also in 2006.

25 DAFM, Annual Review and Outlook, for various years

26 These employment figures correspond to International Labour Organisation definitions and relate to persons who indicated that agriculture was their principal source of income in the week prior to the QNHS. Therefore persons that work in agriculture but whose primary source of income is off-farm are not included.

27 Bord Bia, Market Reviews - Export Performance & Prospects Reports for various years available at

28 An estimate for 2005 was that the ‘bio-sector’ contributed 32% of net foreign earnings from merchandise exports.
Further afield, the Food & Beverages trade to countries outside Europe has grown slightly and these international markets now account for 27% of the overall total.

1.1.1.7 Agricultural Structures

Over time there is ongoing change in the structure of agriculture with fewer and larger farms, less employment, more specialisation and concentration of production, and growth in part-time farming. The recent CSO Census of Agriculture showed there were 139,829 farms in June 2010 compared to 141,527 farms in June 2000, a reduction of 1.2%, or less than 0.1% per year. However the number of farms fell from 170,578 in the 1991 Census to 141,527 in 2000, a decline of 17%, or at an annual rate of about 1.5%, while the decline in the number of farms in the period from 1980 to 1991 was also very substantial at about 24% or 1.8% per annum.

The total overall Utilised Agricultural Area (UAA) was almost 5 million hectares (ha) in June 2010. Commonage accounted for 422,415 ha, or 8.5% of this total. Around 80% of the UAA (excluding commonage) is accounted for by permanent grasslands and meadows and approximately 20% is rough grazing and crop production. Therefore Ireland is very different from the EU average where arable land accounts for 60%, permanent grasslands and meadows is 34% and permanent crops accounts for 6% of the total UAA.

Less than 2% of farms were under the size of 5 ha, around 40% were between 5 and 20 ha and around 40% were between 20 and 50 ha. 15% of farms were between 50 and 100 ha and less than 4% of farms were greater than 100 ha. This is in contrast to the EU27 figures, where 70% of farms are less than 5 ha and only 25% of farms were between 5 and 50 ha (compared to 80% in Ireland). Some Member States have much larger numbers of farms compared to Ireland and are more reliant on large numbers of subsistence and semi-subsistence farms on very small plots.

The average farm size increased to 32.7 ha in 2010. Although this makes the average Irish farm more than twice the size of the EU 27 average of 14.3 ha, this average masks great disparities between various Member States. For example 7 member States have an average farm size of more than 50 ha according to European Commission Common Context indicator data. Within Ireland too there are differences in the average farm size to be found in the two regions. Smaller farm sizes were found in the Border, Midland and West (BMW) region where the average farm size was 27.3 ha compared to the Southern & Eastern (S&E) region where the average farm size was 38.6 ha. Indeed within these regions there was further variability from 22.4 ha in Mayo to 37.1 ha in Westmeath in the BMW region and from 32.6 ha in Clare to 47.8 ha in Dublin in the S&E region.

Other regional differences are found between farms, beyond the basic farm sizes. Dairy farms were more likely to be based in the S&E region. For example more than 80% of national milk output and national cereal output was provided in the S&E region. Dairy and tillage farms tend to have a higher proportion of viable farms, greater income levels, greater returns per hectare and a lower reliance on the Single Farm Payment compared to sheep and cattle farms. The less profitable and viable sectors, such as cattle rearing and sheep are more likely to be based in the BMW region.

29 Results in this section from the CSO - Census of Agriculture 2010 – Final Results, December 2012 unless otherwise stated

Ireland was home to 6.6 million cattle, 4.75 million sheep and 1.5 million pigs in June 2010. This
is equivalent to around 5.8 million livestock units based on the co-efficient used to convert
individual animals into livestock units. In 2010, Ireland accounted for 6.8% of the total cattle
population of the EU, the fifth highest in the EU.\(^{30}\)

There has been a decline in the numbers and proportions of farmers in the younger age categories
over the period from 1991 to 2007, with the proportion of farmers aged 44 or younger decreasing
from 33% to 25% and the proportion of farmers aged 65 and over increasing from 23% to 25%.
By 2010 more than half of all Irish farmers were over 55 years and only 6% were under 35 years
of age. The age profile of Irish farmers is increasing as the number of farmers aged under 35 fell
by more than 50% between 2000 and 2010. Across the EU27 7.5% of farmers were under 35 years
of age in 2010.

Training figures for Irish farmers show that only 31% had either basic or full training in 2010.
However, within the under 35 age category, 51% had either basic or full training.

Other structural challenges in the sector include high levels of short term land rental,
fragmentation of holdings, and low levels of land mobility and land sales.

1.1.1.8 Income Levels

Despite the impact of the recession, in 2012 Ireland’s GDP per capita remained above the EU
average. On an index where the EU27 is 100, the equivalent figure for Ireland was 127. However,
rural GDP for capita was lower than the national figure, at only 103 on this index. The 2012
figures represent a decline on the 2006 figures when Ireland’s GDP per capita was 145 on the
same index.

In 2011 the risk of poverty was higher for rural areas compared to urban areas. The figures for the
‘at risk of poverty rate’ were 14.2% (urban) and 18.8% (rural) according to the CSO Survey on
Income and Living Conditions. Compared to 2006, this represents a decline in the at risk of
poverty rate for rural areas and almost unchanged figures for urban areas. In 2006 these figures
were 14.3% (urban) and 21.5% (rural) respectively.\(^{31}\)

Results from the 2012 Teagasc National Farm Survey (NFS), which is carried out annually to
fulfill the requirements of the Farm Accountancy Data Network (FADN), showed that Family
Farm Income (FFI) in 2012 was an average of some €25,500. Although this was a decline on the
2011 levels, FFI in 2012 were at their second highest level since 2005, when they were some
€22,500 on average. It should be noted that FFI tends to fluctuate over any given period. For
example, FFI in current prices fluctuated between €13,499 and €24,861 in the years from 2000 to
2011.

\(^{30}\) CSO Environmental Indicators 2012

1.1.1.9 Environment & Land Management

**General Environment**

The 2012 EPA report ‘Ireland’s Environment – An Assessment’ is an integrated assessment of all aspects of Ireland’s environment. This finds that overall Ireland’s environment is generally in a good condition. However it notes that there is no room for complacency and that there will be various challenges in the upcoming years in order to meet EU commitments and targets. These include water, waste and air quality and greenhouse gas emissions.

Overall Ireland’s water quality can be considered as quite good and Ireland has a better than average water quality relative to other Member States. For example Ireland had the fourth best bathing water quality, comprising both coastal and inland bathing sites, in the EU in 2010, when 90% of sites complied with guide values. The same results were found in 2006. In terms of river quality there have not been major changes between the 2004-2006 period and the 2007-2009 period (the latest period for which data is available). The level of seriously polluted river water has fallen from 1% to 0%, and the moderately polluted amount remains at 10%. However the unpolluted amount has fallen from 71% to 69% and the slightly polluted amount has in fact increased from 18% to 21%.

Water quality indicators show that in relation to surface water (nitrates in freshwater) in 2010 around 75% of sites were considered to be of high quality, 24% of sites were of moderate quality and 1% of sites were considered poor quality. In relation to ground water (nitrates in freshwater) around 85% of sites were considered to be of high quality and 15% of sites were of moderate quality. For both of these indicators Ireland compares favourably to the EU average.

Overall, air quality in Ireland is of a high standard. Air quality in Ireland has improved quite considerably over the last decade and in 2010 it met all EU standards. By 2010, emissions for three of the four pollutants (sulphur dioxide, ammonia and non-methane volatile organic compounds) under the National Emission Ceiling Directive were below their respective emissions ceilings. However emissions of nitrogen oxides (NOx) are high, particularly in areas impacted by heavy traffic.

Greenhouse gas emissions have been falling in Ireland in recent years. In 2006, the total GHG emissions were almost 68.9 million tonnes of CO2 equivalent. Over subsequent years this declined by around 11% to around 61.3 million tonnes of CO2 equivalent. After agriculture, the energy and transport sectors are the biggest contributors, and this was the case in both 2006 and 2010. In 2010, Ireland had the second highest level of per capita greenhouse emissions in the EU and was exceeded only by Luxembourg. However, in terms of per capita carbon dioxide emissions, at the same time, Ireland ranked the ninth highest in the EU.

Ireland’s primary energy requirement fell from around 16 million tonnes of oil equivalent (t.o.e.) in 2006 to 14.8 million t.o.e. in 2010. Final energy consumption as a proportion of the primary energy requirement was around 82% in both 2006 and 2010. Transport accounted for 40% of Ireland’s final energy consumption in 2010 compared to only 2% accounted for by agriculture.

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Wind has become the main source of renewable energy production and accounted for more than 40% of the total in 2010. Renewable energy production from agriculture and forestry is discussed in the next section.

In terms of waste, the amount of municipal waste generated in Ireland fell from 800 kilograms per capita in 2006 to 620 kilograms per capita in 2010. Nonetheless, Ireland still had the fourth highest waste generated per capita in the EU. Municipal waste sent to landfill was just below 1.5 million tonnes in 2010 which was an improvement on around two million tonnes in 2006. Recovery rates of packaging waste and Waste Electrical and Electronic Equipment (WEEE) collected from private households in Ireland are both quite high compared to European norms.

Agriculture & Environment

The OECD-FAO Agricultural Outlook for 2012-2021 has clearly noted that “The key issue facing global agriculture is how to increase productivity in a more sustainable way to meet the rising demand for food, fuel and fibre”. Agricultural production needs to increase by 60% over the next 40 years in order to meet the rising demand for food, brought about by an increasing global population as well as changing dietary patterns in certain countries as they develop. FAO analysis predicts that by 2050 the world population will increase to an expected 9 billion people. The FAO-OECD report also noted that much can be done to contribute towards these objectives in a complementary fashion. An Irish Government report on Delivering our Green Potential notes that “Ireland is in an enviable position to produce the type of food that a growing number of consumers are demanding in relation to high quality sustainable food production and environmental standards.”

Irish agriculture is predominantly extensive and grass-based. This system of livestock production has some inherent environmental advantages and Ireland has a very positive reputation in terms of its green credentials. This is evidenced by the European Commission Joint Research Committee report evaluating the Greenhouse Gas Effects of European Livestock (GGEELS report). Cattle tend to be grazed outdoors as opposed to being housed indoors and there is no dependence on irrigated land and a low water footprint for the industry overall.

Between 2000 and 2010 Ireland reduced its GHG emissions from agriculture by more than 10%. Nonetheless, there are high GHG emissions and ammonia emissions from livestock production systems especially ruminants in Ireland. In 2012 agriculture accounted for 32.1% of total GHG emissions of 57.92 million tonnes of CO2 equivalent, corresponding to around 18.6 million tonnes. Ammonia emissions were equal to 107,000 tonnes. GHG and ammonia emissions are projected to increase by 7% between 2010 and 2020 and so increasing the carbon efficiency of agricultural production poses a challenge.
The agricultural area under organic farming in Ireland is relatively small, at just over 41,000 hectares, with some 11,000 in conversion in 2012. This is only around 1% of the overall UAA. For the EU 27 the equivalent figure is 3.7%.

In terms of the production of renewable energy from agriculture and forestry, in 2010 Ireland produced 34.4 kToe (kilo tonnes of oil equivalent) from agriculture and 197 kToe from forestry. Ireland is relatively more dependent on forestry than agriculture for renewable energy than other Member States. There have been acknowledged difficulties in getting bioenergy established in Ireland, in part owing to the high establishment costs. During 2011, agriculture and forestry was accountable directly for the use of 251 kToe and the food industry was responsible for the use of 474 kToe. 40 Also for 2011, agriculture and forestry are estimated to use 47 kilograms of oil equivalent per hectare of UAA. This is around 70% of the EU27 equivalent of 66.8 kilograms of oil equivalent, testament to the green credentials and inherent sustainability of Ireland’s rain fed, grass based agricultural production systems.

In terms of farming intensity, defined as the UAA managed by farms with low, medium or high input intensity per hectare, Ireland in 2007 had 47% of its UAA classed as low intensity, 32% as medium intensity and 21% as high intensity. The EU27 figures were lower for low intensity and higher for high intensity farming. In 2010 for example, grazing accounted for around 45% of the total UAA in Ireland, more than the EU27 total which was under 30%.

The Farmland Bird Index figure for 2008 was 92.4, compared to a base index of 100 for the year 2000. However work completed for the Department of Agriculture, Food and the Marine by Birdwatch Ireland found that the current state of Ireland’s common and widespread breeding bird populations overall is favourable for the period 1998 to 2009. Species of conservation concern in Ireland are also faring well, showing stability during this period. Most species that were selected as farmland indicators were stable or increased during this period also.

1.1.2 Strengths

A wide range of issues were identified as being current strengths. These are summarised and grouped together under various sub-headings below.

Food Harvest 2020 and the Agri-Food Sector
Food Harvest 2020 sets out a cohesive roadmap for the agri-food industry to build capacity, adapt to challenges and grow in the context of emerging opportunities in the decade to 2020. The fact that this is an agreed plan from the major stakeholders in the agri food industry is in itself a major strength. The report outlines a framework of production and output targets for the future including the increase of one-third in primary output and 40% in value added and exports by 2020. Its central message of supporting smart, green growth aims to build upon the sustainability, quality and brand recognition of Irish food. Part of the success of Food Harvest 2020 to date has been the continuous monitoring, tracking and assessment of progress by the High Level Implementation Committee chaired by the Minister for Agriculture, Food and the Marine.

Quality Assurance
Robust quality assurance schemes are in place in the beef, pigmeat, poultry and horticulture sectors through Bord Bia. Carbon measurement is now part of the Bord Bia scheme and a dairy

40 Some estimation is required in the calculation of this data and that needs to be considered
scheme is being piloted. Origin Green is a further innovation in this area in terms of demonstrating the commitment of Irish food and drink producers to sustainability in terms of greenhouse gas emissions, energy conservation, water management and biodiversity.

**Animal Welfare**

Ireland has robust disease monitoring systems and high animal welfare standards overall and its system of traceability in relation to food production has been acknowledged by stakeholders. However, it is clear that continued development in this area is required particularly given the strong economic rationale underlying investment in animal health and welfare.

**Education, research and knowledge transfer.**

Ireland has a well established and high quality public research and development system in general and in the agri food and rural development sectors. There are various nationally funded programmes in these areas. Irish researchers have leveraged almost 2% of the available European research budget (Seventh Framework Programme) to support capacity building and innovation in the agriculture, food, forestry, marine and biotechnology research areas. The Research Performing organisations (Teagasc, Universities and Institutes of Technology) are well recognised and reputable and have experience in the areas of technology and product development. There are well developed inter and intra institutional collaboration fora e.g. Science Foundation Ireland and Teagasc collaboration. Strategic research agendas for both sustainable agriculture production and food have been published and are being implemented. However there is recognition that improvements are needed in terms of applying this research and strengthening its links to innovation.

A variety of bodies are capable of providing appropriate education to farming, forestry and rural enterprises. Farm advisory services are performing well. Teagasc in particular combines research and extension to deliver solutions and advice at the farm level. For example in 2009 replies to Teagasc customer comment cards for recipients of the Teagasc advisory service indicated that 74% were very satisfied with the service and a further 21% were satisfied with the quality of service received. There is ongoing development of education programmes by Teagasc, Universities and Institutes of Technologies. Discussion groups have been funded for the dairy, beef and sheep sectors. The BETTER farm programme (through Teagasc, Irish Farmers Journal and Industry Stakeholders) is exploring opportunities for improving profitability in beef. This will all help to facilitate knowledge transfer, and the analysis identifies this as an area of strength which can be built on.

**EU Supports and Schemes**

Ireland has benefited from participation in a range of EU schemes and supports and these continue to be a key support in Rural Ireland. For example, direct payments contribute to the viability of existing farmers. The Single Farm Payment increases income and reduces income variability which is positive in relation to risk management as noted by the OECD. Furthermore, participation in previous EU funded schemes and measures has provided DAFM with a valuable learning experience in a range of policy areas such as facilitating early retirement of older farmers and the installation of young farmers.

41 These are the latest available surveys although they are planned to be completed again in 2014

42 http://www.oecd-ilibrary.org/docserver/download/5kg6z83f0s34.pdf?expires=1366207663&id=id&accname=guest&checksum=94A93D975DAA8C2CCFCD974B9C89BB6A
Ireland’s Green Reputation

The temperate Irish climate is generally well suited to its low cost grass based agriculture production systems and forestry. Ireland’s green reputation is well founded and it has very carbon efficient livestock production systems. In terms of dairy and beef production systems Ireland ranks 1st and 5th respectively in the EU (EU & JRC Evaluation of the livestock sector's contribution to the EU greenhouse gas emissions report.) Irish cattle spend more time grazing outdoors compared to indoor housing, which results in lower ammonia emissions and there has been a reduction in ammonia emissions over the past decade. For the meat and dairy sectors which are both traditionally intensive water users, low levels of water stress have been found for Irish production. This is because natural sources such as rainfall are more important than abstracted/irrigated water compared to other countries. Therefore the ‘water footprint’ for Ireland is low in these areas, as has been found by Bord Bia. Furthermore, approximately 90% of Irish agricultural land is in permanent grassland and acts as an important carbon sink. This also minimises the risk of soil erosion.

There has traditionally been a very high level of participation in agri-environment schemes in Ireland under the RDP. For example there was a peak participation of more than 60,000 farmers (around half of all farmers) in voluntary agri-environment schemes in 2009. Although participation varied greatly across different farming systems, it was more heavily concentrated amongst more extensive and smaller dry stock farmers on the Western sea-board, compared to the Southern and Eastern region.

Ireland has maintained an afforestation grant and premium scheme since the early 1980’s. The level of broadleaf planting as a percentage of overall afforestation has increased from 23% in 2003 to 31% in 2012 (the target is 30% broadleaf afforestation). Irish forests established since 1990 will have sequestered 12 million tonnes of carbon dioxide over the 5-year commitment period of the Kyoto Protocol (2008-2012). Private forestry is fast becoming a considerable wood and energy resource. Most of the private forest estate has been established over the past two decades, with many areas now entering into production and some small scale bio-energy schemes are already underway in Ireland. There is also an extensive network of hedgerows and other landscape features which are central to ecosystem enhancement. Approximately 450,000 hectares is covered by hedgerows, individual trees and small woodland patches and scrubs as shown by the Teagasc Irish Hedge Map in 2010.

Overall Ireland’s water quality can be considered as quite good and Ireland has a better than average water quality relative to other Member States. Based on the European Environment Agency’s water database, Ireland typically ranks within the top third of more than 30 countries assessed in terms of water quality (Phosphate, ammonia, nitrate and biochemical oxygen demand) for the 2007-2009 period. Also according to the Environmental Protection Agency (EPA) 80% out of around 1,500 water bodies have either high/good/moderate status. Only 20% therefore are seen as either poor or bad. Although the EPA also notes that there is no room for complacency, River Basin Management plans (under WFD) are now in place and could be further developed.

Ireland is an important staging post and destination for migratory birds and holds significant populations of birds rare elsewhere in Europe as well as internationally important wetland bird communities. This is acknowledged by the Department of Arts, Heritage and the Gaeltacht in ‘Actions for Biodiversity 2011 – 2016: Ireland’s National Biodiversity Plan’.
Ireland also has a network of Natura 2000 sites corresponding to 13% of the country’s area and there are an estimated 1.1 million hectares of High Nature Value farmland. Peat soils cover 20.6% of Ireland’s land area, with the greater part of this in the form of blanket bog in upland areas. This high level of peatland is a good carbon store in its undisturbed state. Near intact peatlands may actively sequester, on average, 57,400 tonnes of carbon per year.

Community Based Rural Development
Ireland has been delivering elements of Rural Development funding using the LEADER approach since 1991 and has a long history of local development led by communities themselves.

A central element in many local development projects has been tourism, and Ireland is an internationally renowned tourist destination and has a unique cultural identity all over the world. The number of overseas trips to Ireland increased to 6.6 million in 2011 and the total overseas tourism earnings increased to €3,580 million. Rural Ireland itself has a strong and recognisable identity and a high-quality and evocative landscape which has the capacity to act as a resource for its economic development. Rural tourism has grown during the 2007 – 2013 period. Ireland has become known for its superior product and interesting holiday options including cycling and walking holidays. Some rural areas have been exemplary in their presentation of their areas in a tourism context and there are many informal examples of networks supporting the Rural Tourism sector including Trail Kilkenny and the Fuchsia branding initiative in West Cork.

There are well-established networks in rural areas which facilitate the establishment of community-based services and support economic activity in rural areas. The level of community based project activity indicates the presence of strong and self-reliant rural communities. Expenditure in the 2007-2013 RDP under the community measures makes up 55% of the overall Axis 3 expenditure and many of these projects are capital projects originating from community activity and the establishment of community networks. There is a wide-spread network of enterprise centres in smaller settlements which can facilitate the establishment of micro-enterprises and SMEs.

Food and Food Chain
There is a relatively well developed network of farmers markets and country markets around Ireland and a strong history of co-operative based production in dairying.

1.1.3 Weaknesses
A wide range of issues were identified as being current weaknesses. These are summarised and grouped together under various sub-headings below.

The Economic Context
Overall the general national and international macro-economic environment and outlook remains challenging. For example, the ESRI has concluded that improvement in GDP growth in 2013 looked set to be more subdued than previously thought as global economic activity is weaker. Any growth in the Irish economy, as a small open economy, continues to be driven by external events and the recovery of the Irish economy is heavily dependent on World economic developments.

The rate of unemployment remains at almost 14% (Quarter 2 2013) and on-going net emigration is the main driving force behind any reductions. The continued high unemployment rate and increasingly its long term nature is evident in Ireland, especially in rural areas. There are declining
off-farm employment opportunities in rural Ireland in general. For example in 2006, 59% of farmers/spouses had off farm employment but in 2012 this was only 49% according to Teagasc.

Farm Viability
Within agriculture, the beef and sheep sectors in particular, continue to experience low profitability, viability challenges and an over reliance on direct payments and subsidies. On average direct payments/subsidies accounted for 82% of Family Farm Income, across all farm types and sizes in 2012. This represents an increase from 73% in 2011. In 2012 the proportion of economically viable farms decreased to 38% from 41% in 2011. A higher proportion of viable farms were found in the dairying and tillage sectors and a lower proportion of viable farms were found in the beef and sheep sectors. For example according to the 2012 Teagasc National Farm Survey only 18% of cattle rearing farms and 29% of other cattle farms were considered viable. Many Irish suckler farmers are very small scale and inefficient. Within sectors there are major differences between the efficient and inefficient producers. Amongst some beef farmers there is a very low take-up of breeding technology and best practices which could contribute to greater efficiency at farm level. For example the Irish beef herd produces 80 calves per 100 cows and the average calving interval in 2011 was 407 days. However, the top fifteen per cent of farmers achieve 95 calves per 100 cows and a 365 day calving interval (Veterinary Ireland/ICBF).

A further sub-sector which faces particular challenges and restrictions is the island farming cohort. For example, particular viability challenges for island farmers include isolation, high infrastructure and transport costs, land quality issues.

Structural Issues
51% of farmers are over 55 years and only 6% are under 35 years of age and the age profile of Irish farmers is getting worse. The number of farm holders aged under 35 fell by 53% between 2000 and 2010. This age imbalance affects farm viability and competitiveness in a number of ways. Older farmers are less likely to introduce innovative practices related to diversification, market orientation and restructuring. Furthermore cultural and traditional ties to land ownership and resistance within farming to inter-generational transfer continue to work against early transfer to young farmers. Nearly half of farmers do not have an identified farming successor. This situation is compounded by the fact that there are limited options to enter farming, apart from the traditional inheritance option. Ireland has little tradition of share farming and low levels of partnerships and collaborative initiatives. There are few opportunities for inter-generational transfer of knowledge and young people are not working in tandem with older farmers.

The gender profile of farming may also be a barrier to diversification and competitiveness, as female farmers have been shown to be more likely to diversify into other income earning activities. Only 12.4% of total family farm holders were female in 2010. The low level of entrepreneurial and business skills among farmers also works against innovation, restructuring and enhanced competitiveness, as found by Teagasc in their report on this issue. Less than one third of Irish farmers had either basic or full agricultural training, so more than two thirds were without any formal agricultural education or training. There is poor awareness among farmers of risk management tools and the need for brand development and low levels of business acumen and skills as noted by Food Harvest 2020.

Restructuring of the agriculture sector is difficult to achieve for a number of further reasons which can all be considered as weaknesses. There is a high level of short-term and conacre land rental and limited long term leasing in Ireland which works to discourage farmers from undertaking
investment on land improvements. There is a low level of land sales which prohibits entry and restructuring - just 0.3% of Ireland’s total agricultural land area was sold in 2011 according to an Irish Farmers Journal Land report. Furthermore there has been a worsening farm fragmentation situation with an average of 3.8 parcels per farm in 2010 compared to 1.9 parcels in 1991. Finally, the limited average size of Irish farms at 32.7 hectares remains a key constraint.

Farmers in the market place
Within agriculture and the food sector there is a continued heavy reliance on the UK and EU markets in terms of exports. For example in 2012 the UK accounted for around 44% of the total for agri-food, fish and forestry exports. The EU accounted for 75% and non EU (third country) markets were only 25% of agri-food, fish and forestry exports.

Irish farmers are generally price takers in commodity markets rather than price setters in short food supply chains. There are weaknesses in the bargaining power of producers and it can be challenging to break into the market due to the dominance of major multiples. There is a very high level of concentration at retail level with three multiples having close to 70% of the retail market. It can be costly to meet retailer demands and standards so entry to and maintenance of position in the retail trade is difficult. Distance from the market can also be a problem for primary producers.

Small farm size can limit opportunities to maximise efficiency in production and marketing. Farmers can encounter difficulties with the low availability of capital for investment in expansion, new product development and marketing. Overall the number of producer groups is small, there are only around 20 ‘producer groups’ in the country producing lamb, milk, beef and processed foods All of these factors make it difficult to shorten the food supply chain.

Environmental and Biodiversity Issues
Nationally, although significant progress has been made in the past decade, biodiversity loss has not been halted in Ireland, as noted in the National Biodiversity Plan. In 2013 only 9% of the habitats examined had a ‘favourable’ status, 50% were ‘inadequate’ and 41% were assessed as ‘bad’. Of the 61 species examined, 52% were assessed as “favourable”, 20% as “inadequate”, 12% as “bad” and a further 16% as “unknown”.(The Status of EU Protected Habitats and Species in Ireland 2013). While the level of HNV lands in Ireland has been noted above, the concept of High Nature Value land is not yet fully established in Ireland and HNV land has not been specifically designated or mapped. However some case studies/pilot studies have been completed and further information is expected soon through research funded by DAFM under the Research Stimulus Fund. Habitats associated with traditional farming practices are under pressure and in need of conservation. As farms are small and habitats are fragmented it can be difficult to disseminate information related to biodiversity. There could be improvements in the linkage between advisory services and the targeting of measures in priority ecosystems.

The EPA has noted that there are ongoing water quality issues in certain sensitive catchments and there is a need to address biodiversity loss and water quality in sensitive areas. Although nitrate levels are low, they are not decreasing. As a result of Food Harvest 2020, it is expected that the number of farmers requiring derogations will increase. There is scope for improvement in the governance and management of the river basin districts (RBDs). While other environmental practices have become well established amongst farmers through REPS and AEOS, the need for water conservation is not yet as well grounded. Uptake under the Rainwater Harvesting Scheme

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43 Since the time of initial preparation of the SWOT there is some evidence of declining nitrates levels.
under the 2007 – 2013 RDP has been low, with only around 50 applications received by January 2013. Behavioural and cultural changes are required at farm level to adopt new practices.

Ireland has very high greenhouse gas emissions (GHG) from agriculture as a proportion of total GHG emissions. In 2012 Ireland’s total GHG emissions were some 58 million tonnes of CO2 equivalent; 32% of this was from agriculture. This is due to the high dependence on animal production systems. Ireland was home to 6.75 million cattle, 5.17 million sheep and 1.57 million pigs in June 2012. Most ammonia mitigation is already in place, with a limited amount of cost effective mitigation measures remaining.

Despite longstanding support for afforestation (as referenced above) Ireland also has a low level of forestry cover, just under 11% of land area compared to an EU27 average of 38%.

There are also low levels of organic farm production. For example, across the EU in 2010 5.7% of the total UAA was devoted to organic crops. However, in Ireland the corresponding figure was around 1.1%. A national target exists to increase the area of land under organic production to 5%.

Despite a near trebling in demand between 2003 and 2011 for renewable energy, there are still relatively low levels of production and use overall in Ireland. The contribution of renewable energy to overall energy demand was only 6.5% in 2011, whereas the target is to achieve 16% by 2020 under EU Directive 2009/28/EC. There is a lack of market development for the bioenergy sector due to the high investment costs required for energy sector development and lack of finance and problems with the supply chain for bioenergy production, in terms of the need to better join up supply and demand. The continued use of peat and turf as energy sources also erodes an important carbon sink. In many cases, individual farms are too small to consider investing in projects such as anaerobic digestion for renewable energy production and farmers that get involved in biomass production tend to do so on a small scale.

Broader Rural Economy

The nature of the evolution of rural areas in Ireland has resulted in a diverse range of challenges when it comes to supporting the development of the broader rural economy. The nature of poverty and disadvantage in rural areas is very hard to define however there are some distinct characteristics to rural poverty that distinguish it for policy purposes. One of the main characteristics of rural disadvantage is the issue of peripherality and distance to/from larger service centres. Rural areas are often geographically remote and require individuals to travel to access public services. In the recent past this has resulted in the rationalisation of public services such as post offices which for many has compounded the isolation and remoteness of some rural areas.

The 2010 update of the National Spatial Strategy found that growth in rural areas has been significantly below the national rate and the growth that has occurred has to a substantial extent been linked to growth in nearby urban centres\(^\text{44}\). CEDRA research has shown that there has been a significant population shift from more remote regions towards the core economic areas, but also from central urban areas to surrounding hinterlands. The relationships that characterise this pattern have developed over time and as a result of the many challenges faced by rural areas particularly in the last 20 years. In this context different types of rural areas face different challenges which in turn present significant challenges when designing and implementing operational programmes.

\(^{44}\) National Spatial Strategy (2010) Implementing the National Spatial Strategy: 2010 Update and Outlook Harnessing Potential, Delivering Competitiveness, Achieving Sustainability
Infrastructural Issues for Rural Ireland
The 2011 Survey on Income and Living Conditions found that the risk of poverty in rural areas (18.8%) is higher than in urban areas (14.2%). Remoteness and access to basic services are a contributory factor to poverty in rural areas and accessibility and availability of key services is a challenge. The reduction in the spread of available services and the very limited nature of rural public transport means that significant parts of the rural community can remain isolated from such services. This lack of access is often associated with the poorest members of society.

While broadband availability has improved in rural areas, the quality and cost of broadband services is still falling short of the standard required. This also acts to work against knowledge transfer and innovation. In April, 2014 the Department of Communications, Energy and Natural Resources announced that the Government has committed to a major telecommunications network build-out to rural Ireland, with fibre as a cornerstone of its investment under the National Broadband Plan.

Education levels in rural areas are lower than in urban areas. In 2011 28% of rural dwellers had a tertiary education qualification compared to 35% of urban dwellers. There are lower levels of life-long learning opportunities in rural areas, as access to such services is more difficult. Combined with the distance from markets and the cost of transporting goods to markets in the context of rising energy and fuel prices adds cost to rural enterprises makes a difficult environment for innovation and entrepreneurship in rural areas.

1.1.5 Opportunities
A wide range of issues were identified as being current opportunities. These are summarised and grouped together under various sub-headings below.

The overarching policy context
Notwithstanding the current economic difficulties there are many opportunities for agriculture and rural development. The FAO reports that globally there is an increasing demand for food due to worldwide population growth and increased demand for meat and dairy, major components of the Irish agri-food sector, as dietary patterns change in emerging economies. This presents the opportunity for a strong export performance to assist in meeting the growth targets that have been set out in Food Harvest 2020 and for the provision of support for innovation and R&D to underpin further growth.

