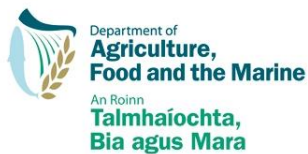




# Ireland's Rural Development Programme

**2014-2020**

**Draft of July 2014**



**Comhshaol, Pobal agus Rialtas Áitiúil**  
Environment, Community and Local Government



## **NOTE**

The official version of Ireland's Rural Development Programme, 2014-2020 has been submitted to the European Commission via an online system. The online system has particular formatting requirements. This document mirrors the version submitted in as far as possible, but contains some presentational and formatting changes from the version submitted to the online system. Every effort has been made to ensure consistency between the two versions.

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**1. Title**

Rural Development Programme, Ireland, 2014-2020

**2. Member State and Administrative Region**

The Programme covers the total territory of Ireland

The rural area covered by this Programme corresponds to the definition used in the recent report of the Commission for the Economic Development of Rural Areas. This definition includes areas outside the five main cities.

### **3. Ex Ante Evaluation**

#### **3.1 Description of the process of the Ex Ante Evaluation**

In line with the Rural Development Regulation, work on the ex ante evaluation of this Rural Development Programme (RDP) has been characterised by ongoing communication and engagement from an early stage between the evaluators and the Managing Authority, as part of an iterative process overall.

Following on from the finalisation by the Evaluation Helpdesk of the draft “Guidelines on the Ex Ante Evaluation of 2014-2020 RDPs” in August 2012, the Managing Authority began its initial preparation of a Request for Tender. At the time, discussions in relation to the detail of the Rural Development Regulation were still ongoing at EU level.

Following on from an open public procurement process held towards the end of 2012, Fitzpatrick Associates Economic Consultants were recruited to complete the ex ante evaluation, including the Strategic Environmental Assessment and an Appropriate Assessment. A contract with the evaluators was signed on January 31, 2013.

During 2013, the focus of the evaluators’ work was on the SWOT and situation analyses and the Needs Assessment as developed by the Managing Authority. This work involved extensive public and stakeholder consultation. As the design of the RDP developed, the evaluators’ focus was more on the detailed measure level information and budgets, and evaluating their fit with the overall strategy being proposed by the Managing Authority, as well as the suitability of the draft RDP indicator and financial plans. Therefore, the input of the evaluators has been taken into account from the development of the intervention logic through to measure design.

A series of meetings had been held between the evaluators and the Managing Authority in relation to the ex ante evaluation. In addition, the evaluators have held bilateral meetings with the implementing divisions in the Department of Agriculture, Food and the Marine (referred to as DAFM or the Department hereafter) and with the Department of Environment, Community and Local Government (DECLG) on the actual RDP schemes. This ongoing engagement has ensured that the evaluators have gained a detailed understanding of the proposed RDP schemes. Outside of formal meetings, there has also been frequent contact between the evaluators and the Managing Authority as various issues arose.

The evaluators have also been involved in various stages of the public consultation process, including attending stakeholder workshops in July, 2013 and January, 2014. The Managing Authority provided copies of all written submissions to the evaluators also as part of their work. Both the Managing Authority and Fitzpatrick’s attended an Evaluation Helpdesk Good Practice workshop on the ex ante evaluation of the SWOT Analysis and Needs Assessment in Prague in May 2013. This helped to ensure a common understanding on these central elements of RDP design.

There was at all times an open and constructive working relationship between the two parties, which, especially at crucial stages of the process, has helped to expedite the work. The evaluators were successfully able to maintain a balance between a critical and collaborative approach to the task at hand during the process.

Further details in relation to ex ante evaluation and the main recommendations and how they have been incorporated are set out in section 3.2.

The full evaluation report is attached separately to this document.