Forthcoming EU wide policy changes such as the removal of milk quotas in 2015 will provide an opportunity for expansion and for innovation in the dairy sector. This will reinvigorate the sector and restore a new dynamism for growth. For example while dairy production has stagnated in Ireland since milk quota was introduced in 1984, New Zealand underwent a large expansion with a deregulated agricultural market in dairy. Prior to 1984 both countries had expanded at a similar rate and both countries use a relatively extensive grass based dairy production system. The effective growth rate of New Zealand dairy production has been consistently around 5% per annum. Irish dairy production has the potential for expansion primarily because of the relatively competitive position of Irish dairy production relative to competitor countries. For example the 110 cow Irish dairy farm has amongst the lowest cash cost base of any country (Teagasc, Thorne et al. 2011)
Research, Education and Training

The current enhanced image of the agri-food sector, as shown by the current high demand for third level agriculture courses, should help to attract young people and there is scope to harness the enthusiasm of young new entrants to farming and their innovation potential.

Current and future research, and the adaptation of it, can play an important part in, inter alia, maximising nutrient efficiencies, reducing emissions, informing adaptation and mitigating impacts of climate change. The EIP on Agricultural Productivity and Sustainability will encourage the alignment of research to the needs of end-users. Ireland’s small size, allied to its tradition of cooperation and the networks already in place augurs well for the creation of Operational Groups around the Bioeconomy and related issues.

There is an opportunity to better target and integrate training to identified needs and to tailor training of farmers in the delivery of environmental and public goods. Some examples might include the targeting of advice towards farmers in priority areas such as high status sites, Fresh water pearl mussel, Natura 2000, HNV and holdings with specific derogations. It may also be possible to enhance animal welfare standards through promoting animal welfare in training courses, the use of advisory services and targeted support to assist in meeting standards. Further training opportunities existing in areas such as business skills, innovation, climate change, and collaboration.

The Teagasc food research and technology transfer programme is a mechanism for transferring innovative ideas to companies, SMEs and farmers. For example new technologies might be harnessed for food chain and risk management issues (e.g. tracking, data handling, logistics and waste reduction). At farm level the ongoing Teagasc monitor farm initiative offers potential for greater adoption of new practices/technology.

Addressing the Structural Challenges

Policy instruments (e.g. taxation policy or tailored support schemes) can be utilised to encourage generational renewal and the encouragement of restructuring or farm risk management could be incorporated in broad policy measures.

The development of the farm partnership model offers potential to increase the numbers involved across all enterprises in collaborative initiatives. Partnerships and collaborative mechanisms can also be a risk management tool.

Discussion groups have been set up in various sectors and offer potential for improvements in efficiency, profitability and adoption of new technology. There is potential to increase the numbers participating in these discussion groups. Around 5,000 dairy farmers are currently engaged in discussion groups. However this is less than one third of the more than 15,000 specialist dairy farms in the country. There may be opportunities to develop and build on this model by widening the scope of groups to incorporate environmental aspects and renewable energy issues and by including a more output based focus.

Food and the Food Chain

In terms of food and the food chain there are many opportunities. The niche demand in certain areas of food could be an opportunity for SMEs in the food industry, for example in the area of organically farmed products. There is scope for the development of rural enterprises and the
artisan food sectors and, at the same time, development of the market through amalgamation in the food sector. The further development of an image and brand of Irish food based on quality, environmental merit and good standards of animal husbandry and welfare is an opportunity. The possibility of promotional programmes focusing on food quality is another opportunity. Bord Bia’s voluntary Origin Green Initiative together with Quality Assurance Schemes can provide an evidence base to sustain Ireland’s green reputation internationally.

Building on Ireland’s Green Reputation

Despite Ireland’s green reputation there are opportunities for improvement. There is also an opportunity to capitalise on low GHG emissions and the level of carbon efficiency. With farmers investing in expansion to meet Food Harvest 2020 targets there are clear opportunities to encourage investment in technologies that have improved energy and water efficiency, or to encourage the use of renewable sources of energy wherever possible. Increased carbon efficiency of animal production systems should be possible through improved breeding/genetic improvements in livestock, feeding and other management practices. There is the potential to support the uptake of low emission slurry application technologies (e.g. trailing shoe) to contribute to ammonia and climate targets, and to manage and use waste streams such as animal waste, brown bin waste, sewage sludge etc. for energy production. Larger scale investment projects under a Co-operation measure (for example village/community projects that could provide combined heat and power) might be an opportunity to explore, provided that it is found to be cost effective. Generally speaking there are opportunities to better link up the supply and demand of bioenergy.

The Greening of CAP in Pillar 1 provides the opportunity for enhanced and targeted environmental measures in Pillar 2. For example measures to protect common farmland habitats and create new habitats under an agri environment scheme might be explored. Farm diversification may represent an opportunity for increasing habitat diversity and reducing the threat to farmland birds. Supporting farmers in addressing land abandonment and viability issues in Areas of Natural Constraint (formerly LFAs) represents a further opportunity in addition to the protection and restoration of priority habitats/species on and outside Natura 2000 sites that are under varying degrees of threat. There may also be the potential to encourage the more sustainable management of upland habitats and areas through specifically targeted uplands actions within an overall agri-environment scheme.

The incorporation of innovative and best practices in particular sectors can also work to deliver environmental and climate change benefits. For example, the adoption of genomic technology in the beef could underpin efficiency gains which contribute to decreased carbon emissions per unit of output and deliver a range of direct benefits to the farmer.

The Efficient Use of Resources

Agricultural input energy costs have increased by more than 50% between 2005 and 2012. These rising energy costs provide a major challenge but also an opportunity for increasing the efficiency of energy use on farms e.g. through farm energy plans. In terms of wind energy there is significant potential for income generation for farmers from the location of wind turbines on their land.

The proposed introduction of water charges and meters in 2014/2015 in accordance with the Water Framework Directive is an opportunity to incentivise the efficient use of water both within agriculture and more generally. In terms of water quality the results of Agricultural Mini-
Catchment programme are expected to deliver information on existing farm measures which may improve water quality. More generally there is an opportunity to develop in-stream measures to alleviate flooding, reduce soil erosion, improve aquatic quality and combat invasive species (for example riparian planting).

A suite of targeted measures, perhaps in conjunction with ICT developments, might be developed in order to improve fertiliser/manure efficiency which would contribute to protecting water quality and climate action. New fertiliser additives/inhibitors and the increased use of clover may offer the possibility to reduce Nitrogen fertiliser usage. There may be a possibility to introduce Farm Nitrogen budgets to improve the efficiency of its use and reduce losses of nitrate and ammonia.

The demand for biomass for energy is increasing. The average annual growth rate of residential biomass energy use was 18% between 2005 and 2010. Although industrial use of biomass for energy declined between 2006 and 2011 there is an opportunity for increased use of biomass for domestic purposes, for example through the further development of the wood chip/pellets market.

In terms of encouraging the fostering of carbon sequestration in agriculture and forestry there are many opportunities. Carbon stores in old species rich grasslands can be protected from degradation and enhancement of hedges/trees/field margins can improve their carbon storage. In Ireland peatlands can be a significant carbon store, so the development of a measure within an agri environment scheme to protect blanket bog and upland commonage is a possibility in order to conserve this store.

Community Based Rural Development
The OECD define local development as ‘a cross cutting and integrated activity where the physical development of a place is linked to the public service inputs, place management, and wider drivers of changes such as employment, skills, investment enterprise innovation productivity and quality of life’. Government proposals to align the work of Local Government and local development will support local development and ensure a more integrated approach to both the planning and implementation of development interventions at local level. Rural development is part of this process and the delivery of rural development interventions will benefit from a more streamlined and integrated approach to local development at a local level.

A community led approach will be a critical component of this reformed system to support local development. The system will rely heavily on the experience of the CLLD/LEADER approach as it has been delivering successful rural development interventions in Ireland since the 1990s and will facilitate full and active participation of local communities in their development choices. However what the system will also do is ensure that all interventions are planned in a way that will contribute to addressing the needs identified at national, regional and local level in a more comprehensive and practical way. All planning processes will be participative and will facilitate a greater understanding at local level of the need to address local needs while simultaneously considering regional and national priorities. Ireland would consider this a significant opportunity to support the future economic development of local areas and in particular rural areas supported through the EAFRD.

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45 Delivering Local Development: Ireland, OECD, LEED, Forthcoming.
In general as part of this more integrated approach to local development there are a variety of specific opportunities that will form part of the planning processes to address rural needs including: the use of established social capital to facilitate more sustainable development and enterprise development, the use of community-based enterprise development to increase jobs, and the use of ICT and other innovative technology-based mechanisms to deliver and support the delivery of services in rural areas (thereby reducing barriers to access to services). The renewable energy sector and the development of eco-tourism and integrated activity-based tourism as an economic driver in rural areas are further opportunities for rural areas. Networks and targeted training might be better utilised in order to make information available in these areas.

1.1.5 Threats

A wide range of issues were identified as being current threats. These are summarised and grouped together under various sub-headings below.

Economic, Social and Demographic Issues

Some overarching threats include the continued fallout from the global credit crisis and the potential for problems in recovery in the International and EU economy in the short term. This would impact severely upon the export reliant agriculture sector, as well as on rural areas through falling demand and associated knock on effects. Instability in the euro currency, wider currency fluctuations and the associated risk to Irish agri food exports are also real threats to agriculture and the broader rural economy. The dependence on traditional markets and outlets for produce within agriculture and the fact that farmers are reluctant to avail of diversification supports are further potential threats to future income stability.

The continuation of the high level of unemployment poses a threat to both rural and urban economies. In the second quarter of 2013, although the unemployment rate had fallen slightly, it was still 13.7%. A particularly concerning trend is the increase in the long term unemployment rate - characterised as those being unemployed for 12 months or more. 58% of those currently unemployed are characterised as being long term unemployed. The European Commission have noted that, for some individuals, the experience of long term unemployment can lead to permanent alienation from the labour market, with subsequent risks of material deprivation, poverty and social exclusion.

As well as the pressure on the overall EU budget, the continued commitment to funding rural development is highly dependent on limited national exchequer funding, for which there is considerable competition in the short and medium term.

Reduced national financial resources and cutbacks in research, training and education budgets due to budgetary constraints may result in lower skills levels and the sub-optimal transfer of technology to farmers. Such developments would constrain the meeting of Food Harvest 2020 targets. The ageing farm population also represents a threat to the achievement of these targets. The cultural and traditional ties to land ownership and resistance within farming to inter-generational transfer that continue to work against early transfer to young farmers have been noted already. Young people may move to other careers and areas if opportunities are not available in farming and rural areas.

Rural population decreased from 39% of Ireland’s total population in 2006 to 38% in 2011. Rural depopulation, in particular young people emigrating from rural areas, results in the loss of innovation potential. The ageing of the rural population increases poverty and exclusion and loss
of enterprise development potential. Dependency ratios are lowest in urban areas. The continued reduction in service provision in rural areas, in particular in the context of increased transport and fuels costs could lead to a negative cycle of service loss and population loss and further pressure to leave those areas.

There is continued high unemployment, and particularly long term unemployment, in rural areas. There is potential for increased rural poverty as a consequence. The risk of poverty in rural areas (18.8%) is higher than in urban areas (14.2%) as shown by the CSO, 2011 Survey on Income and Living Conditions.

On a related issue, the Global Entrepreneurship Monitor (GEM) report on Entrepreneurship in Ireland in 2011 noted that the negative change in the environment identified in its earlier reports continued to have an impact on the perception of entrepreneurship as an attractive career option. Only 26% of the respondents to a survey saw real opportunities for the development of new business. The prevalence of those aspiring to be an entrepreneur in Ireland in the future was very low in 2011, only 8.5%. This is a significant change to previously relatively high levels and now places Ireland behind the average across the OECD and EU.

A higher proportion of individuals living in urban areas received non-formal education (22% vs. 15%) and lifelong learning (27% vs. 17%) when compared to rural areas. This raises the threat of the rural population failing to participate in the life-long learning and up-skilling required by the modern knowledge economy.

There is evidence of a high level of work related accidents on farms. The Health and Safety Authority have noted that over half of workplace deaths in 2010 occurred on farms and the fatality rate of accidents in agriculture is higher than for other sectors.

**Competitiveness and Viability Threats**

Rising input costs are a threat to competitiveness and viability in agriculture. Furthermore commodity price volatility within agriculture globally remains a threat. For example Ireland is more than 800% self sufficient in beef production and so is very susceptible to fluctuations and trends in international markets. Price volatility may discourage entry of young entrants (although it should encourage diversification). There is a high dependence on imported feed and fertilisers and increased volatility in these input prices. Rising energy and fuel costs also affect the cost of transport for food and agri-business.

Food safety scares (both Irish and International) have shown the inter-connectedness and complexity of the food supply chain in recent times. Animal and plant diseases (e.g. most recently Chalara fraxinea in Ash trees) and invasive species can spread quickly within and between countries. Reputational damage from any adverse scares could be serious and potentially long lasting.

**Environmental Threats**

Generally speaking as farms get more intensive and specialised there is a risk that this production is gained at the expense of the environment and may have negative environmental impacts. For example Food Harvest 2020 targets could possibly result in intensification on marginal land in some areas. The potential skills and awareness shortage in relation to the environment and ecology in the farming and agricultural professional sector is a threat to the sector’s Green reputation. Enhancing the skills of knowledge transfer providers through CPD will enhance their
ability to deliver appropriate courses thereby facilitating the transfer of the appropriate mix of skills required at farm level.

Generally the temperate Irish climate is one of the sector’s strengths, especially for grass based beef and dairy production which is less susceptible to drought than crops such as potatoes. However, the likely effects of climate change on Irish agriculture are a threat in future. In the longer term water availability may become more limited in parts of the country. Crops such as potatoes and cereals in the eastern part of the country are likely to be most at risk from summer droughts according to the European Centre for Climate Adaptation report for Ireland. Although the threat will initially be to crops from droughts due to climate change, it could potentially affect grass too depending on severity of climate change. There is also the potential for greater risks of flooding in the West due to changed rainfall patterns. In general there are also threats associated with extreme weather including more unreliable weather patterns. For example recent years have seen heavy snowfall and flooding and in 2013 there was a major fodder crisis due to unseasonable conditions. Unreliable weather patterns and their effects on agriculture are a cause for concern and a potential threat to the sector.

Nationally and internationally there are pressures to further reduce GHG emissions from the agriculture sector. However, GHG and ammonia emissions from agriculture are projected to increase by 7% between 2010 and 2020. Irish agriculture will contribute little to reducing absolute carbon emissions in line with the Effort Sharing Decision (ESD). This has established binding emission reduction targets for Member States in the period 2013 – 2020 for non Emissions Trading Sectors including agriculture. It requires a 20% reduction in GHG emissions in Ireland by 2020 compared to its 2005 levels.

Approximately 20% of Ireland is categorised as peatland including raised bogs, blanket bogs, and fens. If intact this is a good carbon store. However the EPA have noted that this peatland is threatened by domestic and industrial extraction, afforestation, wind farms and drainage for agricultural and other uses. Another threat is that Ireland would fail to meet its targets under the Gothenburg Protocol which sets emission ceilings for four pollutants: sulphur, NOx, VOCs and ammonia.

Targets have been set under the EU Renewable Energy Directive 2009/28/EC that the EU will reach a 20% share of energy from renewable sources by 2020. Ireland’s target is 16% but for 2011 this amount is only at 6.5%. Failure to meet these targets is a major threat. Biomass production at farm level is at risk of lacking the necessary scale to be competitive or big enough to assure customers that continuity of supply is safe and this cycle could potentially re-enforce itself.

There are threats to various endangered species including the freshwater pearl mussel, corncrake, grey partridge and breeding waders. Land abandonment (potentially due to a combination of low productivity and the aging profile of farmers) is a threat to biodiversity, as it can reduce the habitat available for certain species.
1.2 Identification of Needs

**Priority One**

*Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas with a focus on the following areas:*

- *a.* fostering innovation, cooperation, and the development of the knowledge base in rural areas;
- *b.* strengthening the links between agriculture, food production and forestry and research and innovation, including for the purpose of improved environmental management and performance;
- *c.* fostering lifelong learning and vocational training in the agricultural and forestry sectors.

**Brief Summary of SWOT / Consultation themes**

The outcome of the public consultation and the SWOT highlighted broad based support for knowledge transfer to be value driven and integrated across the six priorities. Such knowledge transfer can be delivered by a variety of mechanisms and the challenge is to develop a balanced and integrated package of knowledge transfer measures to underpin the new RDP. Suggested approaches which emerged from the SWOT and consultation include the development of knowledge transfer groups, targeted training and effective mechanisms for better integrating research into on farm practice e.g. the European Innovation Partnership. Particular emphasis was also placed on the need for training of farmers and land owners in the delivery of environmental public goods under an Agri-Environment scheme.

**Identified need – Effective Mechanism and Structure for Transferring and Sharing of Knowledge Amongst Farmers**

1a) *fostering innovation, cooperation, and the development of the knowledge base in rural areas;*

The need for support to increase and develop knowledge transfer to farmers was a strong theme in the public consultation, and was also identified as both a weakness and as an opportunity during the work on the SWOT analysis. This need has been identified in a broad range of farming sectors, for example in the beef, dairy, sheep, pigs, equine and tillage sectors. Developing the knowledge base can clearly take place through many different forms. However one approach which was consistently referenced in the preparatory work for the RDP was the use of knowledge transfer groups. Although some discussion groups exist already, a possible approach here would be to target increased participation levels while simultaneously developing the model to ensure a more strategic, integrated and output focused approach. In effect, this would not represent a continuation of existing discussion groups, but rather a deepening and widening of the approach to date to contribute to expanding the knowledge base and foster the adoption of best practices and new technologies at farm level. The model represents an opportunity to address identified knowledge deficits across a range of strategically important areas identified as part of the SWOT and consultation process, including financial management, animal health, environmental and
climate change actions (as identified by the FH2020 Environmental Impact Assessment), and grass management

**Identified need – Effective Mechanisms for identifying appropriate applications of research knowledge**

1b) strengthening the links between agriculture, food production and forestry and research and innovation, including for the purpose of improved environmental management and performance;

A clear challenge has been identified in addressing the difficulties in technology transfer and the translation of research outputs to end users. Greater linkages between research and on farm implementation need to established, and this theme emerged during the public consultation process and also during the work on the SWOT analysis. Support under the European Innovation Partnership (EIP) has been highlighted as a possible vehicle to address this, particularly given the overarching framework of the EIP on Agricultural Productivity and Sustainability. There may be existing examples to learn from, even if they are not formal EIPs. For example the BETTER farm programme was considered to be a Strength in the SWOT analysis. As well as researchers, the beef industry and farming interests are also involved in this programme. EIP operational groups could be utilised to strengthen the role of research and innovation throughout the sector in a number of identified strategic areas.

**Identified need – Targeted Training and/or Advisory Services with particular focus on Agri Environment and Animal Health**

1c) fostering lifelong learning and vocational training in the agricultural and forestry sectors.

The importance of ongoing support for training (especially in the delivery of environmental and public goods) was a further theme emerging from the SWOT and consultation processes. In particular, focused training in relation to agri environment actions has been linked to reductions in the error rates in Agri-Environment Schemes. The delivery mechanism for agri-environment training has been considered carefully, and it is recognised that formal classroom style training sessions may not be the most appropriate for farmers in relation to agri environment schemes. It may be necessary to combine on farm visits with targeted online presentations for farmers in relation to agri environment education and training. Such training could be delivered as an integrated core requirement associated with participation in an agri-environment scheme.

Possible needs for more niche/bespoke training in a range of areas have also been identified as part of the RDP design process (business skill training, supply chain cooperation, animal disease management/control, forest management, horticulture, organic farming, rural enterprise, wildlife and renewable energy). The need for a prioritised focus on training that can be delivered means that dedicated funding can not be linked to every area identified. However, in designing a suite of knowledge transfer measures, the possibility of including some of the issues arising as modules should be explored.

One area which emerged as a particular area requiring a targeted training intervention and where there is a clearly established economic benefit for intervention is animal health and welfare. While Ireland’s status in relation to animal disease was identified in the SWOT as a strength, it was also recognised that failure to maintain control of animal disease levels would have serious economic and reputational impacts on the agri food sector. It is important that attempts are made to try and
reduce the risks in this area. In particular, targeted and prioritised advisory services for farmers in relation to specific animal disease areas such as somatic cell count reduction and Johnes disease and BVD emerged as a priority for investment.

Finally, the beneficial role that Continuing Professional Development for agricultural advisors plays in areas such as environment and climate change actions was a recurring theme in the design phase of the new RDP, including during the SWOT analysis. Up-skilling of advisors was seen as a measure which could complement and support other areas of intervention and ensure the achievement of greater value for money. For example, investment here would also feed into the success of an Agri-Environment Scheme and Knowledge Transfer Groups given the role of advisors in both.
Priority Two

Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and sustainable management of forests, with a focus on the following areas:

a. improving the economic performance of all farms and facilitating farm restructuring and modernisation, notably with a view to increasing market participation and orientation as well as agricultural diversification;

b. facilitating the entry of adequately skilled farmers into the agricultural sector and, in particular, generational renewal.

Brief Summary of SWOT / Consultation themes

The outcome of the public consultation and the SWOT analysis demonstrated a broad need for improving competitiveness and farm viability through, for example, the provision of support for on-farm investments (Article 17). Emphasis was also placed on Farm and Business development (Article 19) and the support for farm diversification. Support for farmers in Less Favoured Areas (which will become Areas of Natural Constraints) has an important positive impact on Family Farm Incomes and therefore also on farm viability and the competitiveness of agriculture.

Identified need – Targeted on Farm Investments

2a) improving the economic performance of all farms and facilitating farm restructuring and modernisation, notably with a view to increasing market participation and orientation as well as agricultural diversification;

The SWOT analysis and public consultation identified a need for capital investment over a wide range of areas, in order to, inter alia, target support at key sectors to enable growth and expansion, contribute to environmental and climate change objectives, support increased efficiency of holdings, and improve animal health and welfare.

A range of possible areas for investment emerged from the SWOT, including both productive and non-productive investments. However, the need for certain investments that has been identified by stakeholders and through the SWOT process, in particular rainwater harvesting and anaerobic digestion, must be considered against the backdrop of very low demand for certain previous schemes of this type. For example a rainwater harvesting scheme is only suitable for specific enterprises with very heavy water usage. The costs involved including pumping, storing and treating water can be significant and a mains supply/well supply is also required as back up for these enterprises. Therefore it is probably a lower priority investment for individual enterprises and the type of investment that is completed when all other capital investments have been done.

A crucial area identified for targeted on farm investments is the dairy industry, which is expected to expand significantly in the post quota era; milking and storage and cooling equipment emerged from the needs assessment process as a high priority as support to planned expansion. Another key area identified is the need for enhanced storage of farm organic nutrients such as soiled water facilities, soiled manure storage on poultry farms and potentially slurry storage. Other possible
priority areas identified include support for the uptake of low emissions spreading technology and support for certain types of animal welfare, handling and safety equipment.

The double dividend of increasing productivity while at the same time supporting actions to assist in the mitigation of the impacts of climate change is fundamental to the achievement of Food Harvest 2020 commitments. Therefore energy intensive farming sectors were identified as areas where investment might also be targeted.

Proposed investment in on farm capital investment also emerged as a possible avenue for addressing certain structural challenges in the sector – namely the age profile of Irish farmers – given that the Rural Development Regulation allows for greater aid intensity to be directed at young trained farmers under Article 17.

**Identified need – Support for farmers in Less Favoured Areas (Areas of Natural Constraints) to increase farming viability and competitiveness**

2a) *improving the economic performance of all farms and facilitating farm restructuring and modernisation, notably with a view to increase market participation and orientation as well as agricultural diversification;*

The Less Favoured Areas scheme under the 2007 – 2013 RDP was very efficient in terms of its operation, particularly given its close linkages to the Pillar One Single Farm Payment Scheme. Over the course of the 2007 -2013 Rural Development Programme, the Less Favoured Areas scheme contributed significantly towards Family Farm Incomes, particularly in the case of the less profitable beef and sheep sectors, and along the Western seaboard and in the Border Midlands and Western (BMW) region. The stakeholder consultation process also showed major support for the scheme from a variety of different stakeholders and the scheme is also often closely associated with environmental and social benefits. However the impact in terms of improving the economic performance of farms and enhancing farm viability and competitiveness is probably the most tangible outcome of the Scheme. For this reason, it is included under priority 2 in this Needs Assessment, although it is recognised that the Scheme can also be linked to Priority 4 for example. However, regardless of which priority and focus area Less Favoured Areas / Areas of Natural Constraints are programmed under, a clear and real need for a scheme of this type emerged from the SWOT and consultation processes.

**Identified need – Targeted Investment Support to Young Farmers Entering into Agriculture**

2b) *facilitating entry of adequately skilled farmers into the agricultural sector and in particular generational renewal.*

An effective ladder of opportunity for trained young people to enter into and progress in farming and which will result in an improved age profile of farmers is a clear challenge for the sector. This has been clearly demonstrated in the public consultation process and in the SWOT analysis, and the availability of land through inter generational farm transfer is crucial to this need. However, broader cultural and socio-economic issues such as the long-standing Irish historical attitudes towards land ownership are central here and these are beyond the scope of the RDP.

It is important to note, however, that support to the agri-food sector is delivered across both Pillar 1 and Pillar 2 of the Common Agricultural Policy. In relation to Pillar 1 there are several innovative features of the new Common Agricultural Policy, including support for young farmers.
This is incorporated in two elements of the new Direct Payment Regulation, namely the ‘Young Farmers Scheme’ and the ‘National Reserve’. The essential purpose of the Young Farmers Scheme and the National Reserve is to assist young farmers in the initial stages of establishing a farming enterprise in their own name and to encourage generational renewal. As a complement to these measures, it is also an option to support young farmers under Pillar 2 via increased aid intensity under Article 17 and support for increased uptake of new and existing farm collaboration mechanisms could offer a further approach to this issue. This integrated approach is seen as a more effective approach to the identified need to support young farmers than a stand alone scheme of support for start up costs for young farmers.
Priority Three

Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture, with a focus on the following areas:

a. improving competitiveness of primary producers by better integrating them into the agri-food chain through quality schemes, adding value to agricultural products, promotion in local markets and short supply circuits, producer groups and organisations and inter-branch organisations;
b. supporting farm risk prevention and management

Brief Summary of SWOT / Consultation themes

The outcome of the public consultation process and the SWOT analysis demonstrated a broad need for support for the organisation of artisan and small scale food production particularly in the areas of added value production, participation in quality schemes and the strengthening of the producers’ position in the market (including cooperation and collaboration).

Identified need – Sectoral support to increase competitiveness and efficiency

3a) improving competitiveness of primary producers by better integrating them into the agri-food chain through quality schemes, adding value to agricultural products, promotion in local markets and short supply circuits, producer groups and organisations and inter-branch organisations;

The need to support artisan food, organic food products and direct selling of farm products was evident in the stakeholder consultation and the SWOT analysis. In addition, the Food Harvest 2020 strategy recommended broadening opportunities, including local markets, for the purchase of local food. Increased co-operation is important in terms of the integration of producers into the supply chain. The use of quality schemes and the organisation of Producer Groups are possible approaches to enhancing the producers’ position in the market. However in order to ensure that food quality and safety concerns are not affected through small scale production and direct selling, there is a need to continuously improve and validate production quality.

The beef sector is a major component of the agri-food sector in Ireland, and the SWOT and consultation processes highlighted a number of challenges for that sector. It is essential that the reputation and competitiveness of the beef sector is maintained and enhanced in future, with forecasts in increasing global demand and increasing low cost global competition. At the same time beef farmers are amongst the most vulnerable in the farming sector in terms of their lower farm incomes and their higher dependence on direct payments. This was shown in the SWOT analysis and the need for enhanced viability and competitiveness was also a theme in the Food Harvest 2020 strategy. Therefore support to this sector is needed, for example through assisting in production at the higher end of the value chain and continuing to support the distinctiveness of Irish beef.
Identified need – Increase awareness of Risk Management and Price Volatility

3b) supporting farm risk prevention and management

While a need has been identified for support for risk management particularly in the case of animal plant and pest disease, there was divided opinion amongst stakeholders on the extent of this need in terms of support under the 2014-2020 Rural Development Programme. Animal diseases might best be addressed through knowledge transfer and advisory services as referred to previously. In terms of risk management in general it is believed that this could also be addressed via Knowledge Transfer mechanisms.
Priority 4

Restoring, preserving and enhancing ecosystems related to agriculture and forestry, with a focus on the following areas:

a. restoring, preserving and enhancing biodiversity, including in Natura 2000 areas, and in areas facing natural or other specific constraints and high nature value farming, as well as the state of European landscapes;
b. improving water management, including fertiliser and pesticide management;
c. preventing soil erosion and improving soil management.

Brief Summary of SWOT / Consultation themes

The outcome from the public consultation and the SWOT analysis demonstrated a broad need for a targeted agri-environment scheme/measure to include emphasis on Natura 2000 sites and on water quality. Areas of natural constraint (formerly Less Favoured Areas) play an important role in the environment and the avoidance of land abandonment. Well-designed, targeted, monitored and managed measures will contribute to meeting Ireland’s objectives under the Rural Development Programme and also the EU 2020 Biodiversity Strategy, EU Habitats and Birds Directives and Water Framework Directives.

Identified need - A Well Targeted and Designed Agri Environment Scheme

4a) restoring, preserving and enhancing biodiversity, including in Natura 2000 areas, and in areas facing natural or other specific constraints and high nature value farming, as well as the state of European landscapes;

The outcome from the public consultation and the SWOT analysis demonstrated a clear need for an effective agri-environment-climate measure with emphasis on general agri-environment challenges as well as more specific biodiversity issues. Well-designed, targeted, monitored and managed measures will contribute to meeting Ireland’s objectives under various Directives, Strategies etc - for example: the EU 2020 Biodiversity Strategy, EU Habitats and Birds Directives and Water Framework Directives.

As referred to in the SWOT analysis, although significant progress has been made in the past decade, biodiversity loss has not been halted in Ireland. An agri environment-climate scheme is a crucial mechanism to help preserve and restore biodiversity. The need to implement support for overcoming the constraints imposed upon farmers in designated Natura 2000 sites and for the protection of habitats and species were recurring themes in the SWOT and consultation processes. One possible approach identified was a tiered Agri environment scheme addressing general environmental needs at a basic level and more targeted environmental needs at a higher level dealing with a particular need including uplands conservation for commonages, conservation of selected endangered bird species and farmland habitat conservation. There was clear support emerging for any such scheme to take cognisance of, for example, Ireland’s Prioritised Action Framework for Funding Natura 2000.

Other themes evident in the SWOT and public consultation included the importance of approved agricultural planners, actions targeted at specific areas (as opposed to a whole farm approach), the
need for record keeping of actions undertaken and the role of dedicated training in environmental practices and standards.

**Identified need – Protection of High Status Waters, Improvement of Water Quality and Appropriate Usage of Fertiliser**

4b) *improving water management, including fertiliser and pesticide management;*

The results of the stakeholder consultation pointed to a need to address water quality issues, particularly in the context of agri-environment climate measures. Relevant issues here included the protection of high status waters, the improvement of water quality in particularly sensitive areas, and riparian planting/management which can help to alleviate flooding and to protect water quality. In this context buffer zones along water courses and fencing of water courses were highlighted as possible priority actions under an agri-environment climate measure.

There may also be a need for any agri environment-climate scheme to address and support fertiliser and pesticide management issues beyond current regulatory standards. Reliance on imported fertilisers and their volatile prices as an agricultural input was found to be a threat under the SWOT analysis and improved fertiliser usage efficiency was noted as an opportunity that might be exploited. Appropriate fertiliser levels were also identified as an important issue, particularly given the strong green reputation of Irish agriculture and the need to maintain and enhance this where possible.

**Identified need – Improved Nutrient Management Planning and Appropriate Grazing Levels amongst Farmers**

4c) *preventing soil erosion and improving soil management.*

The Food Harvest 2020 strategy noted that soil management was an important element of environmental sustainability. The predominance of Ireland’s grass-based farming systems minimises the risk of soil erosion, and this was found to be one of the strengths during the SWOT analysis. Actions taken to improve water quality can also have a beneficial impact upon soil erosion, as was highlighted during the stakeholder consultation process. The analysis points to the fact that preventing soil erosion and improved soil management may be best addressed through specific measures or actions within any Agri environment scheme such as crop management and appropriate grazing levels. In the past over-grazing on upland areas was a major environmental issue. However, under-grazing can also present environmental difficulties and innovative actions may be needed to address the possibility of under-grazing on commonage areas. For example the possibility of collective actions amongst groups of farmers on a single commonage is an option. This would also encourage co-operation amongst farmers at local level.

Appropriate fertiliser levels are also important in relation to soil management overall. The possible inclusion of a nutrient management plan within an agri-environment scheme thus arose as a theme in the SWOT and consultation phase. The requirement for nutrient management plans was a feature of previous Agri Environment schemes under the 2007-2013 Rural Development Programme in part. For example, a nutrient management plan was required for participants under the Rural Environment Protection Scheme (REPS) but it was not required under the Agri-Environment Options Scheme (AEOS).
Priority Five

Promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors, with a focus on the following areas

a. Increasing efficiency in water use by agriculture;
b. Increasing efficiency in energy use in agriculture and food processing;
c. Facilitating the supply and use of renewable sources of energy, of by products, wastes, residues and of other non food raw material for purposes of the bio-economy;
d. Reducing green house gas and ammonia emissions from agriculture;
e. Fostering carbon conservation and sequestration in agriculture and forestry.

Brief Summary of SWOT / Consultation themes

The outcome from the SWOT and the public consultation process demonstrates an overall need to address resource efficiency to reduce emissions to promote the production of renewable energy and to foster carbon sequestration.

Identified need – Better Water Usage in Agriculture

5a) Increasing efficiency in water use by agriculture;

The SWOT analysis noted that Ireland already had a low water footprint in terms of water usage, particularly in the case of meat and dairy production which are traditionally seen as intensive water users. Low levels of irrigated and abstracted water usage in Irish agriculture were evident. Nonetheless there may be a need to increase efficiency in water use. In national terms water efficiency will be enhanced by the introduction of national water charges and metering expected in the near future. However the need for improved efficiency in water usage could also be met by investment measures under Article 17 in the Rural Development Programme. This point was noted with some frequency during the stakeholder consultation. However the low uptake under the Rainwater Harvesting Scheme under the 2007-2013 RDP needs to be considered. It should also be noted that, due to costs involved in investing in rainwater harvesting, it only suits particular enterprises with especially heavy water usage such as dairy, horticulture, pigs and poultry. It is a very significant capital investment and generally is seen as a low priority investment amongst farmers. Therefore, in terms of the prioritisation of needs, this need may be lower than the other capital investments that have been proposed elsewhere. Furthermore the environmental impact of other non productive investments might be more significant.

Identified need - Promote the Efficiency of Energy Use in Agriculture,

5b) Increasing efficiency in energy use in agriculture and food processing;

Rising energy costs were noted in the SWOT analysis as a major challenge for agriculture but also as a potential opportunity for increasing the efficiency of energy use on farms. The possibility of farm energy plans was another potential opportunity under the SWOT analysis, although its practical implementation may be limited. Energy efficiency within agriculture also arose as an issue during the stakeholder consultation, albeit not as an over-riding concern when compared to some other environmental and climate change objectives. Nonetheless, there is an identified need
to promote the efficiency of energy use in agriculture in certain circumstances. In particular, support might usefully focus on the more energy intensive sectors, such as the pig sector. The evidence gathered suggested that this need could be addressed via Article 17 capital investments.

**Identified need – Increase the Supply of Bioenergy and where possible facilitation of the Bioenergy Supply Chain**

5c) Facilitating the supply and use of renewable sources of energy, of by products, wastes, residues and of other non food raw material for purposes of the bio-economy;

The potential for supports to increased production of renewable energy under the RDP was a clear theme during the stakeholder consultation process. Renewable energy also arose as an issue during the SWOT analysis. Despite increases in recent years there are still relatively low levels of production and use overall in Ireland as noted by the SEAI. Another weakness that was noted in this area was the problems in terms of the supply chain for bioenergy production, i.e. the need to better join up supply and demand.

Therefore there is an identified need to facilitate the supply of renewable energy which may be enhanced by support for investment measures in renewable energy under priority 2. Renewable energy supply and demand should also be better linked and joined up and the use of co-operative or regional approaches might be facilitated. Short rotation forestry, energy crops or agro forestry can aid in the replacement of fossil fuels and energy intensive materials. In terms of bioenergy production under the current RDP, some problems have been experienced in relation to miscanthus in recent times, and it may be the case that willow in particular has a greater potential in terms of uptake. These factors must all be considered in any analysis of bioenergy schemes and renewable energy production.

**Identified need – Improved Livestock Breeding and Production Systems and Targeted Agri-Environment Climate Action to Reduce GHG and ammonia emissions**

5d) Reducing green house gas and ammonia emissions from agriculture;

As the level of Green House Gas and ammonia emissions from agriculture in general, and from ruminants in particular, is significant in Ireland there is a clear need to reduce these emissions through improved livestock breeding and production systems, the promotion of innovative approaches and best practice, and through targeted agri-environment action. This feature of our high emissions arose in the course of the SWOT analysis in different guises. For example the fact that over 30% of our GHG emissions arise from agriculture was found to be a weakness. Nonetheless the opportunity is clearly there to reduce emissions further and take advantage of the positive green and sustainable Irish reputation. The climate challenge was a particular feature of the stakeholder consultation with many stakeholders clearly aware of the challenges and opportunities ahead in terms of reducing GHG and ammonia emissions. There is a clear link to the Food Harvest 2020 strategy in terms of the requirement for smart green growth. The double dividend of increasing productivity, and at the same time supporting actions to assist in the mitigation of the impacts of climate change, is fundamental. Some of the actions that would be required in order to meet this need could be programmed under a variety of potential RDP measures including: Article 14 (Knowledge Transfer and Information Actions), Article 17 (Investments in Physical Assets), Article 28 (Agri-Environment-Climate) and also Article 35 (Co-
operation). Regardless of the way in which such possible supports are designed, the need remains as clearly established.

Identified need – Protection of Existing Carbon Stores, Improvement of Carbon Sequestration combined with Effective Measurement

5e) Fostering carbon conservation and sequestration in agriculture and forestry.

There is a need to protect existing stores of carbon and to and improve carbon sequestration. Any increase in the forestry cover combined with targeted agri-environment action including on wetlands and peatlands would assist in addressing this need. The issue arose to some extent during the public consultation process but perhaps more prominently during the SWOT analysis. That found for example that there were many opportunities in terms of encouraging the fostering of carbon sequestration in agriculture and forestry. Short rotation forestry, energy crops or agroforestry all have significant carbon sequestration potential. Carbon stores in old species rich grasslands can be protected from degradation through specific and targeted agri-environment action. Additionally, the enhancement of hedges, trees and field margins can improve their carbon storage. In Ireland peatlands can be a significant carbon store, so the development of a measure within an agri environment scheme to protect blanket bog and upland commonage is a possibility in order to conserve this store. However, as is the case with any of these environmental actions that affect carbon conservation and sequestration, the need to enhance and improve this must also be considered against the potential difficulties in terms of measurement, controls and verification of carbon sequestration. For example the Food Harvest 2020 strategy noted that there is a need to assess how various land uses, coupled with soil and land management can enhance soil carbon sequestration in a measurable, reportable and verifiable manner so as to inform future land use and land management strategy.
Priority Six

Promoting social inclusion poverty reduction and economic development in rural areas, with a focus on the following areas:

a. facilitating diversification, creation and development of small enterprises as well as job creation;
b. fostering local development in rural areas;
c. enhancing the accessibility, use and quality of information and communication technologies (ICT) in rural areas

Brief Summary of SWOT / Consultation themes

There is a need to ensure that rural areas do not fall behind urban areas with regard to economic development and social inclusion. Support for enterprise development and job creation for example in the areas of tourism, food and renewable energy could be considered.

Identified need – To contribute to a coordinated approach to the delivery of support for enterprise development and job creation in rural areas.

6a) facilitating diversification, creation and development of small enterprises as well as job creation;

Key issues that arose in this focus area are the high unemployment rate in and emigration from rural areas and the need to respond via targeted training and support for enterprise development and job creation. Access to credit and finance in general is also an important aspect of initiatives that support enterprise development. There are a number of sectors within the rural economy that have been identified as having potential from the perspective of enterprise development and job creation. These sectors include:

i) Artisan Foods
ii) Renewable Energies
iii) Marine
iv) Social Enterprise
v) Creative Industries

In line with available evidence individual Local Development Strategies (LDS) will be required to examine the potential of these sectors within the LDS process and in the context of an integrated regional and local planning approach. It is envisaged that this integrated approach to planning and local level will not only maximise the impact of available support but also ensure that responsible bodies are working in a complementary way to ensure this, for example in areas such as the marine. Support allocated through the LEADER element of the RDP will focus on the need to facilitate specific training and capacity building. This will support the development of enterprise with identified potential, tailored to the LDS area and working in cooperation with the overall approach proposed in Putting People First. Direct support to enterprise development will also be supported for enterprise initiatives in the SME sector in line with the regulatory framework. While all enterprise initiatives will be considered the programme will place a specific focus on the need to provide support to farm families to diversify and explore business opportunities outside the farm gate.
Identified need – To ensure effective and coordinated use of all available rural resources, physical and human to support local development in rural areas

6b) fostering local development in rural areas;

Existing community structures and social capital can be harnessed to promote social inclusion and the development of rural areas with particular emphasis on all aspects of tourism, food, renewable energy and village renewal.

There is a body of evidence suggesting that rural towns and their hinterlands have felt the negative impacts of the economic downturn in the recent past more than other areas. As rural towns are often the centre of the rural economy, measures must be taken to address this as Ireland emerges from the current crisis, or there is a danger that they will be unable to avail of opportunities going forward. In this context, locally based initiatives to stimulate local/rural development are required that look at a more integrated approach to rural development and promote and utilise all available resources in a given area to promote development in a more coherent and effective way. This kind of initiative will be developed using the LEADER approach therefore tailoring the solution to the particular problems of the areas concerned and centred on the development of plans that are integrated into the County and Community planning processes outlined in Putting People First as well as developed from the Local Development Strategies as required in the EU regulatory framework.

Identified need – To support and enhance national communications initiatives to improve broadband and ICT infrastructure with a particular focus on rural areas.

6c) enhancing the accessibility, use and quality of information and communication technologies (ICT) in rural areas.

A recurring theme in the SWOT and consultation process was the need to enhance the availability of high speed broadband as a pillar of development in rural areas. The need for high quality broadband has also been identified in ‘Building Ireland’s Smart Economy – A Framework for Sustainable Economic Recovery’, and the upcoming report of the Commission for the Economic Development of Rural Areas. For many rural entrepreneurs this is one of the most important aspects of enterprise development in rural areas with issues focusing not simply on the availability of broadband but also on the quality of the available broadband. There is recognition that this challenge is being addressed at national level. However, more needs to be done to ensure that consideration is given to rural areas when working towards achieving national targets, to ensure that the development of broadband capacity in rural Ireland does not fall behind that of its urban counterparts.
Chapter 2 Description of the Strategy

2.1 Justification of the needs selected

The process of identifying the needs to be addressed by RDP funding and of designing measures in order to address these needs in the most efficient and effective manner was a lengthy and complex undertaking. The foundation for this process was a complex and multi-layered overarching policy framework. At the European level, this policy framework is set out in

- Europe 2020 (the EU’s ten year growth strategy on which specified priority areas and thematic objectives have been based),

- Ireland’s National Reform Programme (which provides an update of Ireland’s progress under the Europe 2020 strategy and outlines implementation of some of the key policy reforms underway following Ireland’s exit from the 3 year EU/IMF programme of financial assistance)

- the EU Cohesion Legislative Package (which sets out the legal basis for the European Structural and Investment Funds), and

- the Common Strategic Framework (which has been established to maximise the contribution of the European Structural and Investment Funds).

Within the context of Rural Development Legislation, this policy framework fed into the development of the Rural Development Priorities and related Focus Areas which form the backdrop to the needs identified and the measures consequently designed in this RDP.

At the national level, the policy context is framed by the Irish economy emerging from a deep recession in tandem with the strong implementation of and exit from the EU/IMF programme. Ireland’s Partnership Agreement sets out the national policy strategies and targets that have been developed in this framework, and which are linked to Ireland’s national targets set out in the National Reform Plan. These targets are linked to each of the 5 headline areas of the Europe 2020 Strategy, namely employment, research and development, climate change, education, and poverty.

Further framing the context for the development of the needs underlying the development of this RDP were a number of key sectoral strategies and reports. For example, Food Harvest 2020 is an industry led approach setting out ambitious growth targets across the Irish agri-food and fisheries sector to underpin the sector’s continuing contribution to national economic recovery and growth. The Environmental Impact Analysis of Food Harvest 2020 was considered in tandem with the targets of Food Harvest 2020 as the needs assessment progressed given that the challenge of providing for sustainable growth was central to the development of the RDP.

Cognisant of the fact that the RDP was to be designed in the context of the wider set of challenges and opportunities in Rural Ireland, the identification of needs to be addressed was also framed by strategies such as the report of the Commission for the Economic Development of Rural Areas (CEDRA). The primary task of CEDRA was to identify strategic initiatives to ensure that rural areas contribute to sustained and sustainable national economic growth and development in the future.
Within this context, a comprehensive body of preparatory work has been undertaken in order to establish a sound basis for the identification of needs to be addressed via the RDP. One of the main principles underlying this process has been the requirement to link the needs to be addressed in the RDP to the real issues faced by rural Ireland. With this in mind, a comprehensive process of stakeholder consultation has underpinned the entire process of RDP development. Section 16\(^{46}\) sets out in further detail the various stages of stakeholder consultation which have taken place. What is clear from Section 16 is that this consultation has been strategically targeted at key phases of the RDP development process, and that the feedback received from a very wide range of stakeholders has had a tangible impact on the development of the needs, priorities and objectives to be addressed and the measures to be supported under this RDP. This partnership focused approach to the identification of needs and the development of measures was a key element in ensuring that RDP funding is to be targeted at very real and important issues in the sector.

The development of the RDP has also involved a comprehensive and targeted process of drawing on the existing expertise and knowledge within the Irish public sector and an extensive examination of relevant research reports and policy publications. Thus, the preparatory work in identifying needs and designing measures has involved a wide range of officials across relevant Government Departments and other public bodies. This not only helped to ensure that a wider understanding of the needs to be addressed in the RDP was established but also that a strategic approach was adopted which ensured that duplication has been avoided and that an integrated and complementary approach to funding has been put in place. This strategic approach has been further supported by the establishment of the National Coordination Committee for the Funds which works to address cooperation, complementarity and subsidiarity issues between the ESI Funds in Ireland.

In tandem with these processes, the independent evaluators engaged to undertake the ex ante evaluation of the RDP were involved in the development of the preparatory analyses underlying the design of the RDP. Their involvement was on the basis of an ongoing engagement with the Department of Agriculture, Food and the Marine as the preparatory work developed and the evaluators provided specific feedback and comments as the process progressed which ensured, inter alia, that the identification of needs to be addressed in the RDP was based on a firm foundation. The involvement of the independent evaluators in this way provided an additional layer of external validation in relation to the justification of the needs identified.

The above approach provides a clear foundation for the extensive work which was involved in developing the Situation Analysis, SWOT analysis and Needs Assessment set out in Section 1. In particular, the Situation and SWOT analyses were designed and undertaken to ensure that a clear understanding of the issues underpinning the identification of investment needs was a central element of RDP design.

The clear link from the overarching policy framework set out in the Partnership Agreement which feeds from identified thematic objectives to the identification of needs in the sector based on the Rural Development Priorities provides a firm and evidence based approach to identifying the intervention logic which underlies this RDP.

The predominant theme which emerged during the development of the SWOT and Needs analyses was that a wide range of issues existed which cut right across the spectrum of the Rural Development Priorities and associated Focus Areas. In considering the wide range of evidence and information emerging from the SWOT etc, the approach taken was to prioritise needs that

\(^{46}\) Section 16 refers to a draft section for the RDP which is not included in this consultation document
were consistent with the overarching policy context set out above, which were firmly based in the evidence emerging, and which would provide a clear rationale for the investment of EU and national funds over the lifetime of this RDP. Thus, the process of identifying the needs underlying investment strategy highlighted the following thematic areas of need as particular priorities:

- The need to support continued growth and viability in the sector while taking account of the sectoral and structural issues which emerged from the preparatory work outlined above and set out in Section 1 (SWOT etc)
- the need to support social inclusion, poverty reduction and economic development in rural areas.
- the need for strong support for ongoing support in relation to key environmental, climate change and biodiversity issues.
- The need for continued and increased support for knowledge transfer in various forms and to ensure that such knowledge transfer is linked to tangible outputs at ‘ground level.’
- the need to support sectoral growth and primary producers in particular areas

While the range of needs identified at a more detailed level is set out above, it is clear that a wide ranging set of needs emerged from the preparatory analysis which underlies the development of this RDP. These identified needs, which are logically linked to the issues identified in the SWOT and Situation analyses, have formed the basis for the choice of objectives, priorities and focus areas to be addressed in this RDP.

The emergence of a wide range of needs from the preparatory analyses set out above (SWOT etc) underlies the approach to addressing investment priorities in this RDP. All the Rural Development Objectives and Priorities as contained in the Rural Development Regulation will be addressed by this RDP. As set out below, the cross cutting and integrated nature of measure design means that measures will necessarily contribute to multiple Priorities and related Focus Areas.

In relation specifically to objectives, it is clear from the issues which arose in the SWOT and Needs analyses that investment priorities exist in relation to each objective. Thus, the RDP will contribute to the three objectives as set out in Rural Development Regulation, namely

- fostering the competitiveness of agriculture
- ensuring the sustainable management of natural resources and climate action
- achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment.

Similarly, the nature of the evidence which emerged from the preparatory analyses underlies the broad based approach evident in the RDP in relation to the expected contribution to particular rural development Priorities and Focus Areas. This is set out in greater detail below, as the particular measures which have been chosen on foot of the evidence arising from the preparatory analyses are set out in conjunction with relevant Focus Areas

2.2 Choice and combination of measures

The process of selecting and designing rural development measures for inclusion in this RDP has been firmly based in the preparatory work such as the Situation, SWOT and Needs analyses
contained in this RDP. Thus, the measures outlined in this RDP establish clear linkages between identified needs in rural Ireland, the Rural Development Priorities set out in the Rural Development Regulation, and the wider policy context set out in this RDP and in Ireland’s Partnership Agreement. Consequently, in selecting and designing measures, the need to ensure that measures are firmly rooted in a clear intervention logic was at all times central to the process.

What immediately became clear once the measure selection and design process began was that

- the measures under consideration would deliver the most benefit if they were designed to cut across a number of Rural Development Priorities and associated Focus Areas. Thus, for example, the design of the on farm capital investment measure was designed in a manner that would make a contribution to a range of priority areas such as viability and competitiveness, environmental and sustainability issues, and animal health issues. This is a recurring theme in the outline of this RDP’s measures set out below.

- the measures under consideration would also deliver the most benefit if they were designed to cross cut with each other in a way that was mutually supportive and integrated. Thus, for example the knowledge transfer measures outlined in the RDP will support the development of the sector’s knowledge base as an end in itself but will also be fundamentally linked to the benefits to be gained, for example, from the Agri-Environment and Climate measures set out in this RDP.

In developing the measures contained in this RDP, cognisance was also taken of the experience gained in measure design in previous programming periods, the need to lessen administrative burden, complementarity with other funding mechanisms, and the need to target the achievement of value for money. The choice and combination of measures relating to each Focus Area are set out in Section 2.2.1.

2.2.1 Choice and combination of measures

**Priority 2** – Enhancing farm viability and competitiveness of all types of agriculture in all regions and promoting innovative farm technologies and the sustainable management of forests.

**Focus Area 2 (a)** - Improving the economic performance of all farms and facilitating farm restructuring and modernisation, notably with a view to increasing market participation as well as agricultural diversification.

The main measures selected to address this focus area are the On Farm Capital Investment Measure, the Collaborative Farming Measure, and the Beef Data and Genomics Measure.

The On Farm Capital Investment measure responds to a wide range of areas identified during the preparatory analyses. The clear message that emerged from the analysis was that renewed capital investment would underpin competitiveness by encouraging the upgrading and modernisation of holdings. Thus, the set of investment priorities identified under TAMSII will support farmers in responding to competitiveness challenges by investing in, for example, the upgrading on dairy equipment to allow expansion in a post quota market, and / or modernise their animal housing facilities.

A particular sectoral competitiveness challenge was identified in the SWOT etc in the Beef sector, and the Beef Data and Genomics measure will support the introduction of innovative practices in the suckler herd which will underpin greater competitiveness on an ongoing basis. These two
measures will be complemented by the Collaborative Farming measure which approaches the issue of economic performance and modernisation from the perspective of some of the structural issues highlighted in the SWOT such as land mobility and demographic issues. Support for collaborative farming is designed to encourage an increased level of farm partnerships (and other recognised collaborative approaches), with the attendant economic, structural and skills related benefits accruing.

It should also be noted, that the integrated design of RDP measures which is firmly based on establishing a firm intervention logic linking back to the Rural Development Priorities means that there are a number of other measures in the RDP which would be expected to be beneficial in terms of the themes of economic performance, restructuring or modernisation but which would not be as focused on these themes as the above mentioned measures. Thus, for example, it would be expected that measures such as Knowledge Transfer Groups, Targeted Animal Health Advice, and EIP Operational Groups would have beneficial effects in this regard, although they are not as directly linked in the intervention logic approach to this particular Focus Area and the associated target.

Likewise, the ANC measure would be expected to provide an important support to the viability of particular farms, thus underpinning economic performance and competitiveness.

**Focus Area 2 (b) – Facilitating the entry of adequately skilled farmers into the agricultural sector and, in particular, generational renewal**

The issue of entry to the farming sector and generational renewal were clearly identified in the SWOT and Needs analyses. The primary measures included in the RDP to address this Focus Area are the targeted support under the On Farm Capital Investment Measure and the Collaborative Farming Measure.

One of the barriers identified to young farmers entering the sector, or expanding their venture, is the high cost of the necessary capital investment. This need is addressed in the overarching design of the On Farm Capital Investment Measure. However, in order to target support specifically at encouraging young farmers and to enable them to take on necessary investment the Measure design incorporates a higher rate of aid intensity for young farmers as provided for under the terms of the Rural Development Regulation. Thus, young farmers as defined in the Rural Development Regulation are eligible for a grant support of 60% of the eligible costs for identified capital projects. This 60% rate compares very favourably to the general 40% rate, and is designed to be a significant support for young farmers (and as a complement to the Young Farmer Scheme under Pillar 1). As a complement to this measure, the Collaborative Farming Measure has been designed to address some of the structural issues facing young farmers entering the sector and which inhibit generational renewal. In particular, the Collaborative Farming Measure is designed to alleviate issues relating to land mobility and channels of access to the sector.

Thus, this focus area is approached from different perspectives in order to more fully address the underlying issues.

**Priority 3 – Promoting food chain organisation, including processing and marketing of agricultural products, animal welfare and risk management in agriculture.**

**Focus Area 3(a)- Improving competitiveness of primary producers by better integrating them into the agri-food chain through quality schemes, adding value to agricultural products,**
promotion in local markets and short supply circuits, producer groups and organisations and inter-
branch organisations.

The main measures contributing to this Focus Area are the Artisan Food Cooperation Measure
and the Quality Schemes Measure. Building on issues identified in the SWOT and Needs
analyses the Artisan Food Cooperation Measure will provide support for collaborative approaches
for producers to strengthen their position in the market. Collaborative proposals to be supported
will assist artisan producers to improve and validate product quality and help to develop the
marketing of their products. This Measure will thus build on an area of opportunity specifically
highlighted in the SWOT analysis. The identified challenges which this measure will address
include the challenge for primary producers in integrating themselves into the food chain, and the
need to add value to agricultural products.\(^{47}\)

**Focus Area 3(b)- Supporting farm risk prevention and management**

The main measures aimed at addressing this Focus Area are the Targeted Animal Health and
Welfare Advisory Measure and the Knowledge Transfer Groups Measure. While animal welfare
is referenced in the overarching priority 3 it is not referenced in a specific Focus Area. However,
in designing this RDP, the theme of building on the current animal welfare systems in place and
proactively addressing the risk of disease outbreaks emerged clearly from the preparatory
analyses. Accordingly, a Targeted Animal Health and Welfare Advisory Measure has been
included to complement the other elements of knowledge transfer which are integrated across the
RDP. This measure will strategically target a number of core areas where the economic rationale
for managing the risk of animal disease is particularly prominent. Such areas include Johne’s
disease, BVD, SCC and PRRS. In order to ensure a high quality, tailored response to this issue
the measure will incorporate both training of the advisors and a farm specific delivery of advice.
The outputs which will enable farmers to better manage the risk of disease outbreak will be
encapsulated in an action plan agreed with the advisor with specific, actionable recommendations.

While there was not a clear support / need emerging for a risk management scheme per se, the
approach of including financial and risk management issues into knowledge transfer measures did
emerge from stakeholder consultations. The Knowledge Transfer Group Measure will also
include a focus on this particular area. Firstly, particular groups will include animal health and
welfare issues as a complement to the above advisory measure. In addition, wider elements of
risk and financial management and prevention have been incorporated into the outputs and actions
to be delivered by certain Knowledge Transfer Groups. This latter element corresponds to a
particular need identified in the preparatory analyses.

**Priority 4 – Restoring, preserving and enhancing ecosystems related to agriculture and forestry.**

**Focus Area 4(a) – restoring, preserving and enhancing biodiversity, including in Natura 2000
areas, and in areas facing natural or other specific constraints, and high nature value farming, as
well as the state of European landscapes**

**Focus Area 4(b) – improving water management, including fertiliser and pesticide management**

**Focus Area 4(c) – preventing soil erosion and pesticide management**

\(^{47}\) The programming of these measures may change if they are delivered via LEADER as currently proposed
In line with the relevant EU Commission guidance document, the treatment of measures for Priority 4 is at priority level, rather than at the level of individual Focus Areas.

The challenges relating to biodiversity, water management and soil management were clear themes emerging from stakeholder consultation and the SWOT analysis. In order to address these matters in a strategic and comprehensive manner, a number of measures have been designed to make a clear contribution to this priority. Firstly, the main AEC Measure (GLAS) has been designed in such a way as to achieve objectives under both Article 28 and Article 30 of the Rural Development Regulation. Payments for Natura 2000 sites have been included in the Measure and the prioritised structure of the measure affords this challenge appropriate status. The range of actions within the measure also ensures that both the key challenges emerging from the SWOT relevant to the three Focus Areas above are addressed in a comprehensive manner. The incorporation of core mandatory requirements and the focus on the farmer delivering actions that will provide the most environmental benefit on his/her farm will ensure that the optimum environmental impact is achieved.

In keeping with the integrated approach to measure design and the significance attached to the environmental issues emerging from the SWOT etc, a number of other measures have been designed in order to reinforce and complement the benefits to be delivered by GLAS. The Locally Led AEC Measure will address a limited number of high-priority environmental issues which pose particular challenge and which require a collective response at local level, while the Knowledge Transfer Group, CPD for Advisors and EIP Operational Groups Measures will all contribute to the knowledge base which will underpin the achievement of greater environmental benefits. Finally, the Areas of Natural Constraints Measure will support the continuation of farming in accordance with environmental standards in areas facing particular constraints.

**Priority 5** – promoting resource efficiency and supporting the shift towards a low carbon and climate resilient economy in agriculture, food and forestry sectors

**Focus Area 5(a)** – increasing efficiency in water usage by agriculture

This focus area relates to the efficient use of water and more efficient irrigation systems (as indicated by the associated output target). Accordingly, while the RDP has a number of measures which address water quality issues etc there are no measures linked to this Focus Area in the RDP as it is not an issue which emerged from the preparatory analyses as an investment priority.

**Focus Area 5 (b)** – increasing efficiency in energy usage in agriculture and food processing

The main measure contributing to this focus area is the On Farm Capital Investment Measure, which will provide for support for more efficient energy usage. The preparatory analyses highlighted that energy input costs have been rising in the agri-food sector and that certain sectors are particularly energy intensive. For example, the pig sector has been identified as one such sector and the On Farm Capital Investment Measure includes a strand which will specifically support, inter alia, pig and poultry energy related investments.

A broad theme emerging from stakeholder analyses and the SWOT was the opportunity for expansion which is offered by the abolition of milk quotas in 2015. However, the abolition of quotas themselves will not offer automatic expansion and profitability for Irish farmers. In order to fully realise the potential for growth offered by the abolition of milk quotas, milk farmers must invest and expand in a way that improves the efficiency and effectiveness of their operations. In this regard, the On Farm Capital Investment Measure has identified investment in dairy equipment
as a priority for investment and elements of this support (e.g. for better storage and cooling equipment) will have positive impacts in terms of the efficiency of energy usage in the sector.

The expanded roll out of the Carbon Navigator in the context of Knowledge Transfer Groups will also contribute to this Focus Area.

Focus Area 5 (c) – Facilitating the supply and use of renewable sources of energy, of by products, wastes and residues and of other non food raw material, for the purposes of the bio economy.

The main measure contributing to this Focus Area is the Bio Energy Measure. Demand for renewable energy in Ireland has been growing in recent years, but there remains a relatively low level of production and overall use in Ireland. In responding to this issue, and in anticipating the need to meet EU renewable energy targets, the Bio Energy Measure seeks to support the development of additional areas of energy crops. Support under this measure is particularly aimed at the barrier of high set up and development costs related to growing energy crops such as willow and miscanthus.

While the relevant EU Commission Guidance suggests that all LEADER measures will be programmed under Focus Area 6(b) it is important to note the possible synergy for this Focus Area. While clarity in relation to actual projects to be supported under LEADER will only become clear once local development strategies have been developed, one of the themes arising in the preparatory work undertaken on LEADER to date is the issue of bio and renewable energy. The development of any such support under LEADER will of course take full cognisance of the supports already in place to ensure a strategic and complementary approach.

Focus Area 5 (d) – Reducing green house gas and ammonia emissions from agriculture.

There are a number of measures in the RDP with a positive effect on emissions, including the AEC Measure (GLAS), the On Farm Capital Investment Measure, the Beef Data and Genomics Measure, and the Knowledge Transfer Groups, Organic Farming and CPD Measures.

One of the major themes emerging from the SWOT analysis etc was the need to balance the planned expansion in the Irish agri-food sector with the possible consequent climate change effects and Ireland’s targets in relation to same. Accordingly, the issue of climate change and emissions has been prioritised in the design of the RDP.

The AEC measure includes actions targeted at emissions levels (such as support for low emissions slurry spreading and minimum tillage) and sequestration actions, and these actions are complemented by support under the On Farm Capital Investment Measure for low emission spreading equipment (in particular trailing shoe).

The Beef Data and Genomics Measure has also been designed with a core focus on lowering emissions via support for increases in herd quality and efficiency. For example, Teagasc have identified the establishment of an Economic Breeding Index and support for weight gain in beef as being the most cost-efficient climate change measures and these two elements are central to the design of the Measure.