### 3.2 Table of recommendations from the ex ante evaluation

<b>Recommendation</b>	<b>How the recommendation has been taken into account</b>
<p>Some additional observations on gender equality and anti-discrimination should be incorporated into the SWOT and Needs analyses, even where only to observe their degree of relevance or non-relevance, the extent to which they arose in consultations, or the degree to which they feature as specific challenges in any areas.</p>	<p>Further material reflecting themes from the SWOT and consultation process has been added within character restrictions.</p>
<p>Some further discussion or analysis of the following should be integrated into the SWOT and Needs analyses where possible:</p> <ul style="list-style-type: none"> <li>○ animal health and welfare;</li> <li>○ the training of agricultural advisors;</li> <li>○ on-farm investment specifically in the dairy sector, possibly to include data on farm borrowings and investments from the National Farm Survey;</li> <li>○ farm viability in designated areas of natural constraint;</li> <li>○ organic farming.</li> </ul>	<p>Re AHW, further material reflecting themes from the SWOT and consultation process has been added within character restrictions.</p> <p>Re CPD, further material reflecting themes from the SWOT and consultation process has been added within character restrictions</p> <p>Re on farm investment, further material reflecting themes from the SWOT and consultation process has been added within character restrictions..</p> <p>Re ANCs, further material from recent RDP 2007-2013 Annual Progress Report has been added within character restrictions.</p> <p>Re OFS further material reflecting themes from the SWOT and consultation process has been added within character restrictions</p>
<p>Given the importance of the issue of land mobility and the extent to which the low levels of mobility hamper structural development and growth within the sector, provision should be made for a major study to investigate the factors which influence the land market in Ireland, how it varies over time and in particular why the scale of land market activity is at such a low level. This study should inform future policy development.</p>	<p>The issue of land mobility is clearly highlighted in the SWOT and Needs analyses. In light of this, a number of specific measures have been designed to address the issue and elements of other scheme designs have also incorporated this issue. This has been done in a way that complements Pillar 1 supports and other supports outside of the CAP process (e.g. taxation measures).</p>

	<p>In relation to the specific recommendation for a research project, the Managing Authority has undertaken an informal review aimed at identifying best practice for the new National Rural Network (NRN) to be established under the RDP. One theme emerging from this is the potential for the NRN to focus on key policy and structural issues in the sector. Accordingly, this recommendation will be taken into account in the development of the NRN's Action Plan.</p>
<p>For the same reason, where possible existing measures in the Programme should address the structural issues in agriculture wherever possible and appropriate</p>	<p>This has been taken into account in the design of particular measures. For example, in the principles in relation to selection criteria for individual measures, the need to afford young farmers an element of priority has been incorporated (eg GLAS and TAMS II)</p>
<p>Include in the indicator plan some indicators and targets for schemes that don't yet have any</p>	<p>This has been addressed in the drafting of the RDP</p>
<p>Develop a detailed and specific evaluation plan at an early stage, setting out plans for the evaluation of individual measures, of individual themes, of progress under specific priorities, or other dimensions of the Programme and its implementation. The plan should incorporate result and impact indicators and targets where possible, albeit outside the scope of the formal programme indicator plan and the performance framework</p>	<p>Monitoring and evaluation is a central element in the RDP. The Evaluation Plan sets out that a Monitoring and Evaluation Steering Group will be set up to oversee all elements of overall CAP monitoring and evaluation. The Monitoring Committee will be kept up to date in relation to this process.</p>
<p>Maintain financial flexibility and re-allocate where appropriate later (e.g. at Mid-term stage) based on close monitoring of the effectiveness of measures</p>	<p>The financial plan for the RDP will be monitored and managed in line with established procedures and in conjunction with relevant national budgetary processes.</p>
<p>A review of the capacity and training needs of the agri-food and rural development advisory services to cope with the multiple, parallel demands of the RDP as a whole should be undertaken to identify any constraints that might hamper RDP implementation and actions that might need to be undertaken</p>	<p>This matter will be addressed taking into account requirements on Pillar 1 and Pillar 2.</p>
<p>While there are various references to technical assistance in the draft RDP documentation provided, some composite statement should be made regarding of the</p>	<p>More explicit reference to the role of technical assistance outlined in RDP.</p>