While the above Measures clearly link to emissions benefits, it is also important that there is an appropriate knowledge base in the sector in relation to climate change issues if they are to be addressed in the most efficient manner. Accordingly, the Knowledge Transfer Groups will include a significant roll out of the Carbon Navigator model. The Carbon Navigator developed by
Teagasc and Bord Bia will allow farmers to understand how their farms produce green house gas, identify mitigation capacity and set targets and a pathway to reduce emissions. Finally, the CPD for advisors measures will ensure that best practice on climate change issues is disseminated across the sector.

It is also possible that, as the priority areas for EIP Operational Groups emerge, climate change or emissions issues may be one area where support is focused. Given the bottom up nature of support for this measure, however, it is not possible to guarantee this at this stage.

**Focus Area 5(e)** – fostering carbon conservation and sequestration in agriculture and forestry.

The main Measure contributing to this Focus Area is the AEC Measure (GLAS).

The SWOT analysis identified potential opportunities for positive action in this area. Building on this and the feedback received from stakeholder consultation, a number of actions have been built into the design of the AEC Measure (GLAS) in order to underpin carbon conservation and sequestration. These include support for enhancement of margins, tree planting, and laying hedgerows, as well as positive linking to the nationally-funded afforestation programme. The proposed reintroduction of support for Traditional Farm Buildings will also make a significant contribution towards carbon conservation through encouraging the restoration and reuse of older buildings in place of new builds.

**Priority 6 – Promoting social inclusion, poverty reduction and economic development in rural areas**

**Focus Area 6(a)** – facilitating diversification, creation and development of small enterprises as well as job creation.

The EU Commission guidance suggests that all LEADER actions should be programmed under priority 6(b).

**Focus Area 6 (b)** fostering local development in rural areas

As per the relevant EU Commission Guidance, LEADER measures will be programmed under this Focus Area.

The LEADER measure will be programmed to support the unique characteristics of the LEADER methodology where individual operations shall be eligible if they contribute to achieving the aims and objectives of the Local Development Strategy and correspond to the objectives and priorities indicated for support under LEADER in the Partnership Agreement and the RDP.

The SWOT and needs analysis have however identified a number of strong themes that should be addressed through RDP interventions and these themes will be presented as indicative LEADER themes as part of the LDS development process. These include

1. Rural Economic Development/Enterprise Development and Job Creation
   - Rural Tourism
   - Enterprise Development
   - Broadband
   - Rural Towns

2. Social Inclusion through building community capacity, training and animation
   - Basic Services for hard to reach communities
3. Rural Environment

The LEADER approach through its positioning at the heart of rural communities is uniquely placed to address all of these needs in the context of supporting social inclusion and poverty reduction in rural Ireland. In the context of a more integrated approach to rural development and in order to address the challenges identified from the 2007-2013 programming period the delivery mechanisms for 2014-2020 will change.

The 2014-2020 programme period will see a concerted effort by Ireland to ensure a more integrated and targeted approach to supporting local development which is anchored in a strong evidence based and supported by coordinated delivery mechanisms, with the aim of ensuring a more effective and efficient delivery of LEADER interventions.

Ireland is proposing to support the implementation of rural development interventions through the LEADER elements of the RDP 2014-2020 at sub-regional level using a partnership approach. This will form part of a more integrated and coherent approach to overall local development that involves community and local government organisations in leadership roles, guiding a more integrated and coordinated approach to the delivery of all funding (both European and National) at a sub-regional level.

The priorities at sub-regional level will be developed using a partnership approach that will draw on the skills and expertise of local public and private socio-economic interests, including local development expertise, local authorities, community and voluntary organisations, etc., in consultation with the wider population. These strategic priorities will then be the basis for programme-specific priorities in each sub-regional area.

In the context of the RDP this approach would see local authorities working in partnership with Local/Development agencies and community representatives to design and implement Local Development Strategies at sub-regional level, based on the strategic priorities already identified. Both strategic priorities and programme-specific priorities would form part of an overall planning process at local level that is integrated with planning processes at regional, national and European levels thereby addressing the need for a more integrated approach to support for rural development at sub regional level.

2.3 Cross cutting objectives

The Rural Development Regulation sets out that all the Rural Development Priorities shall contribute to the cross-cutting objectives of innovation, environment and climate change mitigation and adaptation. Accordingly, these three cross-cutting themes were at the forefront of the design process for this RDP.

**Innovation**

Strengthening Research, Technological Development and Innovation is one of the Thematic Objectives flowing from the Europe 2020 process. The theme of supporting and fostering innovation was also one which emerged strongly from the stakeholder consultation process and the development of the SWOT and Needs analyses. Similarly, Food Harvest 2020 outlines a
vision of Smart Green Growth for the agri-food sector and the delivery of innovative products and production methods is central to this vision. It is clear that the promotion of innovation is seen as a vital element in addressing the challenges and opportunities evident in Rural Ireland, and this is reflected in the prominent position accorded to the issue of innovation in the measures outlined in this RDP.

A vital element in supporting innovative practices is ensuring that the appropriate knowledge base is in place. Support for an enhanced knowledge base is a central theme running through the design of the measures in this RDP. For example, the support provided for knowledge transfer groups will enable large numbers of farmers to update their knowledge base and skills profile which will in turn enable them to take on new and innovative practices.

The establishment and support of European Innovation Partnership (EIP) Operational Groups is a further important support in this regard. By their very nature, these EIP operational groups will act as a catalyst for change in helping to bring grassroots innovative ideas to implementation using an interactive and bottom-up approach. EIP operational groups will establish linkages between cutting-edge research and technology and mobilise stakeholders to develop innovative solutions aimed at enhancing productivity, efficiency and effectiveness. The operational groups will also be required to disseminate their findings, thus ensuring that innovative approaches become more widely accessible and available.

The Beef Data and Genomics measure is also fundamentally rooted in encouraging innovative practice. The support for genetic advances and genomics will underpin innovative practice which will deliver significant climate change and productivity gains in a strategically important sector of the Irish agri-food sector.

In addition to the above elements where the primary focus of the measure includes innovation, support for innovation is also integrated into the design of measure design in a range of areas, including:

- The provision of targeted advisory services on animal health issues will encourage new approaches to these vital issues by farmers.
- the inclusion of training for farmers and the mandatory use of an approved planner in GLAS will ensure that best and innovative practice is embedded across the implementation of the measure.
- the provision of continuing professional development for approved planners will ensure that the most up-to-date knowledge and advice is central to RDP implementation in key policy areas identified.
- support for collaborative farming and cooperation measures will help to encourage the pooling of knowledge and skills sets thus encouraging innovative approaches.
- support for young farmers will help more young farmers enter the sector and establish themselves. Young farmers tend to be more open to taking on new and innovative approaches.
- support for locally led approaches to particular environment problems will encourage the development of innovative solutions based on particular local conditions.
- the capital investment measure will provide direct support for farmers to invest in innovative practices in areas such as low emission spreading, slurry storage etc encouraged by complementary actions in GLAS.
- LEADER measures will include support for innovative actions, and innovative approaches have been a cornerstone of the LEADER approach in previous programming periods.
Environment

Protecting the environment and promoting resource efficiency is one of the Thematic Objectives flowing from the Europe 2020 process. Again, the importance of ensuring that developments in the sector take real and prioritised cognisance of the environmental consequences of particular actions and of the environmental challenges facing Ireland was a central theme emerging from the stakeholder consultation process and the development of the SWOT and Needs analyses. Food Harvest 2020 also emphasises the importance of environmental considerations in its message of Smart, Green Growth and the Environmental Impact Assessment of Food Harvest 2020 is a central document in this regard.

Thus the environment cross-cutting objective was also a central consideration at all stages of the RDP design process and this is clearly reflected in the design of the measures selected for investment.

The RDP includes a number of measures that can be grouped thematically together as primarily addressing this cross cutting objective. Firstly, the GLAS measure is obviously focused on the provision of clear environmental benefits across a wide range of areas. Drawing on the experience of support for Agri-Environment Schemes in the previous RDP period, a number of design features have been put in place to ensure that the environmental benefits accruing from this support are maximised. These design features include

- a tiered structure allowing for general environmental needs to be addressed at one level while more targeted needs can also be addressed
- the introduction of mandatory requirements in relation to record keeping, the involvement of a planner, the use of a nutrient management plan and knowledge transfer
- a new focus on requiring farmers to undertake the actions of most benefit to their holding, and
- a recognition of the constraints on farmers in Natura 2000 areas and the importance of addressing particular habitat and biodiversity threats.

As a complement to the national level GLAS scheme, targeted and locally led output based environmental projects are also supported. This support is provided in the context of establishing a strong sustainable base for Irish agriculture, which not just respects the environment but shows itself capable of responding effectively and appropriately to a range of environmental challenges. This support also recognises the fact that not all environmental challenges are best addressed at the national level, and this measure thus complements the approach under GLAS as part as an integrated and mutually supportive set of measures which contribute to the environment cross-cutting objective.

The Organic Farming measure also clearly contributes to this cross-cutting theme by its very nature. Support aimed at encouraging new entrants to the sector and at maintaining those within the sector will directly lead to increased levels of farming practices that contribute to environmental benefits in areas such as soil and water quality, biodiversity challenges, and reduced levels of synthetic chemicals.

While the above three measures can be seen to be primarily aimed at environmental issues, a characteristic of measure design has been to also incorporate this cross cutting theme across the RDP. This is reflective of the aim of developing a RDP design with integrated and mutually reinforcing measures. Thus, further positive contributions to environmental issues are evident across the range of measures. For example,
• support for knowledge transfer outside of the mandatory training in GLAS will ensure that best practice in relation to environmental issues is clearly set out both for farmers in knowledge transfer groups and advisors undertaking continuing professional development.
• there is potential for the outcomes of EIP operational groups to feed into best environmental practice and to identify new solutions to environmental problems.
• support under the Areas of Natural Constraint measure will provide valuable support to farmers facing increased costs and lower incomes and thus contribute to their continued farming of land in compliance with the requirements to keep the land in Good Agricultural and Environmental Condition.
• on farm capital support will have positive environmental impacts by supporting more efficient holdings in general as well as specifically supporting investment in areas specifically aimed at providing environmental benefits, such as slurry storage.
• the beef data and genomics measure will support a more efficient, and thus more environmentally friendly, sector, while support for collaborative measures will also encourage efficiencies which will have positive environmental effects.
• the design process for LEADER measures identified environmental issues, including the protection and sustainable use of water resources and the protection and improvement of local biodiversity as key themes emerging for funding under the RDP. A Rural Environment theme will feature in the LDS design process, and the design of support in this regard will include cross cutting linkages to collective actions in other AEC Measures.

**Climate Change Mitigation and Adaptation**
Promoting climate change adaptation, risk management and prevention is one of the Thematic Objectives flowing from the Europe 2020 process. Again, the importance of ensuring that developments in the sector focus on the climate change impacts of particular actions and of the linked challenges facing Ireland was a central theme emerging from the stakeholder consultation process and the development of the SWOT and Needs analyses. Food Harvest 2020 also emphasises the importance of climate change considerations in its message of Smart, Green Growth and the Environmental Impact Assessment of Food Harvest 2020 is a central document in this regard.

In recognition of this, consideration of climate change mitigation and adaptation has been integrated into the measure design process across the RDP. As with the environmental cross – cutting theme, this is most obvious in the make up of the suite of Agri-Environment Climate Measures. GLAS contains a number of actions which are designed to provide climate change benefits, including support for low emission slurry spreading, minimum tillage, tree planting, new hedgerows, the protection of riverbanks from erosion, and the preservation of margins and habitats. This theme is then reinforced in other measures of the RDP. For example, support under on farm capital investment for investing in trailing shoe technology clearly reinforces the policy direction of the relevant measures in GLAS.

The knowledge transfer measures also play a key role in this area. Continuing Professional Development for Advisors and Knowledge Transfer groups will work to ensure that the best and most up to date advice in relation to climate change mitigation and adaptation is available to farmers and advisors. In addition, the Knowledge Transfer Groups have incorporated a large scale roll out of the carbon navigator into the measure design. The Carbon Navigator will enable farmers to understand how their farms produce Greenhouse Gases, put in place procedures to identify their mitigation capacity, and set targets to reduce their emissions. The Knowledge Transfer Groups provide an ideal vehicle with which to roll out the Carbon Navigator on a
country wide basis. It is expected that the inclusion of the Carbon Navigator as a key action/output in Knowledge Transfer Groups will lead to a roll out on a significant basis.

EIP operational groups offer the potential for particular climate change issues to be addressed, while the targeted advisory service on animal health issues also has an established link to climate change issues. For example, the greenhouse gas savings arising as a result of eradicating BVD are estimated to be in the order of €26m per year, while control of Johne’s disease and dairy cow mastitis (SCC reduction) would also be expected to contribute positively to greenhouse gas abatement.

The Beef Data and Genomics measure will also provide clear climate change benefits. Some of the main benefits that will accrue on farms supported by this measure have been identified in research by Teagasc (the Irish Agriculture & Food Development Authority) as the 3 most cost-efficient climate change mitigation measures. These beneficial outputs of the measure are

- support for the establishment of an Economic Breeding Index which allows farmers to identify quality issues at birth and select the highest quality animals
- support for weight gain in beef. The measure will encourage a higher rate of more efficient animals in terms of the conversion of input to weight, thus reducing necessary retention periods
- extended grazing periods. The measure will foster confidence in the sector and thus encourage continued adherence to the traditional Irish grass based model.

The Climate change agenda is also central to the logic underlying the Bioenergy measure. Current and projected levels of biomass are not sufficient to meet our renewable energy targets, and this measure aims to support the development of additional areas of energy crops. Similarly, the measure design process has identified renewable energy as a theme emerging for investment under LEADER and support for this type of intervention at sub-regional level will be encouraged as part of the local development strategy process.

2.4 Summary table of the intervention logic

NOTE The EU Commission system will generate this table automatically as the RDP is uploaded. As work on this element of the intervention logic develops, particular measures will be linked to targets agreed at EU level which are in turn linked to particular focus area. At this stage of development however, the table only presents indicative links between measures and focus areas.

<table>
<thead>
<tr>
<th>Priority 2</th>
<th>Combination of measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus Area</td>
<td>On Farm Capital Investment Measure</td>
</tr>
<tr>
<td></td>
<td>Beef Data and Genomics Measure</td>
</tr>
<tr>
<td></td>
<td>Collaborative Farming Measure</td>
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</tbody>
</table>
Focus area (2B)
Facilitating the entry of adequately skilled farmers into the agricultural sector and, in particular, generational renewal

<table>
<thead>
<tr>
<th>On Farm Capital Investment Measure</th>
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<tr>
<td>Collaborative Farming Measure</td>
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</table>

**Priority 3**

<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Combination of measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Focus area (3A)</strong></td>
<td>Artisan Food Cooperation Measure</td>
</tr>
<tr>
<td>Improving competitiveness of primary producers by better integrating them into the agri-food chain through quality schemes, adding value to agricultural products, promotion in local markets and short supply circuits, producer groups and organisations and inter-branch organisations</td>
<td>Quality Schemes Measure</td>
</tr>
</tbody>
</table>

| Focus area (3B) | |
| Supporting farm risk prevention and management | Targeted Animal Health and Welfare Advisory Measure |
| | Knowledge Transfer Groups Measure |

**Priority 4**

| Focus area (4A) | |
| Restoring, preserving and enhancing biodiversity, including in Natura 200 areas, and in areas facing natural or other specific constraints and high nature value farming, as well as the state of European landscapes. | Priority 4 is programmed on a joint basis across FAs |
| | AEC Measure (GLAS) |
| | Local Output Based AEC Measure |
| | Knowledge Transfer Group Measure |
| | CPD for Advisors Measure |
| | EIP Operational Groups Measure |
| | Areas of Natural Constraint Measure |

<p>| Focus Area (4B) | |
| Improving water management, including fertiliser and pesticide management | |</p>
<table>
<thead>
<tr>
<th>Focus Area 4(C)</th>
<th>Preventing soil erosion and improving soil management</th>
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**Priority 5**

<table>
<thead>
<tr>
<th>Focus Area 5(A)</th>
<th>Increasing efficiency in water use by agriculture</th>
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<tbody>
<tr>
<td>Focus Area 5(B)</td>
<td>Increasing efficiency in energy using in agriculture and food processing</td>
</tr>
<tr>
<td>Focus Area 5(C)</td>
<td>Facilitating the supply and use of renewable sources of energy, of by products, wastes and residues and of other non food raw material, for the purposes of the bio economy</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Focus Area 5(D)</th>
<th>Reducing Green house gas and ammonia emissions from agriculture</th>
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<tbody>
<tr>
<td>Focus Area 5(E)</td>
<td>Fostering carbon conservation and sequesterisation in agriculture and forestry</td>
</tr>
</tbody>
</table>

**Priority 6**

<table>
<thead>
<tr>
<th>Focus Area 6(A)</th>
<th>Facilitating diversification, creation and development of small enterprises as well as job creation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus Area 6(B)</td>
<td>Fostering local development in rural areas</td>
</tr>
<tr>
<td>Focus Area 6(C)</td>
<td>Enhancing the accessibility, use and quality of ICT in rural areas</td>
</tr>
</tbody>
</table>

On Farm Capital Investment Measure

Bio Energy Measure

LEADER Measure

Beef Data and Genomics Measure

Knowledge Transfer Group Measure

CPD for Advisors Measure

On Farm Capital Investment Measure

AEC Measure (GLAS) and Organic Farming Scheme

EIP Operational Groups Measure

AEC Measure (GLAS)
2.5 Advisory capacity

This section sets out the type of actions envisaged during the RDP programming period to ensure availability and sufficient advisory capacity on a) the regulatory requirements and b) actions relating to innovation.

Regulatory Requirements

As the Managing Authority for the EAFRD, Rural Development Division in the Department of Agriculture, Food and the Marine assumes the primary responsibility for overseeing effective implementation of the regulatory requirements set out in the Rural Development Regulation and other relevant EU legislation. In order to ensure that the Managing Authority remains up to date in relation to these regulations, it will continue to attend relevant meetings and implementation information events as they arise at EU level. The Managing Authority will then also act as the conduit for the relevant information to be circulated from the EU to the relevant implementing divisions within the Department.

The Managing Authority will also be the conduit for any queries in relation to the regulatory requirements which require clarification with the EU Commission. In this way, a clear channel of communication will be maintained which will help to ensure that the integrity of the flow of information in relation to regulatory requirements is maintained. As part of this role, it is also intended that the Managing Authority will organise information seminars for implementing divisions as the RDP measures are rolled out. These seminars will ensure that key staff are aware of the regulatory and reporting requirements attached to RDP funding.

As part of the design process for the RDP, a coordinating committee was established. This committee was chaired by the Managing Authority and drew together all the line divisions involved in RDP design. It is intended that this committee will remain in place to support the implementation phase of the new RDP, and this will act as a further channel to ensure consistency of information in relation to regulatory requirements.

Given that the Managing Authority and the Paying Agency for the EAFRD both are situated within the Department of Agriculture, Food and the Marine, there is a clear opportunity to ensure that they share a common understanding in relation to the regulatory requirements arising out of the EAFRD. The MA and PA are as a matter of course in ongoing contact, but it is intended to put in place a standing meeting between the two at regular intervals to ensure that there is a shared clarity in relation to regulatory requirements.

In relation to LEADER elements of the RDP, the Department of the Environment, Community and Local Government is a delegated Paying Agency. In order to maintain the consistency of information flow, the Managing Authority will also act as the conduit for any information relating to regulatory requirements as they apply to LEADER measures. Regular standing meetings will also be put in place with the Department of the Environment, Community and Local Government to ensure a shared understanding of regulatory requirements.

As part of the roll out of RDP measures, a central communications plan will be developed which will include information in relation to core regulatory requirements for beneficiaries. As a matter of course during the previous programming periods, implementing divisions undertook a range of actions to ensure that there was clarity of information for beneficiaries in relation to the regulatory requirements attached to EAFRD funding. These actions included the provision of clear but
detailed terms and conditions for beneficiaries (via the Department’s local office network, standard post, and online), the regular briefing of agricultural advisors to ensure the provision of accurate regulatory information to their clients, the organisation of roadshows to coincide with measure launches and to provide an opportunity for one on one interaction with beneficiaries in relation to regulatory requirements, and the provision of specific regulatory information at specified times via the farming press. It is intended that these actions will continue to be delivered in the 2014-2020 period as the need arises.

_Innovation_
As set out in this document, knowledge transfer and innovation are themes which are integrated throughout the RDP. In order to ensure a coordinated approach to this issue, a knowledge transfer and innovation unit has been set up within the Department of Agriculture, Food and the Marine. This unit will oversee the delivery of the specific knowledge transfer measures (i.e. Knowledge Transfer Groups, EIP operational groups and Continued Professional Development for Advisors). The unit will also serve to ensure that the theme of innovation is implemented in a strategic and consistent manner across RDP measures. For example, the unit’s role will include ensuring that the innovation element of EIP operational groups or Knowledge Transfer groups is linked to the development of measures such as GLAS.

As part of the preparatory work for the RDP, the Department of Agriculture, Food and the Marine undertook an informal review of the National Rural Network function as it operated across Member States in the previous RDP period. The objective of this review was to examine key lessons that could be taken from the previous RDP period and to identify elements of best practice that could be usefully incorporated into the National Network Function for the 2014-2020 RDP period in Ireland. Arising from this process, it is intended to include a function for the new National Rural Network in relation to providing a supporting network for innovation measures. This may link in particular to the dissemination of outcomes from measures such as the EIP operational groups, but it is expected that a wider innovation role will be incorporated.

One of the characteristics of the LEADER element of the RDP is that the interventions funded through LEADER are often inherently innovative. Their innovation lies in the way they address the challenges presented in a local context as many ideas that are presented as innovative locally are very specific to the challenge that they address. Innovation is a natural element of the LEADER methodology and it is envisaged that the flexibility presented in the LEADER programme for the 2014-2020 as well as the integrated way in which LEADER interventions will become part of sub-regional planning will facilitate more innovative approaches to challenges in rural communities.
Chapter 3. Measure Descriptions

1. Title of the Measure
   G.L.A.S. (Green Low-Carbon Agri-Environment Scheme) and GLAS+

2. Legal basis
   Article 28 Agri-environment-climate
   Article 30 Natura 2000 and Water Framework Directive payments

3. General description of the measure including intervention logic and contribution to FA and cross-cutting objectives
   The proposed new GLAS scheme adopts an integrated approach to achieving objectives under Articles 28 and 30 of the Rural Development Regulation and ties in with the green vision for Irish agriculture as contained in Food Harvest 2020 and as promoted by Bord Bia in the Origin Green campaign. The scheme is green as it preserves our traditional hay meadows and low input pastures, low-carbon as it retains the carbon stocks in soil through margins and habitat preservation and practices such as minimum tillage and agri-environment as it promotes agricultural actions which introduce or continue to apply agricultural production methods compatible with the protection of the environment, water quality, the landscape and its features, endangered species of flora and fauna and climate change mitigation.

   The inclusion of an agri-environment climate measure is compulsory under the rural development regulation. GLAS will deliver overarching benefits in terms of the rural environment whilst addressing the issues of climate change mitigation, water quality and the preservation of priority habitats and species.

   Agriculture must meet the twin objectives of environmental sustainability and productivity gains as set out in Food Harvest 2020 in the years ahead. In order to contribute to the mitigation of the environmental impacts of Food Harvest 2020, GLAS has been designed to achieve the delivery of targeted environmental advice and best practice at farm level. It aims to work within the framework for environmental sustainability as set down by the following EU Directives and national and international targets:
   - The EU Climate Change and Renewable Energy Package and the Kyoto Protocol.

   This measure also takes into account the need for a targeted Agri-Environmental Scheme highlighted in the Environmental Analysis of Food Harvest 2020.

   The outcome from the public consultation and the SWOT analysis demonstrated a broad need for a targeted agri-environment scheme/measure to include emphasis on Natura 2000 sites and on water quality. Well-designed, targeted, monitored and managed measures will contribute to meeting Ireland’s objectives under the Rural Development Programme and also the EU 2020

The structure of GLAS responds to the needs identified in the SWOT analysis. Designated Natura 2000 land within the farmed environment comprises in the main of land in agricultural production and the integration of both Natura and Agri-environment measures in GLAS will result in administrative and output efficiencies. The targeted approach will permeate down to farm level where individual farmers will be required to address environmental priorities specific to the holding.

Ireland’s main farming system is grassland based livestock and dairy production with approximately 8% of land in tillage. The range of actions proposed responds to the identified needs in the areas of water quality, climate change, biodiversity and Natura 2000.

All applicants will be required to engage the services of a planner in the preparation of their application and successful applicants will be required to have a nutrient management plan prepared for the farm. The importance of training to ensure proper delivery of commitments and to protect against the occurrence of error rates is also recognised and training modules in environmentally sustainable framing practices will be delivered under the Knowledge Transfer measure.

It is envisaged that the approach outlined above will lead to the achievement of significant environmental benefits.

4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

a) Description of the Operation:

Core requirements
In the first instance all farmers in GLAS must comply with the following list of core requirements. These are mandatory and aim to ensure that farmers have an enhanced level of environmental knowledge, evidenced by records kept of actions delivered and underpinned by a plan for nutrient resource efficiency on their holding:
(a) A Farm Advisory Service (FAS) approved agricultural planner must prepare the GLAS application.
(b) Nutrient Management Plan for whole farm must be in place before payment issues.
(c) Knowledge Transfer by means of a training course for specific actions complemented by online demonstrations/advice on good environmental practices.
(d) Record keeping.

Tiered Entry Requirements
Entry to the Scheme will be on a tiered basis as follows:

Tier 1: farms with
- priority environmental assets, or
- a wholefarm stocking rate exceeding 140kg Livestock Manure Nitrogen per hectare (produced on holding) or

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- more than 30 hectares of arable crops undertaking priority environmental actions or
- Registered organic farm status

Applications from these farmers will be given priority entry.

**Tier 2:** farms with
- non-priority environmental assets, or
- a wholefarm stocking rate less than 140kg Livestock Manure Nitrogen per hectare (produced on holding) or
- less than 30 hectares of arable crops undertaking key environmental actions.

Applications from these farmers will be given secondary access.

**Tier 3:** farms who do not fulfil any of the criteria for Tiers 1 or 2, but who commit to a series of general environmental actions. These are filled last.

The detail of the various Environmental Assets and Actions proposed for each tier is shown at Annex 1.

Farmers can choose additional actions from the Priority list and/or the General list (Annex 1), to bring their annual payment to the maximum of €5,000. Planners will be required to advise farmers to choose actions most suitable for their farms and which deliver the greatest environmental dividend. New actions specifically for tillage farmers have been included in order to encourage uptake and to increase the number of actions contributing to climate change objectives.

In addition, it is envisaged that, within the limits of budget availability, some farmers who undertake particularly challenging actions or who are compelled to take on a high number of compulsory actions, may qualify for a top-up payment of up to €2,000 per annum under what is known as GLAS+. The initial targeting of this GLAS+ payment will be at farmers who have to undertake a high number of mandatory under the Tier 1 Priority Environmental Assets and Actions as set out in Annex 1. It is possible that further GLAS+ areas may emerge as scheme design is finalised.

**b) Type of support:**

Support under GLAS will be by way of annual grant for a minimum contract period of 5 years. Work is underway on producing exact payment rates for each action. These costings will be of central importance to the detailed design of the Scheme and will be independently verified. It is proposed that a maximum payment of €5,000 per annum will apply, with the Scheme building up to the inclusion of some 50,000 farmers.

It is also proposed that, within budget limits, a GLAS+ payment would be put in place for a limited number of farmers who take on particularly challenging actions which deliver an exceptional level of environmental benefit. It is proposed that this payment will be up to €2,000 per annum.

The specific costings in relation to each action are currently being developed as part of the measure design process and will respect the maximum per hectare amounts set out in Annex II to the Rural Development Regulation.
c) **Links to other legislation:**

GLAS will comprise of an integrated measure with payments for Natura sites under Article 30 included in the general scheme under specific actions (Farmland Habitat Conservation, Conservation of Bird Species, Uplands Conservation). All actions under Article 28 must go beyond the GAEC, SMR and Greening baseline for the Basic Payment Scheme. All Actions under Article 30 must go beyond the GAEC and Greening requirements of the Single Payment Scheme/Basic Payment Scheme. Broader links include The EU Climate Change and Renewable Energy Package; the Kyoto Protocol; The Water Framework Directive; the Groundwater Directive; the Nitrates Directive; The Habitats Directive; the Birds Directive; and the European target of halting the loss of biodiversity by 2020.

d) **Beneficiaries:**

The beneficiaries will be active farmers and the scheme will be open countrywide to all categories of farmer. Depending on the budget available, more precise targeting of GLAS may be needed. It is suggested that the following targeting mechanisms could be used:

- Farms with high status water quality sites.
- Conservation habitats with poor or bad status.
- Specific species under immediate threat.
- Farmers with a grassland stocking rate of >140kg of Organic N per hectare and tillage farmers with more than 30 hectares of arable crops.

e) **Eligible Costs:**

Eligible costs will include cost of compliance, income foregone and transaction costs where applicable. The specific costings in relation to each action are currently being developed as part of the measure design process and will respect the maximum per hectare amounts set out in Annex II to the Regulation.

f) **Eligibility conditions:**

Any active farmer, whose holding lies within the state, will be eligible to apply to join the scheme. As pointed out already, a set of four core requirements will also apply to applicants (see 4(a) above).

g) **Principles with regards to the setting of selection criteria:**

As described at 4(a) above, a tiered approach is being applied to entry into the Scheme. The tiers are based on a consideration of priority environmental assets and actions, as follows:

**Tier 1:** farms with
- priority environmental assets, or
- a wholefarm stocking rate exceeding 140kg Livestock Manure Nitrogen per hectare (produced on holding) or
- more than 30 hectares of arable crops undertaking priority environmental actions or
- Registered organic farm status

Applications from these farmers are fast-tracked for support.
Tier 2: farms with
- non-priority environmental assets, or
- a wholefarm stocking rate less than 140kg Livestock Manure Nitrogen per hectare (produced on holding) or
- less than 30 hectares of arable crops undertaking key environmental actions.

Applications from these farmers are filled next.

Tier 3: farms who do not fulfil any of the criteria for Tiers 1 or 2, but who commit to a series of general environmental actions. These are filled last.

Other selection criteria may also be considered, such as positive marking for young farmers or wider environmental contributions such as commitment to parallel woodland establishment under the DAFM afforestation scheme.

h) Applicable amounts and support rates:

It is proposed that a maximum payment of €5,000 per annum will apply, with the Scheme building up to the inclusion of some 50,000 farmers. Work is underway on producing exact payment rates for each action. These costings will be of central importance to the detailed design of the Scheme and will be independently verified. It is also proposed that, within budget limits, a GLAS+ payment would be put in place for a limited number of farmers who take on particularly challenging actions which deliver an exceptional level of environmental benefit. It is proposed that this payment will be up to €2,000 per annum.

5. Verifiability and controllability of the measures

a) Risk(s) in the implementation of the measures include
- Error Rates higher than anticipated
- Double funding of measures under GLAS and other measures
- Imbalance in achieving of main objectives

b) Mitigating actions

In relation to the first risk identified, DAFM will undertake a series of thematic and geographic analyses to determine any patterns in the higher levels of error rates identified in previous schemes. This will allow preparation of an appropriate response. Key to reducing error rates in GLAS will be the involvement of a planner in preparing the application, and identifying and explaining the appropriate actions to the farmer. With regard to the second bullet point above, we are aware of the possibility of double-funding and a computerised cross check will be developed across GLAS and other schemes to protect against double payment for the same commitment. As regards the final risk identified above, this will be counteracted by careful application of priorities and selection criteria to ensure that progress is made on achieving our objectives across the three main priorities of biodiversity, water quality and climate.
6. **Methodology for the calculations of the amount of support, when relevant**
   This is an action-based measure. Costings for the various actions are being finalised on the basis of inputs and income foregone. These will then be independently verified by Teagasc.