strategic purpose to which the Technical Assistance resources will be put, and the ways in which it will support effective delivery and implementation	
GLAS / + - to the extent possible distinguish and favour young farmers in competitive processes where GLAS / GLAS+ is oversubscribed	This has been incorporated into measure design
Monitor closely how GLAS / GLAS+ uptake and participation is likely to support the activities required to support Ireland's compliance with obligations under the Birds, Habitats, Water Framework and Nitrates Directives, and ensure there is flexibility to adjust the implementation approach where required	This has been incorporated into measure design.
Organic Farming Scheme - establish a programme target for the percentage of national UAA under organic production that reflects the financial provisions included in the RDP for this measure	This has been incorporated into the text and indicator plan of the RDP
Locally Led Agri-environment schemes - establish and develop the proposals for implementation structures for the Freshwater Pearl Mussel project(s), and the estimated timelines and delivery milestones for planning and implementation of all activities under this measure	This is underway as part of implementation planning
ANCs - ensure that minimum stocking requirements apply to the whole farm in order to realise the full environmental benefits of the Scheme	This has been incorporated into measure design. There are exceptions below the minimum requirement allowed when recognised environmental plans are in situ. Specifically in regard to marginal lands, including commonage, this will be achieved by the introduction of the new provision that in order to maintain marginal lands it is necessary for the applicant to graze these lands.
TAMS - ensure all indicators to be required (whether they form part of the performance framework, wider indicator plan, or evaluation plan and preparation) are established and confirmed prior to any roll out, so application details and requirements can reflect them	This has been incorporated into measure design
Bioenergy - additional detail should be provided in relation to the additional premium payment proposed in the measure	The proposed additional payment is no longer part of the measure design.



design process	
Bioenergy - further details should be provided on the basis for target setting and uptake levels anticipated given the underdeveloped market for indigenously-produced biomass	This has been incorporated into measure design
Knowledge Transfer Groups- discuss the requirement for only individual facilitators with the Commission, which it seems is very administratively intensive	This has been incorporated into measure design
Knowledge Transfer Groups - ensure that topics relevant to the restructuring of agriculture are included in the agenda of the menu of potential Groups	This has been incorporated into measure design
CPD - ensure that a sufficiently broad range of disciplines to meet the needs of the knowledge transfer measures is reflected in the Continued Professional Development training under the measure, in particular softer skills, e.g. farm succession, facilitation, innovation and entrepreneurship	This has been incorporated into measure design. A consultation process will underlie the identification of specific needs.
CPD - undertake a an RDP wide assessment of the capacity and needs, including training needs, of the agricultural and rural development advisory services	As above
Targeted AHW Advisory Service - improve measure text in relation to some features, e.g. references to “training of trainers”, and vagueness in relation to monitoring and evaluation	Relevant amendments have been made to the measure description
Targeted AHW Advisory Service - sharpen the boundaries between this and other Knowledge Transfer measures, particularly regarding training of veterinarians	The RDP Coordinating Committee will oversee implementation of measures and will ensure that there are clear boundaries between all measures.
Targeted AHW Advisory Service - consider removing the reference to “welfare” from the measure title and description	This recommendation has not been incorporated into the RDP given the intrinsic links between health and welfare issues.
LEADER - clarify the intended content of the social inclusion theme under LEADER and how this differs or relates to the social inclusion activities of local authorities on the one hand, and on the local partnership companies (the existing LAGs) on the other	This has been incorporated into measure design
LEADER - clarify the role of the LCDC and of the LAG in relation to the economy and enterprise as there seem to be inconsistencies about this	This has been incorporated into measure design
LEADER - document the policy desirability and means by which access to appropriate	The LEADER process will be open to all existing LAGs. This has been incorporated

expertise in the existing LAGs can be retained	into measure design
LEADER - clarify how the additional food measures are to be delivered using the LEADER approach	Following further consideration of the design of support in these areas, the support for these measures has been integrated into the LEADER measure.
LEADER - establish more specific and clear objectives for the Measure to be delivered under the LEADER model	This has been incorporated into measure design
LEADER - a detailed LEADER measure Implementation Plan should be prepared prior to commencement and presented to the Managing Authority and the Monitoring Committee	This will be undertaken

## 4. SWOT and Identification of Needs

### 4.1 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.

#### 4.1.1 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

##### 4.1.1.1 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.<sup>1</sup> For example information presented in the 2012 European Commission report “Rural Development in the EU – Statistical and Economic Information”<sup>2</sup> 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:

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<sup>1</sup> 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.