7. **Additional information specific to the Measure concerned**
   Please see Annex 2 and Annex 3 for detailed information in relation to Agri-Environmental measures. As regards payments under the Natura and WFD head, DAFM will continue to reflect on the best approach to adopt here, in consultation with the National Park and Wildlife Service. The possibility exists that all relevant payments will be effected under the Agri Environment and Climate heading.

8. **Other important remarks relevant to understand and implement the measure**
   n/a

9. **Key output targets**
   Total expenditure over lifetime of RDP - €1,450m
   Number of farms with nutrient management plan – 50,000
   While work is ongoing in relation to the final design of GLAS, current indicative breakdowns of expenditure under the Scheme are as follows:
   % of GLAS funds invested in Natura and water biodiversity, including commonages – 40%
   % of GLAS funds invested in water quality – 30%
   % of GLAS funds invested in general environmental and climate change actions – 30%
**Annex 1**

**OBJECTIVE:**

GLAS aims to address the cross-cutting objectives of climate change, water quality and biodiversity.

<table>
<thead>
<tr>
<th>Core Management Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>All of these requirements are compulsory:</td>
</tr>
<tr>
<td>• A Farm Advisory Service (FAS) approved agricultural planner must prepare GLAS application</td>
</tr>
<tr>
<td>• Nutrient Management Planning</td>
</tr>
<tr>
<td>• Training in environmental practices and standards</td>
</tr>
<tr>
<td>• Record keeping of actions delivered</td>
</tr>
</tbody>
</table>

**TIER 1 Priority Environmental Assets and Action**

All farmers with PEAs get first priority access to the Scheme in Year One and subsequent years. It is not guaranteed that all eligible applicants in Tier 1 will get into the Scheme and scoring matrix will apply if necessary.

If any of these Assets are applicable to your holding, you **must choose them, plan the relevant actions**, and as a result you will receive priority access to GLAS in the order 1 – 5 as follows (*NB order not finalised*):

1. Farmland Habitat (private Natura sites)
2. Farmland Birds (e.g. Twite, Curlew, Corncrake, Grey Partridge, Hen Harrier)
3. Commonages (80% participation *Note: lower participation levels addressed in Tier 2*)
4. High Status Water Area
5. Rare Breeds

If your wholefarm stocking-rate exceeds 140kg Livestock Manure Nitrogen per hectare (produced on the holding), or you have greater than 30 ha of arable crops, you may still qualify for priority access even if you do not have one of the Priority Assets listed above. To qualify, you must undertake one of the following 4 actions. These places will be filled in order 6 – 9 (*NB order not finalised*):

6. Low Emission Slurry Spreading
7. Minimum Tillage
8. Green Cover Establishment from a Sown Crop
9. Wild Bird Cover (grassland farms only)

Finally, if you are a registered Organic farmer you may apply for priority access to the scheme under this tier, by selecting actions appropriate to the environmental priorities on your farm. However, if any of the assets listed from 1-5 above apply, you must choose them first.
**TIER 2 Environmental Assets and Actions**

All farmers with *Environmental Assets and Actions* get secondary access to the Scheme. It is not guaranteed that all eligible applicants in Tier 2 will get into the Scheme and scoring matrix will apply if necessary.

If any of these *Assets* are applicable to your holding you must choose them and as a result you will get secondary access (once Tier I is filled) to the Scheme in the order 1 - 2:

1. Commonages (50% - 79% participation)
2. Vulnerable Water Area

If you wish to be considered for secondary access (but none of the above are applicable to your farm), you must choose one of the following 4 actions. These places will be filled in order 3 - 6 (*NB order not finalised*):

3. Low Emission Slurry Spreading
4. Minimum Tillage
5. Green Cover Establishment from a Sown Crop
6. Wild Bird Cover (grassland farms only)

*Farmers in Tier 2 will get access in sequence in subsequent years also (if they apply)*

---

**TIER 3 General Actions**

These actions aim to enhance the climate change, water quality and biodiversity benefits delivered and can be chosen in addition to Priority and Secondary actions or on their own (choosing only General Actions will not guarantee entry to the Scheme):

- Low Input Permanent Pasture
- Traditional Hay Meadow
- Riparian Margins
- Coppicing Hedgerows
- Laying Hedgerows
- Planting New Hedgerows
- Traditional Stone Wall Maintenance
- Tree Planting (whips)
- Environmental Management of Fallow Land
- Arable Margins
- Birds, Bees and Bat Boxes
- Wild Flower margin
- Wild Bird cover for tillage farmers
- Protection of water courses (not in High Status or Vulnerable Areas)
- Protection of archaeological sites

*A selection process will be used to allow farmers join GLAS by means of these actions if take-up of Priority and Secondary Assets and Actions falls short.*
## Annex 2

**Agri-Environment Baseline Elements**

### GAEC and Cross Compliances Requirements for GLAS

<table>
<thead>
<tr>
<th>Action</th>
<th>Type of Operation/Specified Actions</th>
<th>Cross-Compliance corresponding to the action</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Farmland Habitat</strong>&lt;br&gt;(Private Natura Sites)</td>
<td>Conservation of private Natura Sites.&lt;br&gt;Production of a Sustainable Management Plan by a trained ecologist/agronomist professional.&lt;br&gt;Implement the management plan.</td>
<td>GAEC 1, 3, 4, 5 and 7&lt;br&gt;SMR 1, 2 and 3.</td>
</tr>
<tr>
<td><strong>2. Planting and Management of Whips</strong></td>
<td>Planting and maintenance of native whips in accordance with a specification, with particular emphasis on broad-leaved species.</td>
<td>SMR 2 &amp; 3 relevant if in Natura area. Planting of Trees in Natura lands is an ARC (No. 29) and therefore it is recommended that Planting of Whips Action is NOT ALLOWED on Natura Lands</td>
</tr>
<tr>
<td><strong>3. Traditional Hay Meadows</strong></td>
<td>Enhancement of the conservation value and the continuation of traditional farming practice for traditional hay meadows.</td>
<td>GAEC 1, 3, 5 and 7&lt;br&gt;SMR 1, 2 and 3 (SMR 2 and 3 are only applicable to Natura Lands).</td>
</tr>
<tr>
<td><strong>4. Low Input Permanent Pasture</strong></td>
<td>Maintaining species rich grasslands via prescribed management prescription and practices:</td>
<td>GAEC 1, 3, 5 and 7&lt;br&gt;SMR 1, 2 and 3 (SMR 2 and 3 are only applicable to Natura Lands).</td>
</tr>
<tr>
<td><strong>5. Rare Breeds</strong></td>
<td>Conservation of rare equine, ovine and bovine animal genetic resources.</td>
<td>SMR 7 and 8</td>
</tr>
<tr>
<td><strong>6. Wild Bird Cover</strong></td>
<td>Establish, on suitable, grassland plots a low – input arable crop to provide cover and winter food source for farmland birds.</td>
<td>GAEC 1, 3, 4, 5, 6 and 7&lt;br&gt;SMR 1.</td>
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<tr>
<td><strong>7. Hedgerow Planting</strong></td>
<td>Plant new hedgerows on suitable sites</td>
<td>SMR 2 &amp; 3 relevant if in Natura area. Planting of Trees/hedges in Natura lands is an ARC (No. 29) and it is recommended that the Action planting of hedge is NOT ALLOWED on Natura Lands</td>
</tr>
<tr>
<td><strong>8. Traditional Dry Stone wall Maintenance</strong></td>
<td>Follow an annual wall maintenance programme for the farm.</td>
<td>There is no requirement under cross-compliance or National legislation to maintain traditional dry stonewalls.</td>
</tr>
<tr>
<td><strong>9. Riparian Margins</strong></td>
<td>Creation of a permanently fenced margin adjacent to identified watercourses. This land cannot be used for agricultural production, but must be maintained annually. It must be fenced to prohibit animal access</td>
<td>GAEC 1, 3, 5 and 7</td>
</tr>
<tr>
<td><strong>10. Protection of Watercourses through excluding Bovines Access.</strong></td>
<td>Deny bovine’s access to drinking points on lands adjacent to watercourses.</td>
<td>GAEC 1 and 3 SMR 1</td>
</tr>
<tr>
<td><strong>11. Arable Grass Margins</strong></td>
<td>Create 3, 4 or 6 metre grass margin around the periphery of arable fields.</td>
<td>GAEC 1, 3, 4, 5, 6 and 7 SMR 1</td>
</tr>
<tr>
<td><strong>12. Green Cover Establishment from a sown crop.</strong></td>
<td>Establish a green cover by light tilling to a management prescription.</td>
<td>GAEC 1, 3, 4, 5, 6 and 7 SMR 1</td>
</tr>
<tr>
<td><strong>13. Use of trailing</strong></td>
<td>Use of Trailing Shoe and injection</td>
<td>GAEC 1 and SMR 1</td>
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<tr>
<td>shoe technology technology to spread all slurry produced and imported on farm.</td>
<td>14. Min Till To encourage the use of minimum tillage practices.</td>
<td>GAEC 1, 3, 4, 5, 6 and 7 SMR 1</td>
</tr>
<tr>
<td></td>
<td>15. Farmland Birds Maintaining species rich grasslands via prescribed management prescription and practices:</td>
<td>GAEC 1, 3, 4, 5, 6 and 7 SMR 1, 2 and 3</td>
</tr>
<tr>
<td></td>
<td>16. Commonages Conservation and regeneration of commonage land through collective agreement. Production of a Sustainable Management Plan by a trained ecologist/agronomist professional for the entire commonage. Implement the management plan.</td>
<td>GAEC 1, 3, 5 and 7 SMR 1, 2 and 3</td>
</tr>
<tr>
<td></td>
<td>17. Coppicing Rejuvenation of existing hedgerows through coppicing SMR 2 and 3 would only be applicable on Natura Lands (ARC 5 and 10, removal, cutting of hedges in Natura lands is an ARC (ARC 5 and 10) and therefore it is recommended that the coppicing of of hedges is NOT ALLOWED on Natura Lands</td>
<td></td>
</tr>
<tr>
<td></td>
<td>18. Laying Rejuvenation of existing hedgerows through laying SMR 2 and 3 would only be applicable on Natura Lands (ARC 5 and 10, removal, cutting of hedges in Natura lands is an ARC and therefore it is recommended that the laying of of hedges is NOT ALLOWED on Natura Lands</td>
<td></td>
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<tr>
<td></td>
<td>19. Environmental Management of Fallow Land To improve soil structure, increase organic matter and minimise run off through the establishment of a grass crop</td>
<td>GAEC 1, 3, 4, 5, 6 and 7 SMR 1</td>
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<tr>
<td><strong>20. Bird and Bat Boxes</strong></td>
<td>To maintain and encourage bird and bat population around the farm by replacing habitats lost through changes in farming practice.</td>
<td>No GAEC or Cross Compliance Requirements</td>
</tr>
<tr>
<td><strong>21. Bee Habitats</strong></td>
<td>Replace habitats lost through changes in farming practice.</td>
<td>No GAEC or Cross Compliance Requirements.</td>
</tr>
<tr>
<td><strong>22. Wild Flower Margin</strong></td>
<td>To increase biodiversity</td>
<td>GAEC 1, 3, 4, 5, 6 and 7 SMR 1</td>
</tr>
<tr>
<td><strong>23. Protection of Archaeological Sites</strong></td>
<td>Protection of Monuments</td>
<td>Ring Forts are likely to be covered within GAEC 7 as they are to be designated as a Landscape Feature. No other monuments are covered within GAEC 7.</td>
</tr>
</tbody>
</table>

**Fertilisers**

The minimum requirements for fertilisers are set out in the Good Agricultural Practice for the protection of waters regulations 2014 (SI 31 of 2014). These regulations will be enforced through SMR 1 and GAEC 1. Ireland has adopted a whole territory approach to implement these regulations; therefore the regulations apply to all farms. The main elements of these Regulations include:

- Adherance to a limit on livestock + organic manure permissible. i.e. not greater than 170 kg of nitrogen per hectare in a year (unless qualifies as derogation farmer)
- Farmers must adhere to prohibited spreading periods for chemical and organic fertilisers. The prohibited periods vary depending on the type of fertiliser and relevant ‘zones’ in Ireland.
- Further precautions when applying fertilisers include using appropriate machinery, timing to suit appropriate weather conditions and adhering to buffer zones for spreading chemical and organic fertilisers for different kinds of water bodies (lakes, rivers, wells etc)
- Farmers must adhere to overall maximum fertilisation rates for nitrogen and phosphorus (i.e., organic and chemical fertiliser combined). In general, applications must match crop needs/off-takes.
Livestock farmers must have sufficient storage capacity to meet the minimum requirements of the Regulations (which vary according to zone), and all storage facilities must be kept leak-proof and structurally sound.

The rules about ploughing and the use of non-selective herbicides must be followed in order to maintain a minimum soil cover during certain defined risk periods.

A minimum level of record keeping is required; including records of the fertilisers you brought onto the holding or exported. Records must also include area farmed, cropping regime, types of livestock and numbers, storage facilities on farm.

**Baseline requirements of all farmers using plant protection and biocidal products (SMR 10)**

- Only authorised or registered plant protection and biocidal products may be stored and used.
- Plant protection and biocidal products must be stored, handled and used properly as specified on current approved product labels.
- Plant protection products must, when appropriate, be used in accordance with the principles of integrated control.
- Plant protection products must be used in accordance with the principles of good plant protection practice.
- Records of acquisition, use and disposal of plant protection and biocidal products must be maintained and be produced for inspection.
- Plant protection and biocidal products that are no longer approved for use must not be retained.

**Rare Breeds**
Cattle (Irish Maol, Kerry and Dexter), Horses and Ponies (Connemara Pony, Irish Draught and Kerry Bog Pony) and Sheep (Galway).

**Costings**
Costings for the various actions are being finalised and will then have to be verified by Teagasc.
Annex 3
National legislation with relevance to measures under this Programme.

National Legislation—Environment

<table>
<thead>
<tr>
<th>Statutory Provision</th>
<th>Implementing Body</th>
<th>Penalties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Air Pollution Act, 1987</strong></td>
<td>Local Authorities</td>
<td>Fine, (a) on summary conviction, not exceeding €1,270 and €127 per day the offence is committed and (b) on conviction of indictment, a fine not exceeding €12,700 and €1,270 per day on every day the offence is committed.</td>
</tr>
<tr>
<td>The act provides for control of air pollution which may be injurious to public health, have a deleterious effect on flora and fauna or which may impair or interfere with amenities of the Environment.</td>
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<tr>
<td><strong>Fisheries Acts, 1959 to 1999 and Amendment Act 2003</strong></td>
<td>Fisheries Boards</td>
<td>A fine, on conviction on indictment not exceeding €2,540 or 2 years imprisonment or both.</td>
</tr>
<tr>
<td>These acts inter alia provide for the establishment of the Central Fisheries Boards and define their functions.</td>
<td></td>
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</tr>
<tr>
<td><strong>Local Government (Water Pollution) Act, 1977 and Amendment Act, 1990.</strong></td>
<td>Local Authorities</td>
<td>Contravention of bye-laws relating to water pollution carries a fine on conviction, not exceeding €1,270 and/or 6 months imprisonment and in certain cases a fine not exceeding €31,750 and/or imprisonment for up to 5 years.</td>
</tr>
<tr>
<td>Under the legislation it is an offence to pollute waters by chemicals, fertilisers, animal slurries, manures, silage effluent or other organic fertilisers.</td>
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</tr>
<tr>
<td><strong>Local Government (Water Pollution) Act, 1977 (Water Quality Standards for Phosphorus) Regulations, 1998</strong></td>
<td>Local Authorities</td>
<td>Contravention of the statutory requirements carries a fine, on conviction, of €1,905 to €12.7m and/or up to 2 years imprisonment.</td>
</tr>
<tr>
<td>These regulations provide for specified improvements in water quality conditions in rivers and lakes based on phosphorus concentrations or related water quality classifications. They give effect to certain requirements under Council Directive 76/464/EEC.</td>
<td></td>
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</tr>
<tr>
<td><strong>Local Government (Planning and Development) Acts, 1963—1999</strong></td>
<td>Local Authorities</td>
<td>Contravention of the statutory requirements carries a fine, on conviction, of €1,905 to €12.7m and/or up to 2 years imprisonment.</td>
</tr>
<tr>
<td>Under the legislation, planning permission is required for certain on-farm building and structures. Planning permission is not granted unless adequate waste storage facilities are provided.</td>
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</tr>
<tr>
<td><strong>Waste Management Act, 1996 and Amendment Act, 2001</strong></td>
<td>Local Authorities</td>
<td>Fine, (a) on summary conviction, not exceeding €1,905 and/or imprisonment for a term not exceeding 12 months or (b) on conviction or indictment not exceeding €12.7m and/or imprisonment for a term not exceeding 10 years.</td>
</tr>
<tr>
<td>The Act relates to the prevention, management and control of waste and provides Local Authorities with the powers to require the preparation of a farm Nutrient Management Plan where it is considered necessary. The Act also makes arrangement for the collection and disposal of recyclable waste material, including farm plastics.</td>
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<tr>
<td><strong>Waste Management (Use of Sewage Sludge in Agriculture) Regulations, 1998—2001.</strong></td>
<td>Local Authorities</td>
<td>Fine, (a) on summary conviction, not exceeding €1,905 and/or imprisonment for a term not exceeding 10 years or (b) on conviction or indictment.</td>
</tr>
</tbody>
</table>

<p>|                | not exceeding €12.7m and/or imprisonment for a term not exceeding 10 years. |</p>
<table>
<thead>
<tr>
<th>Statutory Provision</th>
<th>Implementing Body</th>
<th>Penalties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Litter Pollution Act, 1997</strong></td>
<td>Local Authorities</td>
<td>(1) Fine on summary conviction, not exceeding €1,905 and</td>
</tr>
<tr>
<td>This Act provides for the prevention and control of litter pollution and the prevention of the defacement of certain places and matters relating thereto.</td>
<td></td>
<td>(2) on conviction €127/day for each day during which the contravention continues.</td>
</tr>
<tr>
<td><strong>Environmental Protection Agency Act, 1992</strong></td>
<td>Environmental Protection Agency</td>
<td>Fines, on conviction, from €1,270 to €12.7m.</td>
</tr>
<tr>
<td>In addition to the establishment of the Environmental Protection Agency, the Act provides for the protection of the environment and the control of pollution. An Integrated Pollution Control Licensing requirement has been introduced in respect of the intensive rearing of pigs and poultry.</td>
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</tr>
<tr>
<td><strong>European Communities (Environmental Impact Assessment) Regulations, 1989—2013</strong></td>
<td>Local Authorities</td>
<td>Fine, on conviction, from €1,905 to €12.7m.</td>
</tr>
<tr>
<td>The Regulations require an Environmental Impact Assessment to be carried out in relation to intensive pig and poultry rearing installations above specified size thresholds. The requirements may also apply where the thresholds are not exceeded but where the planning authority considers that the project concerned would be likely to have significant effects on the environment.</td>
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</tr>
<tr>
<td><strong>European Communities (Authorisation, Placing on the Market, Use and Control of Plant Protection Products) Regulations, 1994—2001 and amendment Regulations 2004.</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €1,270 or up to six months imprisonment or both.</td>
</tr>
<tr>
<td>These regulations specify the requirements and conditions for the authorisation of plant protection products, which must be complied with in relation to their placing on the market and use, in accordance with Council Directive 91/414/EEC as amended, as well as introducing relevant enforcement and financial provisions.</td>
<td></td>
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</tr>
<tr>
<td><strong>European Communities (prohibition of Certain Active Substances in Plant Protection Products) Regulations 1981–2007</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €1,270 or up to six months imprisonment or both.</td>
</tr>
<tr>
<td>These Regulations provide that plant protection products containing certain active substances may not be placed on the market or used except in certain specified cases.</td>
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</tr>
<tr>
<td><strong>Wildlife Acts, 1976 and 2001 and amendment Act 2012</strong></td>
<td>National Parks and Wildlife Service</td>
<td>On summary conviction a fine not exceeding €1,905 or 12 months imprisonment of both.</td>
</tr>
<tr>
<td>These Acts provide for the conservation of wildlife (including game) and for the protection of certain wild creatures and flora. The 1976 Act enables <em>inter-alia</em> a body known as the Wildlife Advisory Council to be established and defines its functions and enables wildlife reserves to be established and maintained.</td>
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</tr>
<tr>
<td><strong>European Communities (Natural Habitats) Regulations, 1997 and amendment Regulations 1998 - 2013</strong></td>
<td>National Parks and Wildlife Service</td>
<td>On summary conviction a fine not exceeding €1,905 or 6 months imprisonment of both.</td>
</tr>
</tbody>
</table>
These Acts make provision for the protection and preservation of national monuments and for the preservation of archaeological objects in Ireland.

| National Parks and Wildlife Service | Fine, (a) on summary conviction, not exceeding €3,000 and/or imprisonment for a term not exceeding 6 months or (b) on conviction on indictment, not exceeding €10,000,000 and/or imprisonment for a term not exceeding 5 years |
## Hygiene and Animal Welfare

<table>
<thead>
<tr>
<th>Statutory Provision</th>
<th>Implementing Body</th>
<th>Penalties</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>European Communities (Hygienic Production and Placing on the Market of Raw Milk, Heat—Treated Milk and Milk Based Products) Regulations 1996</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €1,905 or up to 6 months imprisonment or both.</td>
</tr>
<tr>
<td><strong>Diseases of Animals Act, 1966 and amendment Act 2001</strong></td>
<td>Department of Agriculture and Food</td>
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<tr>
<td>This Act provides the basic legislation for the control and eradication of animal diseases. The Act also provides for compulsory notification of a number of specified diseases.</td>
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<tr>
<td><strong>Protection of Animals Kept for Farming Purposes Act, 1984</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €635 and/or 6 months imprisonment on summary conviction.</td>
</tr>
<tr>
<td>This Act extends the law relating to the protection of animals and, in particular, regulates the care and welfare of animals kept in intensive units.</td>
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<tr>
<td><strong>European Communities (Protection of Animals kept for Farming Purposes) Regulations, 2000 and 2006.</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €5,000 and/or up to 12 months imprisonment on summary conviction.</td>
</tr>
<tr>
<td>These Regulations give effect to Council Directive 98/58/EC concerning the protection of animals kept for farming purposes and require owners and keepers to ensure the welfare of their animals.</td>
<td></td>
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</tr>
<tr>
<td><strong>Care and Welfare of Poultry (Laying Hens) Regulations, 1990</strong></td>
<td>Department of Agriculture and Food</td>
<td>Penalties similar to those made under the Protection of Animals Kept for Farming Purposes Act, 1984.</td>
</tr>
<tr>
<td>These Regulations, which lay down the minimum requirements for the protection of laying hens kept in battery cages and other intensive systems, give effect to Council Directive 88/166/EEC.</td>
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</tr>
<tr>
<td><strong>European Communities (Welfare of Pigs) Regulations, 1995</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €1,905 and/or 12 months imprisonment on summary conviction.</td>
</tr>
<tr>
<td>These Regulations lay down the standards for the protection of pigs kept in intensive or other systems of breeding, rearing, or fattening and give effect to Council Directive No. 91/630/EEC of 19 November 1991. The Regulations set down the rules for the accommodation of pigs and the general conditions to be met to assure the health and welfare of pigs.</td>
<td></td>
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</tr>
<tr>
<td><strong>European Communities (Welfare of Calves) Regulations, 1998</strong></td>
<td>Department of Agriculture and Food</td>
<td>A fine of up to €1,905 and/or 12 months imprisonment on summary conviction.</td>
</tr>
<tr>
<td>These Regulations give effect to Council Directive No. 91/629/EEC, as amended by Council Directive No. 97/2/EC. They specify the accommodation requirements for the rearing and fattening of calves. They also lay down rules regarding appropriate diet and inspection of the calves to ensure their health and welfare.</td>
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<tr>
<td>Statutory Provision</td>
<td>Implementing Body</td>
<td>Penalties</td>
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</tr>
<tr>
<td>European Communities (Welfare of Calves and Pigs) Regulations 2002 - 2007</td>
<td>Department of Agriculture and Food</td>
<td>A fine not exceeding €2,000 and/or up to 12 months imprisonment.</td>
</tr>
<tr>
<td>European Communities Act, 2007 and amendment Act 2012</td>
<td>Inter-departmental</td>
<td>As set down by the regulations</td>
</tr>
<tr>
<td>This is an Act to amend the European Communities Act, 1972 for purposes of allowing offences under regulations of that Act to be prosecuted on indictment; to make provision in relation to the transposition of provisions of the treaties governing and acts of the institutions of the European Communities under Acts of the Oireachtas other than that Act and to provide for matters connected therewith.</td>
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<tr>
<td>European Communities (Good Agricultural Practice for Protection of Waters) Regulations, 2006 - 2011</td>
<td>Inter-departmental</td>
<td>As set down by the regulations</td>
</tr>
<tr>
<td>European Communities (Environmental Impact Assessment) (Agriculture) Regulations 2011</td>
<td>Dept. Agriculture, Food &amp; the Marine</td>
<td>As set down by the regulations</td>
</tr>
<tr>
<td>These Regulations provide for a screening decision and consent before carrying out certain agricultural activities.</td>
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<tr>
<td>European Union (Good Agricultural Practice for Protection of Waters) Regulations 2014</td>
<td>Environmental Protection Agency</td>
<td>As set down by the regulations</td>
</tr>
<tr>
<td>These Regulations give effect to Ireland’s Nitrates Action Programme for the protection of waters against pollution caused by agricultural sources.</td>
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1. **Title of the Measure**  
Organic Farming Scheme

2. **Legal basis**  
Article 29 – Organic Farming

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

   In the rural development context, organic farming is mainly expected to establish and maintain a sustainable management system for agriculture. The farming practices it promotes contribute to improving soil and water quality, to mitigation and adaptation to climate change and to the improvement of the state of biodiversity e.g. by crop rotation, use of organic fertilisers, improvement to soil organic matter and by no use of synthetic plant protection products or synthetic fertilisers. The support under this measure aims to encourage farmers to convert from conventional farming methods and to apply organic farming methods as defined in Council Regulation (EC) No 834/2007, as well as maintain these methods after the initial period of conversion, thus answering society’s demand for the use of environmentally friendly farming practices.

   The overall objective of the Organic Farming Scheme is to deliver enhanced environmental and animal welfare benefits and to encourage producers to respond to the market demand for organically produced food.

   One of the issues identified in the SWOT analysis is the low levels of organic production in Ireland. In 2010, across the EU27 Member States 5.7% of the total UAA was devoted to organic crop area. In Ireland the corresponding figure was 1.1%. Food Harvest 2020 recognised that while the organic sector in Ireland is relatively small in relation to agriculture as a whole, the sector does represent an opportunity for growth and endorsed the target of 5% of UAA. Consequently, FH2020 recommended that the Department should continue to directly support the sector through the Organic Farming Scheme (OFS) and the Schemes of Grant Aid for the Development of the Organic Sector. A theme emerging from stakeholder consultation is that the additional support for farmers via the OFS is the key factor underlying conversion and promoting continuance within the Sector, thereby responding to the market demand for organically produced food.

   The fact also remains that the Scheme in its current form has failed to convince enough farmers to convert to organics and meet the demand that exists for organically produced food. This fact, combined with the decline in numbers joining OFS since 2010 (attributed to the comparative unattractiveness of the Scheme to other measures such as AEOS where payment rates are higher), highlights the necessity for a more incentivised and targeted scheme.

   It is intended to continue with the general structure and implementation/administration of the existing Organic Farming Scheme which entails an annual area-based payment over a 5-7 year contract period. However, an increase in the payment rates is currently being examined within the guidelines laid down by the RDP Regulation to encourage new entrants and to maintain existing levels of participation, along with some targeted incentives aimed at areas that are in deficit.
4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**

   **a) Description of the Operation:**

   As outlined above, the proposal is for continuity of the general structure and implementation/administration of the existing Organic Farming Scheme which entails an annual area-based payment over a 5 year contract period. The possibility of increasing rates for both conversion and maintenance is currently being examined.

   The logic underlying the measure is to encourage and maintain the uptake of organic farming in order to progress towards European targets, with consequent benefits to the environment, as well as responding to the market demand for organically produced food. Based on the experience of running the measure to date and feedback received from stakeholders, the introduction of a more targeted incentivised payment structure aims to more effectively address this issue. This payment structure will take account of the need to incentivise new entrants as well as to support ongoing organic producers.

   As Article 29 of the new RDP places increased emphasis on maintenance of organic farming practices, there will be increased focus within the new OFS on ensuring continuity of commitment to organic production. This new focus should be reflected also in the payment structure.

   The measure design process is also taking into account the need to target supports to areas that are in deficit. For example, cultivation of red clover could be incentivised both for its value as a source of high-protein, high dry-matter organic fodder, as well as for it environmental benefits as a natural nitrogen-fixer. It might also be possible to examine increasing the cap on eligible areas, to encourage entry of larger farms.

   The lack of specialised training in the current iteration of the OFS was identified as an issue in the needs analysis. The new scheme incorporates the completion of a training course as a mandatory eligibility requirement. Inclusion of Ongoing Training as an optional supplementary measure is also under consideration.

   **b) Type of support:**

   The principal support will be an annual area-based payment per hectare of Utilizable Agricultural Area (UAA) over a 5 year contract period. The Department is currently examining the possibility of increasing the payment rates within the guidelines laid down by the RD Regulation to encourage new entrants and maintain existing levels of participation. A higher payment rate for farmers converting organic land for the first time will be paid for the initial two year conversion period, with a maintenance payment thereafter. However, whereas in previous schemes there was a very sharp fall-off in support from the conversion to maintenance phase, it is now proposed to smooth that out somewhat, to support ongoing participation in the sector. A payment structure which incorporates a basic payment and a drop-down menu of incentivised options targeting support towards areas which are in deficit, or which would help to address obstacles to growth, is also under consideration.

   **c) Links to other legislation:**
• GAEC and Cross Compliances Requirements: Organic farmers are subject, where applicable, to the full suite of GAEC and Cross Compliance Requirements (SMRs).

• Greening Requirement: By definition Organic farmers meet the Greening requirements ipso facto.

• Relevant minimum requirements for fertilisers and plant protection products use, and relevant mandatory requirements established by national law.

**d) Beneficiaries:**

Beneficiaries under the scheme will be active organic farmers, registered with DAFM and licensed by one of the Organic Control Bodies.

**e) Eligible Costs:**

The premium is based on the additional costs incurred, income foregone resulting from farming to the organic standards and a transaction costs when compared to a conventional farmer of similar land area, intensity of production and efficiency. A payment structure which incorporates a basic payment and a drop-down menu of incentivised options targeting support towards areas which are in deficit, or which would help to address obstacles to growth, is also under consideration.

**f) Eligibility conditions:**

As in the previous OFS a series of core requirements defines basic eligibility:

• Requirement of minimum farm area of 3 hectares, except for horticultural producers where the minimum farm area is 1 hectare.

• Registration with one of the Organic Control Bodies, possession of a valid organic licence and registration with DAFM.

• Preparation of a Business Plan

• Requirement to meet the productivity objective, the minimum stocking levels must equal 0.5 LU per hectare

**g) Principles with regards to the setting of selection criteria:**

With regard to selection, the key selection tool will be a five-year+ business plan combined with a scoring matrix. Applicants will be selected according to criteria which will include:

• Market requirement for proposed enterprise;

• Potential to convert land to organic production

• Previous history of organic participation and production.