<sup>2</sup> <http://ec.europa.eu/agriculture/statistics/rural-development/>

- 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/km<sup>2</sup>
- Intermediate region (IR): if 15% to 50% of the population of the region is living in rural communities
- 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.<sup>3</sup>

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 or 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)<sup>4</sup> 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)<sup>5</sup>. 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

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/km<sup>2</sup>, were

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<sup>3</sup> [http://epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-HA-10-001/EN/KS-HA-10-001-EN.PDF](http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-HA-10-001/EN/KS-HA-10-001-EN.PDF)

<sup>4</sup> <http://www.ruralireland.ie/>

<sup>5</sup> <http://www.irishspatialstrategy.ie/images/NSSMap2.JPG>

Ireland's regions: [http://en.wikipedia.org/wiki/NUTS\\_3\\_statistical\\_regions\\_of\\_the\\_Republic\\_of\\_Ireland](http://en.wikipedia.org/wiki/NUTS_3_statistical_regions_of_the_Republic_of_Ireland)

included in the RDP. Therefore RDP rural areas accounted for 72% of the national population and almost 99% of the national area.

#### 4.1.1.2 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 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 UAA. At the end of 2012, forestry accounted for around 10.5% of the total land area according to the National Forest Inventory.<sup>6</sup>

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.)<sup>7</sup> 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%.<sup>8</sup> 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 proportionally less land

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<sup>6</sup> <http://www.agriculture.gov.ie/nfi/nfisecondcycle2012/>

<sup>7</sup> Met Eireann data in CSO report

<http://cso.ie/en/media/csoie/releasespublications/documents/environment/2012/eii2012.pdf>

<sup>8</sup> 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)

designated as an sites of community importance (11%) under the EU Habitats Directive than the EU average of 14% in 2010.<sup>9</sup>

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.

#### 4.1.1.3 Demographic Information

##### *2006 and 2011 CSO Census*<sup>10</sup>

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 spilt 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.<sup>11</sup>

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.<sup>12</sup> 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

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<sup>9</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/environment/2012/eii2012.pdf>

<sup>10</sup>

<http://cso.ie/en/media/csoie/census/documents/census2011pdr/Census,2011,Highlights,Part,1,web,72dpi.pdf>

<sup>11</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/statisticalyearbook/2013/fullbook.pdf>

<sup>12</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/statisticalyearbook/2013/fullbook.pdf>

people of working age. Urban areas have lower dependency ratio 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. By way of contrast in the year ending April 2007, there was estimated net immigration of 67,300.<sup>13</sup> 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.<sup>14</sup>

### *EU Comparisons*

EU Common Context Indicator data shows that, in 2012, around 72.5% of the total national population 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.

#### 4.1.1.4 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 when the economy shrank by 3% in 2008 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

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<sup>13</sup> CSO Population and Migration Estimates

[http://cso.ie/en/media/csoie/releasespublications/documents/population/2007/popmig\\_2007.pdf](http://cso.ie/en/media/csoie/releasespublications/documents/population/2007/popmig_2007.pdf)  
<http://cso.ie/en/releasesandpublications/er/pme/populationandmigrationestimatesapril2013/>

<sup>14</sup> <http://www.ucc.ie/en/emigre/>

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%.<sup>15</sup> In subsequent years unemployment began to increase, rapidly reaching 15% in 2012 with around 1.84 million people in employment.<sup>16</sup> 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 to 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.<sup>17</sup>

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<sup>15</sup> <http://cso.ie/en/media/duplicatecsomedia/newmedia/releasespublications/documents/statisticalyearbook/2007/Chapter,2,Labour,Market.pdf>

<sup>16</sup> <http://cso.ie/en/releasesandpublications/statisticalyearbookofireland/statisticalyearbookofireland2013editi on/>

<sup>17</sup> <http://budget.gov.ie/Budgets/2014/Documents/Economic%20and%20Fiscal%20Outlook%202014.pdf>



The Government published its Medium Term Economic Strategy<sup>18</sup> in December 2013. This Strategy sets out the Government's 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,<sup>19</sup> 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.