All applicants will be required to reach a minimum score to be deemed eligible for consideration for inclusion in the Scheme. Other selection criteria under consideration, include recognition of participation in GLAS, with particular regard to the preparation of a Nutrient Management Plan.
h) Applicable amounts and support rates:

The possibility of increasing the payment rates within the guidelines laid down by the RDP Regulation is currently being examined with due regard to the principle of double funding. Costings are currently being calculated primarily on the basis of income foregone and transaction costs. OFS payments in Ireland are considerably lower than in other Member States. A payment rate for farmers converting organic land for the first time will be paid for the period of conversion (two years) with a maintenance payment thereafter. In determining payment rates for the new OFS, consideration is being given to increasing the payment rates for new entrants and also to those who have completed the conversion period, within the guidelines laid down by the RD Regulation. The drop in production levels and consequent loss of income is not confined solely to the initial conversion period and therefore justifies a higher level of payment from year two onwards than that which currently exists.

5. Verifiability and controllability of the measures

a) Risk(s) in the implementation of the measures

- Organic farming commitments are subject to the principle of no double funding. The Commission have highlighted the issue of Greening payments under Pillar 1 and the potential of double funding. According to Art. 29(4) of the regulation on direct payments organic farmers are entitled to the greening payments ipso facto.

- There is a risk also of double funding where organic farmers also participate in other AEC actions (GLAS etc)

- The licensing of organic operators is devolved to Certifying Bodies (currently 5) approved by the Minister. There is a risk that the control bodies’ inspections are not effective, thus permitting non-compliant operators access to the Organic Farming Scheme.

b) Mitigating actions

- In order to respect the principle of non-double funding, the calculation of the Organic payment will address the Greening issue and the certification of the correctness of the premia calculations will include a specific reference confirming that the proposed premia avoids double funding, following EU guidelines and methodologies.

- Organic Farming Scheme and GLAS programmes will be constructed and presented to deliver complementarity but the specific undertakings will not overlap thus avoiding double-funding.

- The Organic Certifying Bodies must be independently accredited to ISO standards. The Department as the Competent Authority is also obliged to have in place a control system that confirms the effectiveness of the licensing system.

6. Methodology for the calculations of the amount of support, when relevant

Calculation of the additional costs associated with conversion to organic farming and continuation within the organic system of production in compliance with the rules of organic production as laid down in:
• Organic Food and Farming Standards in Ireland.

The premium is based on the additional costs incurred, income foregone resulting from farming to the organic standards and a transaction costs when compared to a conventional farmer of similar land area, intensity of production and efficiency.

The premium will be area based as a payment per hectare of Utilizable Agricultural Area (UAA).

A payment rate for farmers converting organic land for the first time will be paid for the period of conversion (normally two years) with a maintenance payment thereafter.

The costs are based on a Gross Margin comparison of typical Irish farm holdings and enterprises: comparing the income differential between conventional production and organic production.

Financial data and statistics from Teagasc National Farm Survey and Management Data for Farm Planning are used in the calculation of premia.

7. Additional information specific to the Measure concerned

Baseline elements:

• GAEC and Cross Compliances Requirements Organic farmers are subject, where applicable, to the full suite of GAEC and Cross Compliance Requirements (SMRs).
• Greening Requirement. By definition Organic farmers meet the Greening requirements ipso facto.
• Relevant minimum requirements for fertilisers and plant protection products use, and relevant mandatory requirements established by national law. These requirements will be same as GLAS etc. See Annexes 2 and 3 for further information.

8. Methodology for calculating costs:

Calculation of the additional costs associated with conversion to organic farming and continuation within the organic system of production in compliance with the rules of organic production as laid down in:

• Organic Food and Farming Standards in Ireland.

The premium is based on the additional costs incurred, income foregone resulting from farming to the organic standards and a transaction costs when compared to a conventional farmer of similar land area, intensity of production and efficiency.

The premium will be area based as a payment per hectare of Utilizable Agricultural Area (UAA).

A payment rate for farmers converting organic land for the first time will be paid for the period of conversion (normally two years) with a maintenance payment thereafter.

The costs are based on a Gross Margin comparison of typical Irish farm holdings and enterprises: comparing the income differential between conventional production and organic production.

Financial data and statistics from Teagasc National Farm Survey and Management Data for Farm Planning are used in the calculation of premia.

**Agronomic assumptions:**

Payments to organic farmers can be justified.

Organic farmers incur substantial additional costs when complying with the rules of organic production. The associated costs of production are greater. Due to the prohibition of the use of soluble fertilizers, synthetic herbicides and pesticides output is lower. The low uptake of organic farming and the dispersed location of organic farmers add additional costs in bringing product to market and sourcing organic inputs. Animals are housed for longer. Crop yields are lower, rotations generally shorter, seed more expensive and weeding and crop husbandry more labour intensive.

Double funding will be avoided.

9. Other important remarks relevant to understand and implement the measure

N/A

10. Key output targets

Total expenditure over lifetime of RDP - €44m
1. Title of the Measure
Locally led agri environment schemes

2. Legal basis
Article 28 Agri environment and climate measures OR
Article 35 Co-operation
The choice of article is currently under consideration in conjunction with the Commission

3. General description of the measure including intervention logic and contribution to FA and cross-cutting objectives
The locally led agri environment scheme offers a complementary approach to the action-based approach which has been adopted for the broader GLAS scheme. Along with GLAS+, these initiatives are designed to create an integrated response to achieving environmental objectives.

The broader context is the establishment of a strong sustainable base for Irish agriculture, which not just respects the environment but shows itself capable of responding effectively and appropriately to a range of environmental challenges. It ties in with the green vision for Irish agriculture contained in Food Harvest 2020 and as promoted by Bord Bia in the Origin Green campaign.

While the GLAS and GLAS+ measures have been designed to address many of the high priority environmental, climate change and biodiversity challenges facing the sector, there is a recognition that large scale measures such as GLAS may not be the most appropriate vehicle for addressing specific issues. For example, there are many environmental and biodiversity challenges which manifest themselves in a particular manner at local level and are thus not as suited to the approach of national level measures. Thus, locally led projects aimed at specified environmental and biodiversity outputs can be an important complement to wider national level measures. This theme recurred throughout the SWOT and public consultation and a wide range of suggested topics for such interventions were forwarded.

One of the principal needs identified was for a well-targeted and designed agri-environmental scheme, focussing on general agri-environment challenges as well as more specific biodiversity issues. It was noted within the analysis that notwithstanding the high level of participation in agri-environmental schemes over the years, biodiversity loss has not been halted, while water-quality remains precarious in several areas. Specific threats to a number of important species were identified, including the Freshwater Pearl Mussel. There was clear support for adopting a ‘tiered approach’, allowing general agri-environmental issues to be addressed through a broadly-based scheme, while a more targeted approach would be adopted to more specific challenges in specific areas. The current approach to the targeted output scheme reflects that observed need and will complement both GLAS and GLAS+ in creating a holistic response to a wide range of environmental challenges. This measure also responds to the issues highlighted by the Environmental Impact Assessment of Food Harvest 2020.
The nature of this measure clearly links to the climate change and environment cross cutting objectives. In addition the locally led and output based structure should encourage innovative solutions to particular environmental challenges.

4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

a) Description of the Operation:

The objective of the measure is to provide a complementary approach to the overall agri-environmental effort, one which encourages the development of locally focused projects designed to respond to specific environmental challenges. As well as responding to a number of such challenges identified centrally, it is also intended to use the measure to promote independent identification of priorities and, by way of a competitive-call process, to encourage locally-driven solutions.

It is proposed that support here will take the form of:

- Support for a small number of projects identified centrally as being of critical environmental importance, namely the continuance and expansion of the existing Burren Farming for Conservation Project, and the preservation of the Freshwater Pearl Mussel in certain priority catchments.

- The establishment of a competitive fund to select a number of priority projects on foot of a call for proposals (the best approach to this is currently being discussed with Commission).

b) Type of support:

Support will be by way of annual grant, and supported projects may run over multiple years. Eligible costs will include cost of compliance, income foregone and transaction costs where applicable, including administrative and facilitative costs.

c) Links to other legislation:

Like GLAS, the Locally Led Scheme will comprise of an integrated measure incorporating actions related to both Natura and Agri-Environmental headings, even if payments are not necessarily made from those headings. All actions must go beyond the GAEC, SMR and Greening baselines, linking also to Habitats, Birds and Water Framework Directives.

d) Beneficiaries:

Farmers / groups undertaking approved projects.

e) Eligible Costs:

The basis for making payments is still under discussion with Commission.

f) Eligibility conditions:

This is still under consideration, in consultation with the Commission. However, conditions are likely to require collective or community-based action towards a significant environmental gain not achievable through either GLAS or GLAS+. Competitive calls may be structured thematically.

g) Principles with regards to the setting of selection criteria:

Other than the two core projects (Burren and Freshwater Pearl Mussel), it is envisaged at present that remaining projects will be recruited by way of competitive call, with selection made on a
qualitative basis by a selection committee. The approach to this is still under consideration with the Commission.

h) Applicable amounts and support rates:
   Each project will be costed individually, based on the inputs required to achieve the outputs targeted, but will respect maximum levels laid down in the regulation.

5. Verifiability and controllability of the measures
c) Risk(s) in the implementation of the measures

- Payment under a locally led scheme may be subject to the achievement of the outputs agreed, depending on the model employed. This places another layer of bureaucracy on the process, while also introducing an element of subjectivity into the mix. The danger of artificially inflating error rates is real.
- Such schemes can require a high-level of annual inspection, including inspection pre and post implementation. A demanding scoring system is also involved, requiring establishment of baseline and output measurements. Experience has also shown that targeted-output schemes are relatively costly to implement, particularly in comparison with action-based measures. The main difference is the high degree of administrative effort required to manage the schemes locally.
- The danger of double-funding where GLAS and locally led schemes are combined on the one farm is very real.

d) Mitigating actions
   The experience of the Burren Farming for Conservation Project will inform the design of similar projects under the new RDP. The experience in managing this project will help prepare the mitigating actions required to address the risks identified above. In relation to the first bullet-point above, we will seek to identify and cost specific actions that are of themselves measurable and verifiable, rather than rely upon outputs alone. In relation to the second point, a cap on administrative inputs will be applied. As regards the third point, the intention is that as far as possible GLAS and locally led schemes will be mutually exclusive, or where overlap occurs (due for example to the commencement of a Locally Led scheme mid-cycle of GLAS) the GLAS participants may transfer relevant commitments wholly into the locally led scheme. For the purposes of implementation a computerised cross check will be developed across GLAS and output based schemes to protect against double payment for the same commitment.

6. Methodology for the calculations of the amount of support, when relevant
   This is still under consideration, in consultation with the Commission.

7. Additional information specific to the Measure concerned
   See Annexes 2 and 3 for general baseline information.

8. Other important remarks relevant to understand and implement the measure
The introduction of a Traditional Buildings measure is also under consideration, and this may be appropriate to the locally led model. This would be similar to the measure last employed under REPS 4 and would be targeted at the preservation and conservation of traditional farm buildings and structures, with benefits accruing under a range of headings, including environment, heritage, and climate.

9. Key output data

Total expenditure over lifetime of RDP - €70m
1. **Title of the Measure**
   Areas of Natural Constraint (ANC) incorporating support for island farming.

2. **Legal basis**

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**
   Those farming in designated disadvantaged areas face significant hardships deriving from factors such as remoteness, difficult topography, climatic problems and poor soil conditions. They tend to have lower farm productivity and higher unit production costs than farmers in other areas. Without financial support, these lower returns from farming would pose a major threat to the future viability of these farming communities.

   Payments to farmers in mountain areas or in other areas facing natural or other specific constraints will, by encouraging continued use of agricultural land, contribute to maintaining the countryside as well as to maintaining and promoting sustainable farming systems. In order to ensure the efficiency of such support, payments will compensate farmers for income foregone and additional costs linked to the disadvantage of the area concerned.

4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**
   a) **Description of the Operation:**
      Payments will only be in respect of eligible land, with different rates of aid applicable, based on the following land designations:
      - More severely handicapped (Lowland);
      - Less severely handicapped (lowland);
      - Mountain type land.

      The measure will:
      - Ensure continued agricultural land use, thereby contributing to the maintenance of a viable rural society
      - Maintain the countryside and
      - Maintain and promote sustainable farming systems, which in particular take account of environmental protection requirements.

      Each Member State has until 2018 to designate its ANCs by reference to biophysical criteria. Work in this regard is currently undergoing in Ireland, and this redesignation may alter the structure of the measure in future years.

   b) **Type of support:**
      Payment to be made annually, subject to compliance with the Terms and Conditions of the Scheme.

   c) **Links to other legislation:**
Beneficiaries:
In the order of 95,000 farmers are expected to benefit under the measure.

Eligible Costs:
Eligible costs are determined on the basis of the costs and income foregone linked to the area of disadvantage.

Eligibility conditions:
Beneficiaries must:
- Be a person aged 18 years or over;
- Occupy and farm at own risk a minimum of three hectares of forage land, situated in a recognised ANC area;
- Undertake to actively farm and manage the land situated in an ANC area and applied on in the given year of application;
- Comply with Cross Compliance requirements set down in EU legislation (Directives and Regulations) on the environment, food safety, animal health and welfare and plant health; must maintain the farm in Good Agricultural and Environmental Condition (GAEC);
- Have a holding that meets the minimum stocking levels (grazing requirement).

Principles with regards to the setting of selection criteria:
The current categories of disadvantaged land are set out above.

Applicable amounts and support rates:
The proposed payment rates, based on the different degree of constraints, are as follows:
- Mountain Type Grazing: €109.71 on first 10 forage hectares, or part thereof, and €95.99 per hectare on remaining hectares up to a maximum of 34 hectares.
- More Severely Handicapped Lowland: €95.99 per forage hectare up to a maximum of 30 hectares.
- Less Severely Handicapped Lowland and Coastal Areas with Specific Handicaps: €82.27 per forage hectare up to a maximum of 30 hectares.

In recognition of the additional constraints facing those farming on off-shore islands, it is intended that a specific top-up be introduced for such farmers. Work is ongoing in relation to the rate of this payment.

5. Verifiability and controllability of the measures
a) Risk(s) in the implementation of the measures
Risks relate to ensuring farmers in receipt of support meet all the conditions in terms of farming in a designated area, compliance with environmental standards and stocking rates.

b) Mitigating actions
In order to address these risks, a dual system of administrative checks and on farm inspections is in place.
6. **Methodology for the calculations of the amount of support, when relevant**
   Work is continuing in relation to the quantification of support.

7. **Additional information specific to the Measure concerned**
   
n/a

8. **Other important remarks relevant to understand and implement the measure**
   
n/a

9. **Key Output Data**
   Total expenditure over the lifetime of the RDP – €1370m
   Total number of holdings / beneficiaries supported – 95,000 farmers p.a.
1. **Title of the Measure**
   Targeted Agricultural Modernisation Schemes II (TAMS II)

2. **Legal basis**
   Article 17 Investment in Physical Assets

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

   Investment in physical assets will enable the sector to respond to a wide range of policy challenges, including the cessation of milk quotas from 2015, the need for more modern and efficient infrastructure, animal health and welfare issues, etc.

   The SWOT analysis and public consultation identified a need for capital investment over a wide range of investments. The areas prioritised for investment in the current proposal for TAMS II will contribute to a number of central themes in the farming sector, including:

   - Enabling growth and expansion
   - Environmental and climate change issues
   - Supporting increased efficiency of holdings
   - Improved animal health and welfare

   In addition, it is proposed that this measure will also address one of the key structural constraints identified in the sector – namely age profile. As a complement to recently announced supports under Pillar 1 and supports outside of the CAP framework (eg taxation measures), TAMS II will specifically target support at young farmers by offering them a greater rate of aid intensity.

   The areas identified for funding are:

   - Farm nutrient storage
   - Animal housing
   - Dairy equipment
   - Young Farmer Capital Investment Scheme
   - Low emission spreading equipment
   - Animal Welfare and Farm Safety
   - Pig and poultry investments in energy, water meters and medicine dispensers
   - Organic Capital Investment (organic farmers only)

   It is intended that support for investments in dairy equipment, beef and sheep handling equipment, pigs and poultry, slurry on tillage farms, and low emissions spreading equipment will be prioritised in terms of the timing of scheme launches.

   Given the range of areas proposed for investment under TAMS II, support in this area will clearly link to all three cross cutting objectives. Support for new technologies in the dairy and other areas will lead to innovative practices while the environmental and climate change theme are reflected generally in the investment in more efficient holdings and also specifically in the investment in low emissions spreading, slurry storage, etc.
4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**

a) **Description of the Operation:**

As indicated above, the objective of the measure is to encourage investment in a number of particular target areas which will promote, in particular, increased competitiveness in those sectors in which grant-aid will be made available. The provision of a higher aid intensity for young farmers is aimed at supporting young farmers wishing to enter the sector or improve their holdings.

It is intended to use a similar structure to that which was in place for TAMS under the RDP 2007-2013. Thus, under the overarching structure of TAMS II a separate scheme will be established for each investment area in as far as is possible. This structure will facilitate a streamlined application process.

In order to ensure that approvals are issued to farmers on a regular basis, the application period will again be divided into tranches of approx. 3 months and a separate financial ceiling fixed for each individual tranche. Where insufficient funding is available in a particular tranche, applications will be rolled forward to the next tranche.

b) **Type of support:**

This is a capital investment grant scheme. The standard rate of grant will be 40%, with young farmers attracting a higher rate of 60% under a dedicated scheme.

c) **Links to other legislation:**

At present, it is not envisaged that any of the new measures will provide specific assistance to enable an applicant to meet an impending or newly introduced EU agricultural standard. However, grant schemes will, in several cases, have to take account of existing EU requirements such as the Nitrates Directive (Directive 91/676) and the Water Framework Directive (Directive 2000/60).

d) **Beneficiaries:**

Beneficiaries will be active farmers, with young farmers (as defined in the Rural Development Regulation) benefiting from an increased rate of aid. In order to ensure that as many young farmers as possible can avail of the enhanced scheme, it is proposed to use the maximum flexibility available and accept applications from young farmers who commenced farming during the five years preceding date of application.

e) **Eligible Costs:**

Eligible costs will be specified in advance as part of the terms and conditions attaching to each of the schemes.

f) **Eligibility conditions:**
Farmers in all areas of the country will be entitled to apply for grant-aid under TAMS II, subject to meeting the eligibility criteria laid down in each individual scheme. The eligibility criteria will determine, where appropriate, the minimum and maximum levels of farming enterprise for grant aid. Where appropriate, specific groups of farmers may be given preference in the selection criteria laid down under each scheme.

**g) Principles with regards to the setting of selection criteria:**

Specific selection criteria will apply under each scheme, but common ones will include priority ranking for young farmers under 40 but who commenced more than 5 years prior to application and thus do not qualify for the dedicated scheme, and comparison of proposed costs with reference costs.

**h) Applicable amounts and support rates:**

A general 40% rate of aid is available. However, this will be increased to 60% in the case of young farmers as defined in the relevant legislation. In order to ensure that the available budget is respected, it is proposed that a “super ceiling” of €80,000 per holding over the lifetime of the RDP be put in place. In order to encourage the purchase by farmers of specialised slurry-spreading equipment, however, it is proposed to exclude this scheme from the application of the “super-ceiling.”

5. **Verifiability and controllability of the measures**

**a) Risk(s) in the implementation of the measures**

A number of risks can be associated with the implementation of the investment measures proposed under the new Programme, many of which were identified during the course of the previous Programme which was in place during the 2007-2013 period. These risks include –

- **Provision of limited financial allocations to schemes**
  It is recognised that there will be significant demand by farmers for the suite of investment measures proposed in the new Rural Development Programme. Whilst it is always difficult to gauge the likely demand for investment over a seven-year period, it is reasonable to assume that the value of applications, in grant terms, for many of the investment items proposed will exceed the financial allocation allocated to each measure under the new Programme. In order to avoid the risk of possible financial exposure by the State under the new investment measures over and above the amounts allocated, measures will have to be taken to ensure that the value, in grant terms, of approvals issued does not exceed the amount of funding available.

- **Failure to complete investment works to correct technical specifications**
  The Department is currently preparing new technical specifications or revising existing specifications in relation to the proposed new investment measures which are expected to feature in the new Rural Development Programme. An obvious risk under any investment measure is that applicants will not complete the investment works to the standards required by the Department.

- **Commencement of investment works prior to issue of approval**
  A further risk which arises under the new Programme is that farmers may commence the proposed investment works prior to the issue of a Department approval.
b) Mitigating actions

In the case of the risks identified above, the following mitigating actions will be taken as part of the control measures adopted as part of the new Programme:

- Provision of limited financial allocations to schemes

In the case of each investment measure introduced under the new Programme, a series of tranches, with fixed financial ceilings, will be opened in which all eligible applications received will be ranked in accordance with the relevant selection criteria applicable. Following the ranking of each application, approvals will only issue to farmers up to the appropriate level vis-à-vis the financial allocation available under the tranche concerned. Eligible applications which do not receive an approval in a particular tranche will be rolled over to the following tranche.

- Failure to complete investment works to correct specifications

Assurance that investment works have been completed according to the Department’s technical specifications will result from the on-the-spot inspections which will be carried out on investment works completed under the new Programme. The control measures for each new measure will include a pre-determined level of on-the-spot pre-payment inspections where it will be verified that the Department’s technical specifications have been fully complied with by the applicant. Where the investment works involve the construction of buildings, a programme of on-the-spot visits will also take place whilst the works are being carried out.

- Commencement of investment works prior to issue of approval

Checks to ensure that works have not commenced prior to the issue of a Department approval will be included as part of a pre-approval inspection regime which will also be introduced under the new Rural Development Programme. Where appropriate, such checks will be carried out on a risk analysis basis.

6. Methodology for the calculations of the amount of support, when relevant

A system of reference costs will be put in place under each investment measure in order to ensure that grant-aid is payable only on costs which are considered to be reasonable.

Under each measure, applicants will be required to include their proposed costs for each investment item set out in the grant application. At time of payment, the grant amount will be calculated on the basis of the lowest of the following three amounts:

(a) The proposed costs indicated by the applicant;
(b) The Department’s reference costs;
(c) The eligible amount of receipted costs submitted by the applicant.

The reference costs are developed as a maximum ceiling that can be paid for grant-aided buildings and equipment. For equipment that needs to be installed to operate, the reference cost calculated must also cover the cost of installation.

The reference costs are independently calculated by the Engineering Unit of the Nitrates, Biodiversity and Engineering Division.

The reference costs are calculated by undertaking the following:

- CSO construction index figures shall be obtained for the period being reviewed to act as a guide for the potential expected increases in the prices of equipment and buildings.
• Where relevant, receipted costs shall be downloaded from TAMS computer system to compare the actual claimed costs for the relevant items over the preceding year with the reference costs.
• Meetings shall be organised with reputable supplier companies to obtain quotes for the different types of equipment / buildings being evaluated. Quotations shall be obtained from at least three separate companies for each item that reference costs are being developed for. This is to ensure that the average obtained is reflective of the true market cost of the items.

Once all of the quotations have been received, the average cost is calculated for each item.

7. Additional information specific to the Measure concerned
   N/A

8. Other important remarks relevant to understand and implement the measure
   N/A

9. Key output data
   Total expenditure over the lifetime of the RDP - €395m
   Number of operations supported – 6,300 young farmers and 19,000 other farmers
1. **Title of the Measure**
   Bioenergy Scheme

2. **Legal basis**
   Article 17 Investment in Physical Assets

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

   The Bioenergy Scheme will provide grant-aid to support the establishment of energy crops for use in renewable energy production.

   Despite a near trebling in demand between 2003 and 2011 for renewable energy, there are still relatively low levels of production and use overall in Ireland. The contribution of renewable energy to overall energy demand in 2012 was 7.1%, whereas the target is to achieve 16% by 2020 under EU Directive 2009/28/EC. The Commission communication on a climate and energy policy framework from 2020 to 2030, published on 22nd January 2014, proposes a renewable energy target of 27% by 2030 (compared to 20% by 2020) with flexibility for individual member states to set national targets. There is a lack of market development for the bioenergy sector for a number of reasons, including the high investment costs required for energy sector development, lack of available finance, and difficulties with the development of the supply chain for bioenergy production, in terms of the need to better join up supply and demand.

   The Sustainable Energy Authority of Ireland (SEAI) estimates that optimised biomass availability in 2020, from the main sources such as the forest sector, domestic and industrial waste and agriculture residues, will be less than 60% of the biomass required to deliver the forecast bioenergy contribution to our 2020 renewable energy targets. The shortfall can be addressed through a combination of indigenous purpose grown energy crops and short rotation forestry, higher intensities of wood-fuel recovery from thinning and felling and imported biomass/bioenergy.

   The development of indigenous purpose grown energy crops is far preferable to relying on imported biomass. Ireland already imports some €6.5 billion in fossil fuels annually and it is not in our economic interest to substitute imported fossil fuels with imported biomass. The greatest benefit to Ireland would be the offsetting of imported fossil fuels by indigenous biomass. There is the added benefit of providing an alternative farming enterprise and source of income for individual farmers, with the potential for additional employment in rural areas as supply chains develop and increasing areas of energy crops are established.

   In responding to this issue, and in anticipating the need to meet EU renewable energy targets to 2030 and beyond, the Bioenergy Scheme measure seeks to support the development of additional areas of energy crops. Support under this measure is particularly aimed at the barrier of high set up and development costs related to growing energy crops.

   Energy crops are considered a carbon neutral fuel as the carbon released during their combustion has been absorbed by the plants when they were growing. An average medium sized home will burn around 3,000 litres of heating oil per year, which releases 8.08 tonnes of CO2. Teagasc figures show that one hectare of energy crops produces the energy equivalent of some 3,500 litres of heating oil, with a potential for mitigating some 10 tonnes of CO2 where the harvested crop is used for renewable heating.
The Bioenergy Scheme measure contributes in particular to the cross cutting objective of climate change. The climate change agenda is key to the logic underlying the Bioenergy Scheme measure. Current and projected levels of biomass are not sufficient to meet our renewable energy targets, and this measure aims to support the development of additional areas of energy crops as a source of renewable energy which will also offset fossil fuel use and mitigate CO$_2$.

4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**

a) *Description of the Operation:*

This measure will provide grant-aid to facilitate the establishment of energy crops for use in renewable energy production. The grant-aid will be paid in respect of the ground preparation, seed purchase and planting costs.

b) *Type of support:*

It is proposed to structure the support on two elements. The first element will cover the crop establishment costs and will be based on an aid intensity of 40%. The second element proposed is the payment of a premium over 3 years in order to compensate for the loss of income in the establishment and production of the bioenergy crop on a given area of land.

c) *Links to other legislation:*

N/A

d) *Beneficiaries:*

Applications would be accepted from applicants who are landowners or have leasehold title to the land, or in the case of a family member managing the land the written permission of the landowner would be required.

e) *Eligible Costs:*

Eligible costs are those costs associated with ground preparation - such as ploughing, cultivating, rolling, weed control, control of insect pests and fencing. Also cost of seed purchase and planting.

f) *Eligibility conditions:*

Applications must be landowners or have leasehold title to the land and have responsibility for the land on which it is proposed to establish the crop. Where an applicant has leasehold title to the land, aid will not be granted unless the leasehold title allows for planting or where the landowner has consented to planting in a supplementary lease. An applicant who is not the owner of the land involved shall only be admitted to the scheme if they are a family member and are managing the land. Such an application can only be made with the written permission of the landowner.

g) *Principles with regards to the setting of selection criteria:*

The objective of the scheme is to increase the area of energy crops planted in Ireland so as to contribute to meeting renewable energy targets, mitigating CO2 and stimulating the local economy. Drawing on this objective, selection criteria will be used to prioritise applications along the following lines:

- Suitability of the site having regard to soil type, access, drainage, agronomy and environmental considerations:
- Evidence of end-use contract for use of crop for renewable energy purposes, particularly in facilities that are in receipt of any renewable heat incentive;
• Proximity to end use or processing site;
• The existing system of farming and expertise/knowledge with regard to growing energy crops;
• Applicants who successfully planted under previous Bioenergy Scheme;
• Applicants capable of achieving economies of scale.

h) Applicable amounts and support rates:
The total reckonable cost per hectare for ground preparation and crop is €2,600 per hectare. The support would be paid up to 40% of the crop establishment costs subject to a maximum grant of €1,040 per hectare.

In addition it is proposed to pay a premium for three years in respect of the income foregone in establishing the crop. The details of this payment are currently under consideration.

5. Verifiability and controllability of the measures
a) Risk(s) in the implementation of the measures
Lack of information on behalf of applicants regarding the relevant terms and regulations under which the measure is administered is a potential risk in implementing this measure. This includes a lack of information on the potential reductions and exclusions that can apply under the administration of the measure.

b) Mitigating actions
The key to mitigating the risk at a) above is to provide all the relevant information to prospective applicants.

Detailed information, in an easily understood form, should be made available to all applicants for support under the measure. This includes detailed Terms and Conditions on the operation of the measure, including information on issues that lead to the imposition of reductions and exclusions.

6. Methodology for the calculations of the amount of support, when relevant
The amount of support is based on the establishment cost for energy crops. Analysis by Teagasc indicates that the establishment cost per hectare for miscanthus is €2,605 while the establishment cost per hectare for willow is €2,709. The grant-aid paid under the Bioenergy Scheme since 2010 has been based on a crop establishment cost of €2,600 per hectare as determined by Teagasc at that time. In order to maintain consistency with this figure and to provide for potentially funding both miscanthus and willow under the new Bioenergy Scheme, the figure of €2,600 per hectare in respect of crop establishment costs will be applied to the new Bioenergy Scheme.

7. Additional information specific to the Measure concerned
N/A

8. Other important remarks relevant to understand and implement the measure
N/A

9. Key Output data
Total expenditure over lifetime of RDP – €12m
Number of beneficiaries supported- 500
1. **Title of the Measure**

   Knowledge Transfer Groups

2. **Legal basis**

   Article 14 of Regulation (EU) No 1305/2013 – Knowledge Transfer and Information Actions
   Article 17 of Regulation (EU) No 1305/2013 – Investment in Physical Assets

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

   The analysis underpinning Food Harvest (FH) 2020 provided clear evidence that profitability levels on Irish farms are under threat and that many farms, particularly in the beef sector, rely on direct payments and other subsidies to remain viable. Matters linked to production quality, input costs, meeting regulatory standards in the areas of environmental protection, animal welfare and health and breed improvement were identified as issues affecting the various sectors. The concept of Smart, Green Growth set out in Food Harvest 2020 encompasses the idea of enhancing knowledge transfer and the report recommends that primary producers be encouraged to optimise efficiency by adopting new technology and best commercial practice. Furthermore the RDP SWOT/Needs and stakeholder consultation process, identified deficiencies in the knowledge base in areas such as business skills, environmental and climate change issues and animal health and welfare issues.

   Increasing the knowledge base in the sector can contribute to increased efficiency, effectiveness and competitiveness by addressing identified knowledge gaps in areas such as financial and risk management, grass management practices and animal health and welfare. Similarly, knowledge transfer in relation to environmental, bio-diversity and climate change issues will contribute to the development of a more sustainable sector. To ensure that these wide range of skills are delivered DAFM is now implementing innovative delivery solutions that will go beyond the traditional approach followed in previous discussion groups and where possible avail of additional expertise such as that of veterinary practitioners.

   The setting up of sectoral Knowledge Transfer Groups will see farmer meetings facilitated by highly qualified advisors and will involve the transfer and exchange of information and best practice. Specific identified issues will be integrated into the design of the measure both by ensuring that a greater level of expertise and technical knowledge is available at facilitator level and by guaranteeing a wide range of linked actions are available to participants. In this regard scheme design will include a more enhanced focus on environmental and climate change issues reflecting the multifunctional role of agriculture. This measure also takes into account the need for increased best practice and knowledge transfer in relation to environmental issues highlighted in the Environmental Analysis of Food Harvest 2020.

   Accordingly, the proposed Knowledge Transfer Groups will build on the progress made under previous discussion groups and enhance the level of knowledge transfer by incorporating a more output focused approach concentrating on priority areas as identified in the SWOT/Needs analyses and stakeholder consultation process.

   Furthermore by ensuring that horizontal issues, such as climate change and sustainability, are incorporated in the scheme design Knowledge Transfer Groups will also have a significant role to play in the successful delivery of other proposed measures in the new RDP – eg Agri-Environment and Climate Change measures and the Beef Data and Genomics measure.
Specifically, it is expected that knowledge transfer groups will:

- Encourage efficiency and effectiveness of work,
- Help farmers to deal with complex issues,
- Build capacity of individuals in a group environment,
- Ensure farmers engage in a process of continuous improvement,
- Encourage innovation and new ideas, and
- Enhance the delivery of other related measures proposed under the RDP.

The Knowledge Transfer Groups will include a focus on supporting farm risk prevention and management as particular groups will include animal health and welfare issues. In addition, wider elements of risk and financial management have been incorporated into the outputs and actions to be delivered by certain Knowledge Transfer Groups.

Knowledge Transfer Groups will also support the reduction of greenhouse gas and ammonia emissions from agriculture as they will provide an ideal vehicle with which to roll out the Carbon Navigator on a country wide basis. The Carbon Navigator developed by Teagasc and Bord Bia allows farmers to understand how their farms produce greenhouse gas, identify mitigation capacity and set targets and a pathway to reduce emissions.

Knowledge Transfer Groups will contribute to the Innovation cross-cutting objective by developing farmers’ knowledge base and encouraging the adoption of best practice in all aspects of farm management. The adoption and effective application of new technologies by farmers is a critical requirement for the sustainable growth of the agriculture sector, and will provide farmers with the wherewithal to respond in an innovative and sustainable way to the changing demands of the market.

Knowledge Transfer Groups will also contribute to the Environment and Climate Change Mitigation and Adaptation cross-cutting objectives. The focus on best practice means that participants in such groups are more likely to farm in a way that complies with environmental requirements and supports greater biodiversity. They are also more likely to farm in a way that is sustainable in the longer term, not just because of their improved ability to apply technologies that mitigate the effects of climate change, but also because of their greater sensitivity to the changing expectations of consumers in relation to sustainable methods of food production. In particular, the proposal to roll out the carbon navigator to a large number of farmers in these groups will be a clear link to the climate change objective.

4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

a) Description of the Operation:
It is intended that all the Knowledge Transfer Groups will be run via call for proposals using a common administrative framework. The selection of the project proposals will be based on quality, transparency, equality of treatment and impartiality.

Successful facilitators will notify DAFM of the composition of each group they have been awarded. DAFM will in turn validate each group and notify the facilitator that he may commence participation. Groups are expected to run for a period of up to 3 years with participants required to attend a minimum number of discussion meetings/accredited national events and complete small scale investments from a DAFM approved list.

Knowledge Transfer Groups will be delivered in the following areas

**Dairy expanders and new entrants** – focused on animal health, financial management, grass management, sustainability (carbon navigator), milk recording, breeding.

**Beef and sheep** - focused on animal health, financial management, grass management, sustainability (carbon navigator), breeding.

**Pig / Poultry** – focused on animal health and welfare and manure management.

**Dairy other** - focused on animal health, financial management, grass management, sustainability (carbon navigator)

**Tillage** – focused on integrated pest management and profit monitor.

**Equine** – focused on breeding and animal health and welfare.

Groups will come on line as resources and capacity allows, but it is expected that the dairy expanders and new entrants, beef and sheep, pig and poultry and equine groups will be prioritised in terms of scheme launches.

b) **Type of support:**

It is expected that the schemes will run for 2-3 years and payment will be annually following verification of compliance with scheme criteria.

c) **Links to other legislation:**

N/a

d) **Beneficiaries:**

In line with the Rural Development Regulation, the beneficiaries are the knowledge providers.

e) **Eligible Costs:**

Under Article 14 eligible costs will include costs associated with training courses, workshops and coaching and will consist of participant’s costs for travel, per diem expenses and replacement farmer costs.

Under Article 17 support will be provided for tangible and/or intangible investments which improve the overall performance of the agricultural holding and which are linked to specific
actions undertaken as part of participation in a Group. Support under Article 17 will be limited to 40%, the maximum support rate laid down in Annex I to the RD Regulation.

DAFM intends to use standard costs for both the article 14 expenditure and the expenditure related to what are expected to be minor capital expenditures incurred under Article 17. As the make-up of the individual schemes are developed and agreed, specific items will be independently costed. All financial support will be clearly based on these independent costings.

\( f) \) Eligibility conditions:

DAFM will identify Knowledge Transfer Groups to be provided and set a maximum number of groups to be funded. Course facilitators will apply to manage and facilitate groups provided they comply with basic eligibility criteria including minimum educational qualifications to FETAC Level 8. The FETAC Level 8 Qualifications that are eligible will be specified.

Following approval facilitators will be expected to manage and facilitate a minimum number of knowledge exchange meetings and oversee the completion of specific tasks on an annual basis. They will also be expected to complete administrative functions linked to scheme compliance and evaluation.

Participating farmers will be expected to attend a minimum number of knowledge exchange meetings and or national events and also complete specific tasks on an annual basis.

\( g) \) Principles with regards to the setting of selection criteria:

The selection of the successful facilitators will be done based on pre-determined eligibility and ranking and selection criteria.

Only eligible facilitators will be put forward for ranking and selection. These criteria will be based on the quality of the individual proposals submitted and will ensure transparency, equality of treatment and impartiality.

The proposed online application process will entail eligible facilitators being ranked and selected based on clearly defined criteria that may include
- Facilitator qualifications
- Facilitator participation in CPD
- Facilitator record with the Department relating to other schemes
- Diversity in group composition.

\( h) \) Applicable amounts and support rates:

Support will be based on the eligible costs as set out under e) above. All costs will be independently verified based on the standard cost approach.

5. Verifiability and controllability of the measures

\( a) \) Risk(s) in the implementation of the measures

Implementation risks will arise from two sources namely facilitators (beneficiaries) and participating farmers.
With regard to facilitators the identified risks include:
- Inability to competently facilitate knowledge exchange meetings. This includes a number of possibilities such as poor delivery, inability to ensure full participation and inappropriate or irrelevant topics.
- Failure to accurately record farmer attendance.
- Failure to ensure actions completed by individual farmers. This risk covers both the failure to complete and the incorrect or incomplete completion of actions.
- Failure to pay participating farmers agreed supports.

As regards participating farmers the risks include:
- Failure to attend the minimum required number of meetings/events.
- Failure to complete or the incorrect completion of actions.

b) Mitigating actions

The managing division will ensure that an appropriate control environment is in place coupled with a suitable penalty schedule.

The control environment will consist of a dual approach of administrative and on the spot checks. The administrative checks will be carried out by the operating division and will involve desk checks and the use of internal and external databases. The on the spot checks will be based on normal risk criteria and will involve professional staff from the Department’s Agricultural Structures and Environment Division.

The penalty schedule will comprise a proportionate deterrent to failure to comply and will be based on the published EU Regulations.

Both will be developed further as scheme design is finalised.

6. Methodology for the calculations of the amount of support, when relevant

As the scheme design is finalised the actions and related costs of both the beneficiaries and the participating farmers are being identified and quantified. These will be independently costed and based on the standard cost approach, and will be refunded to beneficiaries/participating farmers at the rates permissible under the Rural Development Regulation.

7. Additional information specific to the Measure concerned

Discussions with relevant stakeholders indicate that the sector will have capacity to provide the level of Knowledge Transfer Groups outline. As the requirements increases over the period of the programme this capacity will need to expand to cope with demand and it is expected that if the process is managed over time the sector will cope with the additional capacity.

As regards qualifications and training, experience gained from operating the discussion group model has shown that the level of expertise provided by facilitators is extremely high. The SWOT analysis confirmed this. However, where gaps have been identified, this will be addressed by ensuring there is an appropriate linkage to CPD provided under the RDP and by ensuring the scheme design encourages facilitators to avail of additional skills.
8. Other important remarks relevant to understand and implement the measure
   n/a

9. Key output targets
   Total expenditure over lifetime of RDP - €100m
   Total number of participants trained – 30,000 farmers, each trained over a 3 year period
1. **Title of the Measure**

   European Innovation Partnerships (EIP)

2. **Legal basis**

   Article 55-57 of Regulation (EU) No 1305/2013 on operational groups, their aims and their tasks.
   Article 35 of Regulation (EU) No 1305/2013 on co-operation which covers the support element.

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

   Current and future research, and the adaptation of it, can play an important part in underpinning increased efficiency and competitiveness by nurturing best practice in a wide range of areas such as maximising nutrient efficiencies, reducing emissions, informing adaptation and mitigating impacts of climate change, and the introduction of cutting edge production methods.

   The RDP SWOT analysis highlighted the fact that Ireland has a well established and high quality agri-food and rural development public research and development system. It also indicated that there are well developed inter and intra institutional collaboration fora e.g. Science Foundation Ireland and Teagasc collaboration. These strengths, together with Ireland’s small size provide the basis for the creation of effective European Innovation Partnerships (EIPs) Operational Groups.

   Greater linkages between research and on farm implementation need to be established, and this theme also emerged both during the public consultation process and the SWOT analysis. Support under the European Innovation Partnership (EIP) has been highlighted as a vehicle to address this, through both the National Rural Network and the European EIP Network. In this regard the EIP-AGRI Service Point will play an important role in the dissemination of results and findings as it will collect and share information on innovation-related policy measures, relevant research activities, funding opportunities, and lessons learned from practice-oriented projects. It will interact with the various stakeholders using multiple communication channels such as seminars, conferences, publications, website and social media. In this way the outputs from operational groups will be communicated to all actors ensuring that all lessons learned will be communicated beyond local level, and the benefits derived from the support for the groups can be realised internationally.

   It is also possible that, as the priority areas for EIP Operational Groups emerge, climate change or emissions issues may be one area where support is focused. This would assist in the overall task of reducing green house gas and ammonia emissions from agriculture. However, given the bottom up nature of support for this measure, however, it is not possible to guarantee this at this stage.

   EIP operational groups are clearly linked to supporting innovation and best practice. Specifically they will be intended to address all or some of the following:
   - promoting a resource efficient, productive and low emission agricultural sector, working in harmony with the essential natural resources on which farming depends,
   - improve processes to preserve the environment, adapt to climate change and mitigate it, and
   - create added value by better linking research and farming practice and encouraging the wider use of available innovative practices.
4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**

a) **Description of the Operation:**

Following on from the consultation process, it is now envisaged that support for EIP operational groups is to be channelled towards the setting up of new operational groups structured around a competitive fund. This would entail DAFM, in consultation with external stakeholders, identifying priority issues as a basis for a call for proposals. Such a call for proposals, and the subsequent evaluation of proposals received would necessarily draw on the relevant expertise.

Currently it is expected that once priority areas/issues are identified a call for proposals and selection of project proposals will follow based on following well-established public procurement principles.

The dissemination of the research findings through the EIP Network will ensure that the lessons learned are communicated beyond local level and thereby contribute to the overall objectives of sustainable agriculture production across the EU.

b) **Type of support:**

The Call for Proposals will specifically indicate the basis on which support will be provided and oversight will be provided by the Division operating the suite of Knowledge Transfer measures.

c) **Links to other legislation:**

N/A

d) **Beneficiaries:**

Operational Groups will be clearly targeted at the involvement of a wide range of actors in order to encourage the cross fertilisation of approaches, ideas and experience. It is expected that this participative approach will result in farmers, advisors, researchers, businesses and NGOs working together in a collaborative fashion as part of an Operational Group.

e) **Eligible Costs:**

As per Article 35 of the Rural Development Regulation, the eligible costs will include:
- the cost of studies of the area concerned and of drawing up a business plan,
- the cost of animation of the area concerned in order to make feasible a collective territorial project or a project to be carried out by an operational group
- the running costs of the co-operation;
- the direct costs of specific projects linked to the implementation of a business plan or an environmental plan, and
- the cost of promotion activities.

f) **Eligibility conditions:**

Following on from the consultation process, it is now envisaged that support is to be channelled towards the setting up of new operational groups structured around a competitive fund. This would entail DAFM, in consultation with external stakeholders, identifying priority issues as a basis for a call for proposals. Such a call for proposals, and the subsequent evaluation of proposals received would necessarily draw on the relevant expertise.
g) Principles with regards to the setting of selection criteria:
Selection of the project proposals will be based on the following well-established principles including:

- Quality: Demonstrable high quality scientific, technical and managerial attributes
- Transparency: there will be a clear framework for those preparing proposals for funding.
- Equality of treatment: All projects will be evaluated in like manner.
- Impartiality: All proposals will be treated impartially and will be evaluated on their own merits.

h) Applicable amounts and support rates:
Support will be provided for feasibility studies, animation costs, running costs and promotion activities in accordance with Article 35. Support rates are currently being addressed as part of the ongoing measure design work.

5. Verifiability and controllability of the measures
a) Risk(s) in the implementation of the measures
Risks associated with this measure centre around the failure of the operational group to deliver on the commitments set out in the successful tender and issues associated with the group’s governance arrangements including financial management.

b) Mitigating actions
DAFM will undertake an open, transparent and rigorous tendering process and will also insure that the operational groups have in place adequate governance arrangements. The operational division responsible for managing and delivering the knowledge transfer suite of measures will ensure appropriate oversight on all aspects of the activities of EIP operational groups.

6. Methodology for the calculations of the amount of support, when relevant
The Call for Proposals will specifically indicate the basis on which support will be provided and financial oversight will be provided by the Division operating the suite of Knowledge Transfer measures. Costs eligible for support include feasibility studies, animation costs, running costs, and promotion activities.

7. Additional information specific to the Measure concerned
N/a

8. Other important remarks relevant to understand and implement the measure
N/a

9. Key Output Data
Total Expenditure over lifetime of RDP – €4m
Total number of groups to be supported - 10
1. **Title of the Measure**
Continuous Professional Development (CPD)

2. **Legal basis**
Article 15 of Regulation (EU) No 1305/2013

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

The effective transfer of existing best practice to farm level is dependent on a highly skilled and well informed advisory service. Support for CPD for the advisors engaged in all aspects of the on farm advisory services will ensure that the most up to date and relevant information and skills are employed in the delivery of the advisors’ service to farmers.

The beneficial role that CPD for agricultural advisors plays in areas such as environmental actions and climate change actions was a recurring theme in the design phase of the new RDP and especially the SWOT analysis. Up-skilling of advisors is a measure which will complement and support other areas of intervention and ensure the achievement of greater value for money.

Participation in continuing professional development activities will allow advisors to enhance their knowledge base on an ongoing basis and ensure that they are familiar with the latest techniques and regulatory requirements in a rapidly changing agricultural industry. It will promote the development of knowledgeable, professional and competent advisors, and thereby enhance the quality of service provided to farmers. This in turn will underpin more efficient and effective practices feeding into more competitive and environmentally efficient farming practices.

Specifically it will contribute to:

- The maintenance of professional competence,
- Enhancement of existing knowledge and skills, and
- Development of new knowledge and skills.

This will result in a more efficient delivery of the proposed suite of Knowledge Transfer groups under the various sectors. Additionally the success of a number of measures proposed under the RDP, including GLAS and the Targeted Agricultural Modernisation Schemes, will depend on suitably qualified advisors dispensing up-to-date advice to farmers.

CPD for Advisors will contribute to the knowledge base which will underpin the achievement of greater environmental benefits including improving water management. It will also have a positive effect on reducing green house gas and ammonia emissions from agriculture. It will contribute to the Innovation cross-cutting objective by ensuring that advisors’ critical role in facilitating Knowledge Transfer Groups is discharged as effectively as possible. The adoption and effective application of new technologies by farmers is a critical requirement for the sustainable growth of the agriculture sector, and will provide farmers with the wherewithal to respond in an innovative and sustainable way to the changing demands of the market. However, in order to manage their enterprises and to respond to change in an effective way, farmers need the most up-
to-date information and methods. Ongoing training and development of advisors will ensure that they can respond to these demands.

4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

a) Description of the Operation:
   It is intended that a structure for the provision of CPD will be designed to incorporate
   - Identification of appropriate areas for skills enhancement,
   - Structured calls for proposals for appropriately qualified professionals/organisations to deliver the necessary training for advisors across the range of identified areas, and
   - Clear selection criteria to ensure VFM.

b) Type of support:
   Support will be by way of aid to training providers who are awarded contracts following a competitive process.

c) Links to other legislation:
   N/a

d) Beneficiaries:
   The beneficiaries in this case will be the provider of the training.

e) Eligible Costs:
   Support will be provided on the basis of the cost provided for in the winning tender.

f) Eligibility conditions:
   DAFM will identify areas linked to specific policy areas, regulatory issues or scheme compliance where it has been identified that a gap exists in the existing knowledge base of the advisory services. Once this has been identified DAFM will operate an open call for proposals to interested and qualified providers to tender to provide the specified training.

   Successful facilitators would be awarded contracts to provide the training as set out in the tender documentation for the price specified in the tender documentation.

g) Principles with regards to the setting of selection criteria:
   Successful providers will be selected using an open tender process that will be based on quality, transparency, equality of treatment and impartiality. Ranking and selection will based on clearly defined eligibility criteria that may include:
   - Price,
   - Ability to deliver the training specified,
   - Experience in delivery of similar courses, and
   - Proposed methodology and resources available.
h) Applicable amounts and support rates:
   Support will be based on the price set out in the tender documentation.

5. Verifiability and controllability of the measures
   a) Risk(s) in the implementation of the measures
      Risks will be linked to the failure of the successful tenderer providing the CPD as set out in the tender submission.
   b) Mitigating actions
      The managing division will ensure that an appropriate control environment and payment mechanism is in place.

6. Methodology for the calculations of the amount of support, when relevant
   Support will be based on the price of the successful tender submission.

7. Additional information specific to the Measure concerned
   CPD for agricultural advisors will result in training courses being delivered by qualified providers on a range of topics including financial management, animal health and welfare, environment and climate change, scheme delivery and regulatory matters.

8. Other important remarks relevant to understand and implement the measure
   N/a

9. Key Output Data
   Total expenditure over lifetime of RDP – €2m
   Number of training courses provided - 500
   Number of advisors trained – 1,500
1. **Title of the Measure**
   Targeted Advisory Service on Animal Health and Welfare

2. **Legal basis**
   Article 15 – Advisory Services

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**
   Given the high animal health and financial costs associated with animal diseases, there is a strong economic rationale for targeting investment at efforts to manage and eliminate a number of diseases. This measure will strategically target a number of core areas in this regard such as Johne’s disease, BVD, SCC and significant animal health issues in the pig sector. The savings arising from the eradication of Bovine Viral Diarrhoea (BVD) are estimated at €102 million / annum, and the potential savings associated with Somatic Cell Count (SCC) reduction are of the order of €80 million / annum. The Johne’s disease control programme mitigates a risk to high value export markets, such as infant formula, which in 2012 had an export value of €670 million and which is expected to grow to in excess of €1,000 million by 2020.

   This proposed measure will complement the animal health element in the proposed knowledge transfer groups. The advice offered will be farm-specific, and provided to individual farmers on request. Increased animal health and welfare will enhance production efficiency the sustainable management of natural resources and the reduction of greenhouse gas emissions.

   The measure provides an effective structure for transferring research findings into practice, as it provides a clear linkage between the collation and peer-review by the existing Animal Health Ireland Technical Working Groups, the development of disease control programmes by these groups in conjunction with the relevant Implementation Groups, the training and approval of the specialist advisor, and the delivery by that advisor of farmer training. The use of approved trainers, including trained veterinary practitioners, offers the potential to complement the knowledge transfer delivered via the Knowledge Transfer Group measure. A national database will hold information on the number of completed interventions between the trained specialist advisor and the farmer, and on the outcome of these. This information will be directly accessible by DAFM allowing the required information to be gathered centrally.

4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**
   a) **Description of the Operation:**
      The operation will involve a) specialist training of the practitioners to deliver the on farm advisory service and b) the delivery of specialist advice on a request basis at individual farm level.
   
   b) **Type of support:**
      Payment will be made to the beneficiary in respect of advice imparted at individual farm level based on ½ day rate.
   
   c) **Links to other legislation:**
d) **Beneficiaries:**

Up to 350 veterinarians countrywide who have undergone specialist training and approval by the entity responsible for the training. The provider of specialist training to these veterinarians will also be beneficiaries.

e) **Eligible Costs:**

The professional fee in respect of the ½ day on farm training:

f) **Eligibility conditions:**

The beneficiaries will be qualified veterinary surgeons who are registered with the Irish Veterinary Council.

Beneficiaries will be required to engage in specialist training to be provided following a public procurement process to identify the most suitable trainer. In turn advice will be delivered on a request basis at individual farm level.

g) **Principles with regards to the setting of selection criteria:**

The selection criteria aiming at reduced disease incidence will focus on cases in greatest need of advice.

h) **Applicable amounts and support rates:**

The training amounts will conform with the requirements set out in Annex II to the Regulation while support rates for the beneficiaries will equate to a ½ day advisory session at individual farm level.

5. **Verifiability and controllability of the measures**

a) **Risk(s) in the implementation of the measures**

Risks relate to ensuring the quality of advice provided, the need to ensure a tangible output, and governance issues.

b) **Mitigating actions**

Outputs from the service will include an action plan agreed between the advisor and farmer with specific, actionable recommendations. On-going evaluation of the effectiveness of the delivery of the advisory services will be carried out by a combination of targeted site visits, the surveying of the target groups, and the analysis of the action plans and farm-specific information held on the relevant national database. The necessary assurances in relation to the qualification and sufficiency of the specialist trainer and in relation to the proper governance and accounting for the funding disbursed will be provided to the competent authority by the entity responsible for training.

6. **Methodology for the calculations of the amount of support, when relevant**

The support available to beneficiaries will amount to an hourly rate for professional advice to cover ½ day- to be provided for under Public procurement Rules.

7. **Additional information specific to the Measure concerned**

The implementation of the measures on affected farms would be expected to significantly improve animal welfare issues associated with BVD, Johne’s disease and dairy cow mastitis. Similarly, the measures would be expected to address the problem of antimicrobial resistance by reducing
the need for antimicrobial intervention and by highlighting the need for the appropriate use of these substances. Providers of the advisory service will be qualified veterinary surgeons who are registered with the Irish Veterinary Council, and they will be required to engage in specialist training to be provided following a public procurement process to identify the most suitable trainer.

8. **Other important remarks relevant to understand and implement the measure**

   n/a

9. **Key output targets**

   Total expenditure over lifetime of RDP - €6m

   Number of operations supported – 10,000 farmers to receive advisory service
1. Title of the Measure
   Support for Collaborative Farming

2. Legal basis
   Article 35 Co-operation

3. General description of the measure including intervention logic and contribution to FA and cross-cutting objectives

Among the types of cooperation provided for in Article 35 is cooperation activity involving two or more actors in agriculture. This fits in neatly with farm partnerships and other proposed forms of collaborative farming being used or proposed to be used in Ireland. Currently the only form of farm partnership provided for within the suite of agriculture legislation is Milk Production Partnerships. Such partnerships were introduced in 2002 but will cease to exist next April with the ending of the Milk Quota Regulations.

It is recognised that there are deficiencies in Irish farm structures in terms of age profile, farm size and skill set. This is having a restraining effect on the expansion of the various enterprises – particularly dairying. It is generally accepted that farmers working in partnerships with their spouse, partner or offspring on the family farm, or coming together with another farmer to work the two farms in a common structure, can help to overcome issues such as the lack of land mobility, the age profile of farmers, work/life balance, as well as bringing about an increase in competitiveness and assisting in developing the sector to take advantage of growth opportunities identified in Food Harvest 2020.

Therefore, providing support for increased levels of collaborative farming across the various sectors (which include dairying, beef, sheep and cereals) will have a number of benefits, including:

- Economic and competitiveness benefits - significant economies of scale can be achieved and farm partnerships can be a means to capture these increased returns. Entering a partnership offers farmers increased returns through the ability to achieve scale at a lower capital cost; the reduction of costs, which are duplicated between farmers; and risk sharing.
- Land Mobility: - access to land is a critical constraint in the sector. Collaborative farming arrangements offer a new route to access land. In this way, collaborative farming models can help provide access to land for young farmers and expanding farmers (including female farmers who may experience difficulties with the traditional access routes to land).
- Skills – Partnerships offer the possibility of sharing innovative farming and business management practice. Collaboration and partnership among farms can lead to management synergy, especially in instances of collaboration between farmers coming from two different enterprise backgrounds.
- Social benefits - Joint farming ventures can help to address the social challenge of the ‘one man farm’ model making farming a more attractive occupation.

Currently the level of farm partnerships in Ireland is very low relative to many of our competitors. Today there are approximately 700 Milk Production Partnerships (MPPs) in existence in Ireland, and of this total, roughly 580 are child/parent partnerships.
4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

a) Description of the Operation:
From late 2014, when the new Register of Farm Partnerships is in place, all new farm partnerships meeting the requirements for entry on to the Register will receive a contribution of 50% towards the vouched costs in legal, accounting and business planning expenditure involved in setting up the partnership up to a maximum of €2,500 (i.e. actual costs of €5,000 per partnership). This measure is aimed at encouraging new farm partnerships.

b) Type of support:
50% contribution to vouched expenses up to €2,500

c) Links to other legislation:
Proposed Statutory Instrument on the Register of Farm Partnerships (due mid/late 2014)

d) Beneficiaries:
Farmers establishing new approved forms of collaborative farming.

e) Eligible Costs:
Eligible costs here will include the legal, financial and business planning cost involved in setting up a new collaborative venture.

f) Eligibility conditions:
All applicants must be a new farm partnership and be on the Register of Farm Partnerships.

g) Principles with regards to the setting of selection criteria:
Selection criteria will be linked to the criteria of the new Register of Farm Partnerships.

h) Applicable amounts and support rates:
50% of costs up to €2,500.

5. Verifiability and controllability of the measures

a) Risk(s) in the implementation of the measures
Risks involved in the operation of this measure include collaborative ventures dissolving early and the verifiability of documentation supporting applications.

b) Mitigating actions
In order to address the above, a minimum time for duration of approved collaborative approaches will be set. The processing of claims will include standard checks in relation to supporting documentation.
6. **Methodology for the calculations of the amount of support, when relevant**

   Calculations are based on estimates of existing administrative costs for these types of collaborative farming arrangements.

7. **Additional information specific to the Measure concerned**

   N/a

8. **Other important remarks relevant to understand and implement the measure**

   N/a

9. **Key output targets**

   - Total expenditure over the lifetime of the RDP - €3m
   - Total number of collaborative operations supported – 1,200
1. Title of the Measure
   Artisan Food Cooperation Measure

2. Legal basis
   Article 35 of Regulation (EU) No 1305/2013

3. General description of the measure including intervention logic and contribution to FA and cross-cutting objectives

   Food Harvest 2020 has identified the need for improved marketing of local food and uptake of EU quality systems. The artisan food sector was identified as an opportunity in the SWOT analysis. The approach proposed here is to provide support for collaborative proposals which seek to improve product quality, enhance relevant skills, and improve access to relevant markets.

   The public consultation and SWOT analysis demonstrated a broad need for support for the organisation of artisan and small scale food production (particularly added value production) and the use of collaborative approaches to strengthen producers position in the market. A number of specific challenges have been identified which underlie the need for intervention in this areas, including entry barriers, the need for shared understanding, skills/training, marketing and business skills deficits.

4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

   The proposed scheme will consist of an annual grant support for collaborative proposals and activities to assist artisan food producers to,
   - improve and validate production quality; to increase laboratory testing and improve access to best practice through advice, workshops, farm visits and exchanges
   - improve awareness and marketability of locality and niche category products through access to market insight, support for developing routes to market, identifying and exploiting on-line publicity and sales opportunities, developing presence at food festivals, networking and clustering to provide impact in terms of food trails, and centres of food excellence through improved access to best practice

   It is proposed that support for this measure will be delivered via the LEADER mechanism. The integration of this measure into the LEADER mechanism is currently being considered.

5. Verifiability and controllability of the measures

   Given the proposal to deliver this measure via the LEADER mechanism, the information provided under this heading for the “Implementation of operations under the CLLD Strategy” submeasure outlined later in this document apply.
6. **Methodology for the calculations of the amount of support, when relevant**

   Given the proposal to deliver this measure via the LEADER mechanism, the information provided under this heading for the “Implementation of operations under the CLLD Strategy” submeasure outlined later in this document apply.

7. **Additional information specific to the Measure concerned**
   
   n/a

8. **Other important remarks relevant to understand and implement the measure**
   
   N/a

9. **Key Output Data**
   
   TBC
1. **Title of the Measure**
   Regional Product Development Support.

2. **Legal basis**
   Article 16 Quality schemes for agricultural products, and foodstuffs
   Article 35 Cooperation

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**

   The importance of quality assurance schemes was noted in the SWOT analysis. In addition, the benefits of collaborative approaches to particular issues is a theme in the development of the new rural development regulation. This proposed measure will marry these two elements by providing support for group proposals aimed at primary producers implementing quality schemes.

   Increased interest in regional foods indicates a potential for products that are distinctive but may not qualify for PDO/PGI status, to stimulate economic activity and food tourism. A quality scheme can provide producers with a recognised route.

   The scheme will work to address specific issues identified for primary producers in attempting to improve their competitiveness. For example, there are challenges for primary producers in integrating themselves into the agri-food chain, attracting a price premium and adding value to agricultural products. This proposed measure will aim to address such challenges. The collaborative element of the measure will encourage producers to address particular barriers which would be more difficult to overcome as single operators.

   Individuality of product, small scale production, cost of securing accreditation and limited public awareness have contributed to low uptake of EU quality schemes (six years between PGI registration of Connemara Hill Lamb and Waterford Blaa).

4. **Scope, level of support, and other information (broken down by sub-measures and type of operations)**

   It is proposed to provide grant support for developing Group proposals for marketing of distinctive local agricultural products and foodstuffs, and/or for registration and promotion of products under the EU PDO/PGI/TSG quality regimes. Such activities carry costs in terms of developing a group dynamic, agreeing specification and control protocols and marketing. RDP support will give producers confidence in undertaking market orientated co-operation.

   Specifically, support will be made available for new participation by farmers and groups of farmers in quality schemes under Regulation 1151/2012 (geographical indications), registration of new participants in new voluntary quality schemes which recognise local product characteristics and meet EU best practice guidelines\(^{48}\). Schemes must be open to all producers in the area with product specifications verified by public authorities or an independent inspection body.

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\(^{48}\) Official Journal C (2010) 341
Support under this measure may also cover costs arising from information and promotion activities implemented by groups of producers in relation to these schemes.

It is proposed that support for this measure will be delivered via the LEADER mechanism. The integration of this measure into the LEADER mechanism is currently being considered.

5. Verifiability and controllability of the measures

Given the proposal to deliver this measure via the LEADER mechanism, the information provided under this heading for the “Implementation of operations under the CLLD Strategy” submeasure outlined later in this document apply.

6. Methodology for the calculations of the amount of support, when relevant

Given the proposal to deliver this measure via the LEADER mechanism, the information provided under this heading for the “Implementation of operations under the CLLD Strategy” submeasure outlined later in this document apply.

7. Additional information specific to the Measure concerned

n/a

8. Other important remarks relevant to understand and implement the measure

N/a

9. Key Output Data

TBC
1. **Title of the Measure**
   Beef Data and Genomics Programme (BDGP)

2. **Legal basis**
   Article 28 Environment and Climate Change measures

3. **General description of the measure including intervention logic and contribution to FA and cross-cutting objectives**
   Agriculture is a significant constituent of the Irish economy with ruminant livestock representing the bulk of Irish agricultural output. Ireland has the fourth largest beef cow herd in the EU and specialist beef production is the predominant type of farming enterprise in the country. According to preliminary CSO estimates, cattle accounted for 30% of goods output at producer prices in 2013. Ireland is over 600% self sufficient in beef production exporting some 0.45m tonnes annually – virtually all of it to other EU MS. Beef exports were worth an estimated €2.1 billion in 2013 which is equivalent to 21% of the total value of Irish agri-food exports.

   However, the agriculture sector overall contributes 32% to Ireland's total national greenhouse gas (GHG) emissions which is by far the highest among other EU member states where the average agri emissions across the EU is approx 9%. The high level of agri emissions in Ireland is mainly associated with our large ruminant herd. Within this, excluding dairy production, other cattle (ie beef) account for approx 50% of agricultural GHG emissions.

   The long-term strategy for the development of the sector envisages a 20% increase in output value by 2020 (using the 2007-09 average as a baseline). This goal is based on a consensus among stakeholders that future growth in the sector can best be achieved by improving output efficiency, quality and sustainability rather than simply increasing numbers. Overall this will result in a reduction of emissions intensity per unit of beef produced.

   A viable suckler cow herd of sufficient size is essential to the future growth of the beef sector. It is recognised that the profitability of the existing beef herd could be increased through a combination of more efficient, higher-quality cows and sires, better carcase quality, feed conversion efficiency and achieving slaughter weights at a younger age. In addition, genetic advances and genomics offer the potential to deliver greater profitability and carbon efficiency at farm level through enhanced productivity and identifying desirable product qualities that will add value in the marketplace.

   The economic sustainability of the beef sector in particular was a recurring theme during the public consultation and SWOT analysis. While the non-viability of many farms raises questions about long-term profitability of beef production, it should be noted that the suckler beef herd is an important land use activity, especially in marginal land types along the western seaboard, and is an important generator of economic activity in these rural areas.

   The most cost effective response to climate change mitigation in agriculture is a targeted measure that will deliver an accelerated genetic improvement in the quality of the beef herd through data collection and the application of genomics technology. This will help farmers to maximise productivity in a sustainable way, while supporting improved quality, fertility, animal health and welfare, reduced emissions intensity and ultimately profitability in the national suckler herd, as set out under the Food Harvest (FH 2020) strategy.
The sector also needs the application of research and innovation to improve its profitability and sustainability. Research has developed genetic and related technologies for the cattle sector that if transferred in a proactive and in a relatively large scale manner to the suckler beef sector can result in a range of benefits. Examples of technological developments in beef breeding include the Eurostar rating (economic breeding value) and genomics.

The introduction of the application of genomics in the dairy sector five years ago accelerated genetic improvements in the efficiency and profitability of milk production (in conjunction with the Economic Breeding Index (EBI)). This was enabled by the large volumes of data and genotype information available on the dairy side. Equally positive results can be achieved in the beef sector through a data and genomics programme. It would help meet the challenges of stabilising suckler cow numbers and increase economic sustainability of beef production from suckler herd.

Research by Teagasc49 (the Irish Agriculture & Food Development Authority) for the development of Ireland’s climate change programme concluded that the three most cost-efficient climate mitigation measures that can adopted by the Irish agriculture sector are:

- **Economic Breeding Index**: allows farmers to identify quality issues at birth and select the highest quality animals;
- **Weight gain in beef**: BDGP will encourage a higher rate of more efficient animals in terms of conversion of inputs to weight, thus reducing necessary retention periods;
- **Extended grazing**: BDGP will foster confidence in the sector and thus encourage continued adherence to traditional grass based model.

These findings are also consistent with the marginal cost abatement cost curve developed by the International Panel of Climate Change (IPCC). This approach is consistent with the overarching FH2020 strategy as the relevant target for the beef sector is value based rather than volume based. The BGDP will underpin increasingly resource efficient stock utilising grass as a key source of fodder rather than increased numbers and develop resilience of the beef herd to climate change.

Research and innovation around genetic evaluations and genomics will be applied to the suckler herd through the BDGP. The Department has funded research over a number of years on developing economic breeding values for the suckler herd and on developing genomic technology for application to accelerating genetic improvement in livestock. The Department, the Irish Cattle Breeding Federation, Teagasc (national agri-food research, education and advisory authority) and farmers will work in partnership to have the knowledge gained and the technology developed adopted in suckler herds.

4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

   a) **Description of the Operation**

   The BDGP will have a number of distinct sections based around the themes of:

   **Animal data recording**

   Participating farmers will be obliged to record specific animal events data, such as:

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49 A Marginal Abatement Cost Curve for Irish Agriculture: Teagasc Submission to the National Climate Policy Development Consultation. April 2012.
• For each calf born in the herd: sire, dam, calving ease, calf quality, docility and health traits will be recorded.
• For cows: milking ability, docility
• For bulls: docility, feet and legs

This data will be combined with other data (dam and sire performance data, weight recorded information, slaughter information, etc.) for use in genetic evaluation to determine an economic breeding value (Eurostar rating) for each animal. Farmers can then base the selection of sires for future use in the herd and replacement heifers on the Eurostar rating to improve the genetic merit of his/her herd. The data collected will also include questions on animal health to improve aggregate national data on herd health.

**Genomic tagging and sampling**
Participating farmers will be obliged to have priority animals in his/her herd genotyped. This will involve taking a tissue sample, having DNA extracted from the tissue (and stored in a data bank) and having the DNA genotyped.

The measure will oblige participant farmers to undertake a core set of actions to include:
• Using tissue tags to take samples from selected animals;
• Sending selected samples for DNA extraction/genotyping;
• Improving the genetic merit of the herd by selecting sires (stock bulls or AI) and replacement heifers of high genetic merit;

The measure will also include training for the farmer on how to interpret and use the genomic data received after testing of part of his herd.

**Assessment of carbon output**
Consideration is being given to extending the measuring of each participants carbon output where this has not been undertaken under previous initiatives.

**Animal replacement programme**
The measure will oblige and incentivise a move towards 4 and 5 star rated sires to raise the national standard of genetic improvement in the herd.

**Animal health measures**
The measure participants will be obliged to cull any PI calves born during the lifetime of the scheme. Other animal health measures are also under consideration.

**b) Type of Support**
An annual payment will be made to each farmer who meets the requirements of the measure.

**c) Links to other legislation**
n/a

**d) Beneficiaries**
The programme will target active suckler farmers.
e) Eligible costs
The costings currently being developed will be based on the income foregone and costs incurred in relation to the specific actions outlined above.

f) eligibility conditions
All applicants must have a herd number and possess registered beef breed animals.

g) Principles with regard to the setting of selection criteria
Selection criteria are currently being developed.

h) Applicable amounts and support rates
Work is continuing in relation to specific costings and support rates.

5 Verifiability and controllability of the measures

a) Risk(s) in the implementation of the measure.
The risks related to the BDGP could be that proper records are not kept or if they are kept they do not meet the required standards and that the quality of bulls used in future replacement breeding does not meet the 4 and 5 star quality standard.

b) Mitigating actions
In order to mitigate the risks under the data recording aspects of the BDGP a number of checks will be carried out, as follows:

- online using the Department herd register the Animal Identification and Movement (AIM) system. All applications for the programme can initially be checked against this system. In addition during the year and before payment is made a check can be carried out against a selected number of applications to ensure that all the recording requirements have been completed,
- A selected percentage of applications will be selected for on-the spot control visit,
- For the genomics requirements a check can be made to ensure that all the DNA laboratory test were carried out as required and that only 4 and 5 star bull and heifer replacement are present in the herds.

6. Methodology for the calculations of the amount of support, when relevant
Detailed work is on-going in relation to the calculation of costs under the RDP.

7. Additional information specific to the Measure concerned
n/a

8. Other important remarks relevant to understand and implement the measure
n/a

9. Key output targets
Total expenditure over lifetime of RDP - €295m
1. Title of the Measure
LEADER

2. Legal basis
Article 42-44 of Regulation (EU) 1305/2013 of the European Parliament and of the Council (EAFRD)


3. General description of the measure including intervention logic and contribution to FA and cross-cutting objectives
A community led local development (CLLD) approach to rural development; LEADER has formed part of the policy framework for rural development in Ireland since its inception in the 1990s. In the 2007-2013 programming period LEADER was the main method of the delivery of interventions aimed at improving the quality of life in rural areas and supporting the diversification of the rural economy. It has proven to be an effective tool for supporting the economic and social development of rural communities by providing the resources necessary for communities to support their own development.

The continuation of the LEADER approach in rural areas is critical for the future development of rural Ireland. However, the implementation of LEADER in the 2007-2013 period has presented a number of challenges and issues that need to be addressed for the 2014-2020 programming period. These include, in particular, challenges relating to regulatory/audit compliance at Local Action Group level and financial solvency/capacity of the legal entities implementing LEADER.

In the belief that rural communities are best placed to identify and address the issues and challenges they face Ireland is currently moving towards a more integrated approach to the delivery of local development interventions and the participation of communities is central to the implementation of this approach. The LEADER approach is an essential tool to facilitate this in rural Ireland. Putting People First the Irish Government action plan for better local government specifically details actions to ensure a more coordinated and inclusive approach to the delivery of local development interventions including those funded under the RDP.

The SWOT and needs analysis have identified a number of challenges in rural Ireland for which a community led local development methodology such as LEADER is an appropriate delivery mechanism. These include but are not limited to the need to support local business, the need to involve all members of the community including young people in the development process and the need to ensure that rural development interventions are an integral part of all plans and policies designed to address local development thereby ensuring a more integrated approach to the development of Ireland as a whole.

Ireland proposes to make changes to the delivery mechanisms of the LEADER for the 2014 – 2020 programming period. These changes will promote a more coordinated and effective approach to local development and order to ensure a more locally led, integrated and effective approach to the implementation of the LEADER approach as well as addressing the issues identified during the 2007-2013 period.

LEADER Implementation 2014-2020
Ireland is proposing to support the implementation of rural development interventions through the LEADER elements of the RDP 2014-2020 at sub-regional level using a partnership approach. This will form part of a more integrated and coherent approach to local development that involves community and local government organisations in leadership roles, guiding a more integrated and coordinated approach to the delivery of all funding (both European and National) at a sub-regional level.

The priorities at sub-regional level will be developed using a partnership approach that will draw on the skills and expertise of local public and private socio-economic interests, including local development expertise, local authorities, community and voluntary organisations, etc., in consultation with the wider population. These strategic priorities will then be the basis for programme-specific priorities in each sub-regional area.

This approach would see Local Authorities working in partnership with Local/Development agencies and community representatives to design and implement Local Development Strategies at sub-regional level, based on the strategic priorities already identified. Both strategic priorities and programme-specific priorities would form part of an overall planning process at a local level and this would be integrated with planning processes at regional, national and European levels thereby addressing the need for a more integrated approach to support for rural development at sub regional level.

Such an arrangement also envisages the identification of a lead financial partner as part of the partnership arrangement that would have the capacity to provide the financial support necessary to ensure successful financial delivery of LEADER type interventions for the duration of the programming period. This will address the significant challenges relating to the financial solvency/capacity of legal entities which was experienced in the 2007-2013 programming period.

The composition of proposed partnership will be in line with the requirements of Article 32(b) 1303/2013 (CPR) and fulfil all the criteria necessary to be considered a Local Action Group in both composition and ethos.

Ireland is proposing to conduct a two-stage Local Development Strategy selection process providing the opportunity to develop this partnership approach incrementally and with full and comprehensive consultation to maintain the integrity of the CLLD approach. The ultimate aim is to facilitate the development of robust, implementable strategies that address the needs of the sub-regional area and are complementary to other development processes at sub-regional, regional, national and European level as outlined above.

**LEADER Themes**

The guidance documentation to accompany the Local Development Strategy development process will outline a series of indicative “LEADER Themes” that have been developed from the evidence gathered during the SWOT and needs analysis processes. This also includes information contained in the 2014 report of the Commission on the Economic Development of Rural Areas that examined the challenges for and potential of rural Ireland. A number of themes emerged strongly from all of these processes and have a strong evidence base for use in local development strategies. These themes will be offered as indicative themes for LDS development and each LDS will be required to examine the potential of these sectors within the LDS process and in the
context of an integrated regional and local planning approach. However in line with the bottom up nature of the LEADER methodology Local Action Groups will be permitted to outline their strategies based on the specific needs identified in their particular areas and in the context of the priorities indicated for support under LEADER in the Partnership Agreement and the RDP.

**Indicative Themes**

1. **Rural Economic Development / Enterprise Development and Job Creation**

   The need to support the development of the rural economy has been identified as a critical challenge in both the needs analysis and other research regarding rural development in Ireland. A number of potential areas have been identified where intervention under the LEADER elements of the RDP could support the economic development of rural areas. These areas are offered as indicative themes with an established evidence base for the development of LDS. However, this list is not exhaustive and the priorities ultimately identified through the strategy development process will emerge from the needs analysis at sub-regional level.

   a. **Rural Tourism**

   Tourism plays a very significant role in the rural economy and continued support for a varied and innovative rural tourism sector is critical to the future development of rural communities in Ireland. Areas such as rural recreation, adventure tourism, food tourism, cultural and heritage initiatives have all been identified as areas of significant potential that require investment in order to contribute to the continued development of the rural economy.

   b. **Enterprise Development**

   A number of specific areas of enterprise potential have been identified through the needs analysis process and are offered as indicative areas for consideration in the LDS development process.

   - Artisan Foods
   - Renewable Energies
   - Marine
   - Social Enterprise
   - Creative Industries

   c. **Broadband**

   The support provided for rural communities in the context of increased access to and use of modern communications infrastructure will be complementary to the national initiatives already in place to support more comprehensive rural broadband infrastructure. It is envisaged that this will focus mainly on training and capacity building. In line with the bottom up approach individual sub-regional area needs will be outlined in the LDS.

   d. **Rural Towns**

   There is a body of evidence suggesting that Irish rural towns and their hinterlands have felt the negative impacts of the economic downturn in the recent past more than other areas. As rural towns are often the centre of the rural economy, measures must be taken to address this as Ireland emerges from the current economic crisis or there is a danger that they will be unable to avail of opportunities going forward. Rural towns generally are at the heart of rural communities and the LEADER methodology is
particularly suited to addressing the challenges the reinvigoration of such towns will present. Initiatives to support the development of these towns and their hinterlands should be integrated and area based and will require innovative and cooperative solutions; all characteristics of the LEADER approach to rural development.

2. Social inclusion through building community capacity, training and animation

A central focus of LDS will be the need to ensure the social cohesion of a sub-regional area not just to support economic development but also to support social inclusion and address issues of social exclusion and marginalisation. While this area in particular is very area specific there are some challenges that have been identified that will need to be addressed in the LDS development processes including but not limited to;

a. Basic Services targeted at hard to reach communities

b. Rural Youth

3. Rural Environment

While recognising that the Environment is a cross cutting issue and in this context will be considered in the context of all LEADER interventions there were a number of specific areas that also emerged from needs analysis process. This included the need to promote the targeted achievement of multiple environmental objectives including the protection and sustainable use of water resources, the protection and improvement of local biodiversity and the development of renewable energy.

The LEADER approach through its positioning at the heart of rural communities is uniquely placed to address all of these needs in the context of supporting social inclusion and poverty reduction in rural Ireland. The 2014-2020 programme period will see a concerted effort by Ireland to ensure a more integrated and targeted approach to supporting local development which is anchored in a strong evidence based and supported by coordinated delivery mechanisms, with the aim of ensuring a more effective and efficient delivery of LEADER interventions.

The local development strategy design process will contain criteria to ensure that all local development strategies address each of the three main cross cutting issues, innovation, climate change and environment. Capacity building initiatives through the preparatory support element of the LEADER measure will also support rural communities to develop ideas that encourage and support all of the cross cutting issues both as potential areas for stand-alone projects as well as ensuring that this issues form part of the assessment process for all relevant supported operations.

Innovation is one of the cornerstones of the LEADER approach and has always been a high priority at sub-regional level in Ireland. Experience in the 2007-2013 programming period would also indicate a high level of participation in projects that support environmental protection and awareness in rural communities, and evidence from the needs analysis, strongly indicates a desire at local level to engage with environmental initiatives in the 2014-2020 programming period also.
4. Scope, level of support, and other information (broken down by sub-measures and type of operations)

Measure: LEADER
Sub Measure: Preparatory Support

a) **Description of the Operation:**
LEADER is a community led local development approach to the delivery of Rural Development Interventions. Such interventions will be delivered based on the design and implementation of tailored sub-regional development strategies that are based on identified needs at a sub-regional level. The regulatory framework provides for preparatory support which will be used to build the capacity of entities that express an interest in designing and implementing local development strategies.

b) **Type of support:**
Grant aid to support the development of local development strategies at Sub-Regional level.

c) **Links to other legislation:**

d) **Beneficiaries:**
Qualifying Local Action Groups that have expressed an interest in the design and development of a Local Development Strategy for a defined sub-regional area.

e) **Eligible Costs:**
(i) setting up of public-private partnerships; training actions for local actors; studies of the territory concerned; actions related to public relations regarding the local development activities; administrative costs related to coordinating the implementation of pilot project schemes; development and implementation of pilot project schemes

(ii) training actions for local stakeholders; studies of the area concerned (including feasibility studies for some of the projects to be foreseen in the LDS); costs related to the design of the LDS, including consultancy costs and costs for actions related to consultations of stakeholders for the purposes of preparing the strategy; administrative costs (operating and personnel costs) of an organization that applies for preparatory support during the preparation phase (future LAGs; existing LAGs, if any double funding is excluded); support for small pilot projects

f) **Eligibility conditions:**
As outlined above Ireland will conduct a two-step process for LDS selection with the initial step designed to determine the Local Action Groups with the required capacity to support the design and implementation of LDS for sub-regional areas. This process will be conducted in line with the regulatory requirements by a committee established as outlined in Article 33 (3) 1303/2013. The Local Action Groups chosen through this initial process will be eligible for preparatory support to develop their LDS.

g) **Principles with regard to the setting of selection criteria:**
Selection criteria for the initial step in the LDS selection process, which will identify those groups that qualify for preparatory support, will focus on the capacity of the Local Action Group to design and implement a LDS at sub-regional level. The criteria will focus largely on two main areas

1. The capacity of the group to animate and build the capacity of the area concerned, and
2. The capacity of the group to provide the financial support necessary to ensure the sustainability of the group and the operations funded by the group through the RDP.

h) Applicable amounts and support rates:
Preparatory support will be grant aided up to 100% with a maximum ceiling.

5. Verifiability and controllability of the measures

a) Risk(s) in the implementation of the measures
This sub-measure of the LEADER measure does not contain any particularly high risk. The committee established to oversee the LDS selection process will monitor the process throughout. Grant aid will only be awarded on the basis of criteria outlined in the selection process and on the basis of vouched expenditure.

b) Mitigating actions
All expenditure will be subject to standard control procedures for correct financial management and audit compliance. This will be fully clarified with all Local Action Groups interested in developing an LDS and they will be fully aware of their responsibilities with regard to sound financial management before they embark on the LDS development process.

6. Methodology for the calculations of the amount of support, when relevant
Support will be calculated based on expenditure incurred and on the basis of the rules outlined in the regulatory framework (Article 65-71 1303/2013 (CPR))

7. Additional information specific to the Measure concerned
N/A

8. Other important remarks relevant to understand and implement the measure
N/A
Measure: LEADER

Sub Measure: Implementation of operations under the CLLD strategy

a) Description of the Operation:
LEADER is a community led local development approach to the delivery of Rural Development Interventions. Such interventions will be delivered based on the design and implementation of tailored sub-regional development strategies that are based on identified needs at a sub-regional level. Local Development Strategies will be developed on the basis of comprehensive analysis of the development needs and potential of sub-regional areas and will contain a detailed outline of how the needs are to be addressed using RDP funding.

b) Type of support:
The support provided to achieve the aims and objectives of the Local Development Strategy will be in the form of grant aid.

c) Links to other legislation:

d) Beneficiaries:
Local Action Groups and other local actors including private investors and State Agencies. Detailed systems of demarcation will be in place to avoid overlap and double funding.

e) Eligible Costs:
The LEADER approach differentiates itself from other, more top down approaches to development through the characteristics that ensure its on-going and consistent linkages to the communities in which the funded interventions are situated. In this context the interventions tend to be small scale, complex and integrated approaches to solving locally based specific challenges. Often the approaches taken are innovative and are designed to address challenges in a particular area and its environs thereby fostering community cooperation both within and between adjacent areas to maximise impact. While maximum flexibility to deliver the aims and objectives of a Local Development Strategy will be supported, to maintain the integrity of the community based nature of the approach, these characteristics should be promoted and where possible projects funded through the LEADER approach should display as many of these characteristics as possible.

However, in line with the bottom up nature of the LEADER approach and in line with regulatory requirements individual operations shall be eligible if they contribute to achieving the objectives of the LDS and correspond to the objectives and priorities indicated for support under LEADER in the Partnership Agreement and the RDP. Specific items of eligible expenditure will include;
- The construction, acquisition or improvement of immovable property.
- The purchase or lease purchase of new machinery and equipment including computing software up to the market value of the asset.
- General costs linked to the project such as architect, engineer and consultation fees, feasibility studies and the acquisition of patents or licences.

f) Eligibility conditions:
Individual operations shall be eligible if they contribute to achieving the aims and objectives of the LDS and correspond to the objectives and priorities indicated for support in the RDP.

g) Principles with regards to the setting of selection criteria:
As outlined in the regulatory framework (Article 34 (b) 1303/2013) the principles with regard to the setting of selection criteria is to be defined in the LDS by the Local Action Group. LAG selection of projects should be based on a documented assessment that considers the aims and objectives of the LDS as well as the priorities indicated for support in the RDP. Assessment of requests for support should be fair, fully documented and transparent and be based on consistent and relevant criteria.

h) Applicable amounts and support rates:
Local Action Groups will be afforded some opportunity to fix the aid intensity for operations funded under the LDS based on the strategic role these operations can play in the context of their LDS and in line with the aid intensity rates provided for in the legal framework and relevant State Aid limitations. The possibility of aid intensity rates of up to 100% (EU and national co financing) will be available for all interventions funded under the LEADER elements of the RDP. However in line with Commission guidance Ireland will require an element of co-financing of individual operations by public and/or private investors for most approved operations, in order to promote community ownership of the funded projects. Ireland does envisage 100% aid intensity for capacity building and training interventions funded through LEADER. Further detail on specific aid intensity rates available for particular types of projects will be clarified in the detailed operating rules that accompany the LEADER elements of the RDP.

Ireland may allow for the payment of an advance of up to 50% of the public aid related to the investment from the competent paying agencies as allowed for in the regulatory framework.

5. Verifiability and controllability of the measures

a) Risk(s) in the implementation of the measures
The bottom up nature of the LEADER methodology requires robust and manageable systems for financial control and regulatory compliance. Implementation of the LEADER operations during the 2007-2013 programming period has identified a number of areas of risk and afforded a substantial learning process with regard to the types of systems required in order to mitigate this risk. The main risks centre on the financial capacity of Local Action Groups which were standalone legal entities and the need to ensure the sustainability of operations funded through the RDP by ensuring compliance with the regulatory framework particularly as it pertains to sound financial management.

b) Mitigating actions
All expenditure will be subject to standard control procedures for correct financial management and audit compliance. This will be fully clarified with all Local Action Groups interested in developing an LDS and they will be fully aware of their responsibilities with regard to sound financial management before they embark on the LDS development process.

As outlined Ireland is proposing some changes to the delivery mechanisms for LEADER in the 2014-2020 period in order to mitigate issues identified relating to the financial capacity of Local Action Groups and improve the capacity of the system as a whole to address issues of regulatory and financial compliance.
6. **Methodology for the calculations of the amount of support, when relevant**

7. **Additional information specific to the Measure concerned**

Support for operations funded through Local Development Strategies is at the centre of the LEADER approach to Rural Development. LEADER funding in the 2007-2013 period was implemented largely through a system of continuous and on-going open calls for project proposals at local level. While this method for project selection will remain, the 2014-2020 system will also support a more targeted, call for proposals system. This system will facilitate the consideration of proposed interventions within the context of comparable/competitive interventions thereby ensuring that only the most suitable interventions are ultimately awarded funding.

8. **Other important remarks relevant to understand and implement the measure**

While the essence of the LEADER approach is to support the engagement of rural communities in their own development it is also critical that the support delivered through these operations is sustainable and compliant with relevant regulations. Ireland is committed to ensuring that the implementation systems for LEADER in the 2014-2020 period ensure the integrity of the LEADER approach while simultaneously facilitating efficient and effective systems that support regulatory compliance with minimum administrative burden on beneficiaries.
Measure: LEADER

Sub Measure: Preparation and Implementation of cooperation activities of the local action groups

a) Description of the Operation:
LEADER is a community led local development approach to the delivery of Rural Development interventions. Such interventions will be delivered based on the design and implementation of tailored sub-regional development strategies that are based on identified needs at a sub-regional level. This element of the LEADER measure will support the preparation and implementation of cooperation activities of the Local Action Group.

Ireland will avail of the stipulation contained in Article 34(5) where the Managing Authority will carry out the cooperation functions outlined in the context of projects relating to cooperation between Northern Ireland and Southern Ireland. All other cooperation activities will be carried out by Local Action Groups as outlined in the regulatory framework.

b) Type of support:
The support provided for cooperation activities will be in the form of grant aid.

c) Links to other legislation:

d) Beneficiaries:
Local Action Groups and other local actors.

e) Eligible Costs:
(i) Costs of technical preparation for inter-territorial or transnational co-operation project
(ii) Costs of co-operation projects within a Member State (inter-territorial co-operation) or co-operation projects between territories in several Member States or with territories in third countries (transnational co-operation).

f) Eligibility conditions:
A concrete project must be envisaged in order to avail of support under the cooperation element of the LEADER measure. The need to support this kind of intervention must be outlined in the LDS and the criteria for selection of cooperation projects to be funded should be detailed in the LDS.

g) Principles with regards to the setting of selection criteria:
The principles with regard to the setting of selection criteria for cooperation projects will be set out in the LDS.

In the context of North/South cooperation projects to be chosen, the Managing Authority will publish a full set of procedures for the selection of cooperation projects.

h) Applicable amounts and support rates:
Local Action Groups will be afforded some opportunity to fix the aid intensity for operations funded under the cooperation element of the LDS based on the strategic role these operations can play in the context of their LDS and in line with the aid intensities rate provided for in the legal framework and relevant State Aid limitations. No operation funded under the LDS will be funded
at 100% aid intensity, some measure of co-financing by a public or private investor will be required for all operations funded.

5. **Verifiability and controllability of the measures**

   a) **Risk(s) in the implementation of the measures**
   The bottom up nature of the LEADER methodology requires robust and manageable systems for financial control and regulatory compliance. Implementation of the LEADER operations during the 2007-2013 programming period has identified a number of areas of risk and afforded a substantial learning process with regard to the types of systems required in order to mitigate this risk. The main risks centre on the financial capacity of Local Action Groups and the need to ensure the sustainability of operations funded through the RDP by ensuring compliance with the regulatory framework particularly as it pertains to sound financial management.

   b) **Mitigating actions**
   All expenditure will be subject to standard control procedures for correct financial management and audit compliance. This will be fully clarified with all Local Action Groups selected to implement an LDS and they will be fully aware of their responsibilities with regard to sound financial management before they embark on the LDS development process.

   As outlined Ireland is proposing some changes to the delivery mechanisms for LEADER in the 2014-2020 period in order to mitigate issues identified relating to the financial capacity of Local Action Groups and improve the capacity of the system as a whole to address issues of regulatory and financial compliance.

   c) **Overall assessment of the measure**

6. **Methodology for the calculations of the amount of support, when relevant**
   Methodologies for the assessment of amount of support will be contained within the LDS for cooperation activities at sub regional level.

   The MA will outline the criteria for the calculation of support amounts with regard to cooperation activity relating to cooperation between Northern and Southern Ireland.

7. **Additional information specific to the Measure concerned**
   N/A

8. **Other important remarks relevant to understand and implement the measure**
   N/A
Measure: LEADER

Sub Measure: Running Costs and Animation

a) Description of the Operation:
LEADER is a community led local development approach to the delivery of Rural Development interventions. Such interventions will be delivered based on the design and implementation of tailored sub-regional development strategies that are based on identified needs at a sub-regional level. This element of the LEADER measure relates to the operating costs of the Local Action Groups charged with the design and implementation of the Local Development Strategy.

b) Type of support:
The support provided for running costs and animation will be in the form of grant aid.

c) Links to other legislation:

d) Beneficiaries:
Local Action Groups.

e) Eligible Costs:
Running costs: Costs linked to the management of the implementation of the strategy consisting of operating costs, personnel costs, training costs, costs linked to communication, financial costs as well as the costs linked to monitoring and evaluation of the strategy as referred to in point (g) of Art. 34(3) CPR.

Animation: Costs of animation of the CLLD strategy in order to facilitate exchange between stakeholders, to provide information and to promote the strategy and to support potential beneficiaries to develop operations and prepare applications.

f) Eligibility conditions:
N/A

g) Principles with regards to the setting of selection criteria:
N/A

h) Applicable amounts and support rates:
Support for running costs and animation shall not exceed 25% of the total public expenditure incurred within the LDS.

An advance of not more than 50% of the public support related to the running and animation costs may be made available to the LAGs.

5. Verifiability and controllability of the measures
a) Risk(s) in the implementation of the measures
The bottom up nature of the LEADER methodology requires robust and manageable systems for financial control and regulatory compliance. Implementation of the LEADER operations during the 2007-2013 programming period has identified a number of areas of risk and afforded a substantial learning process with regard to the types of systems required in order to mitigate this
risk. The main risks centre on the financial capacity of Local Action Groups and the need to ensure the sustainability of operations funded through the RDP by ensuring compliance with the regulatory framework particularly as it pertains to sound financial management.

As outlined Ireland is proposing some changes to the delivery mechanisms for LEADER in the 2014-2020 period that will address directly the financial capacity of Local Action Groups and improve the capacity of the system as a whole to address issues of regulatory and financial compliance.

b) Mitigating actions
All expenditure will be subject to standard control procedures for correct financial management and audit compliance. This will be fully clarified with all Local Action Groups selected to deliver an LDS and they will be fully aware of their responsibilities with regard to sound financial management before they embark on the LDS development process.

c) Overall assessment of the measure

6. Methodology for the calculations of the amount of support, when relevant
Support for running costs and animation shall not exceed 25% of the total public expenditure incurred within the LDS.

7. Additional information specific to the Measure concerned
N/A

8. Other important remarks relevant to understand and implement the measure
N/A
## Chapter 4 Financial Allocations

<table>
<thead>
<tr>
<th>Measure</th>
<th>Total National and EAFRD funding over RDP lifetime € Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>GLAS / GLAS +</td>
<td>1450</td>
</tr>
<tr>
<td>Organic Farming Scheme</td>
<td>44</td>
</tr>
<tr>
<td>Locally led targeted Ari-Environment Schemes</td>
<td>70</td>
</tr>
<tr>
<td>Areas of Natural Constraint (inc support for island farmers)</td>
<td>1370</td>
</tr>
<tr>
<td>TAMS II</td>
<td>395</td>
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<tr>
<td>BioEnergy</td>
<td>12</td>
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<tr>
<td>Knowledge Transfer Groups</td>
<td>100</td>
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<tr>
<td>EIP Operational Groups</td>
<td>4</td>
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<tr>
<td>CPD for advisors</td>
<td>2</td>
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<tr>
<td>Targeted Animal Health and Welfare Advisory Service</td>
<td>6</td>
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<tr>
<td>Support for Collaborative Farming</td>
<td>3</td>
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<tr>
<td>Beef Data and Genomics Programme</td>
<td>295</td>
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<tr>
<td>LEADER (incorporating the 2 Food Measures)**</td>
<td>250</td>
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<tr>
<td>Technical Assistance</td>
<td>6</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>4007</strong></td>
</tr>
</tbody>
</table>

**There is a total allocation of €250m for LEADER**
This incorporates €15m for the 2 food measures which are now to be delivered via LEADER