#### 4.1.1.5 The Rural Economy

A 2010 European Commission report on the Future of Rural Areas<sup>20</sup> 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).

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<sup>18</sup> <http://finance.gov.ie/viewdoc.asp?DocID=7950> and <http://per.gov.ie/wp-content/uploads/MTES.pdf>

<sup>19</sup> <http://www.djei.ie/publications/2014APJ.pdf>

<sup>20</sup> Situation and Prospects for EU Agriculture and Rural Areas December 2010 (p. 41)  
[http://ec.europa.eu/agriculture/publi/situation-and-prospects/2010\\_en.pdf](http://ec.europa.eu/agriculture/publi/situation-and-prospects/2010_en.pdf)

The rural economy and rural communities have experienced the negative impact of the 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<sup>21</sup>. 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<sup>22</sup> 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 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.

#### 4.1.1.6 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)

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<sup>21</sup> CEDRA

<sup>22</sup>Rural Poverty and Social Exclusion on the Island of Ireland, Dr Kathy Walsh, October 2010, <http://www.cwc.ie/wp-content/uploads/2010/10/Rural-Poverty-and-Social-Exclusion-on-the-Island-of-Ireland-%E2%80%93-Challenges-Policies-and-Challenges.pdf>

- 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 <sup>23</sup> 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%. <sup>24</sup>

In terms of the structure of total employment in Ireland, data for 2012 shows that 4.7% of people in employment 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

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<sup>23</sup> <http://www.agriculture.gov.ie/media/migration/agri-foodindustry/foodharvest2020/Milestones2013110913.pdf>

<sup>24</sup> DAFM, Annual Review and Outlook, for various years

[http://www.agriculture.gov.ie/media/migration/publications/2008/ARO\\_En07-08.pdf](http://www.agriculture.gov.ie/media/migration/publications/2008/ARO_En07-08.pdf)

<http://www.agriculture.gov.ie/media/migration/publications/2013/ARODocumentFinalPDF2013050613.pdf>

more than 47,000 people in food with the remainder, approximately 10,000 people, in beverages and wood processing.<sup>25</sup>

#### *Agri-Food Exports*<sup>26</sup>

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 €9.2 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.<sup>27</sup>

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. 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.

#### 4.1.1.7 Agricultural Structures<sup>28</sup>

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<sup>25</sup> 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.

<sup>26</sup> *Bord Bia, Market Reviews - Export Performance & Prospects Reports for various years available at <http://www.bordbia.ie/industryservices/information/publications/marketreviews/pages/default.aspx>*

<sup>27</sup> An estimate for 2005 was that the 'bio-sector' contributed 32% of net foreign earnings from merchandise exports.

<sup>28</sup> Results in this section from the CSO - Census of Agriculture 2010 – Final Results, December 2012 unless otherwise stated

Over time there has been 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 Areas (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 account for 34% and permanent crops accounts for 6% of the total UAA.

Less than 2% of Irish farms were under the size of 5 ha in 2010, 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.

The Census of Agriculture also shows other regional differences between farms, beyond the basic farm sizes. Dairy farms are more likely to be based in the S&E region. For example, more than 80% of national milk output and national cereal output is 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.

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 27.<sup>29</sup>

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.

#### 4.1.1.8 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.<sup>30</sup>

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, FFIs 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.

#### 4.1.1.9 Environment & Land Management

##### *General Environment*

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<sup>29</sup> CSO Environmental Indicators 2012

<sup>30</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/statisticalyearbook/2013/fullbook.pdf>  
<http://cso.ie/en/media/csoie/releasespublications/documents/statisticalyearbook/2009/Chapter,3,Social,Inclusion...pdf>

The 2012 EPA report “Ireland’s Environment – An Assessment”<sup>31</sup> 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 to less than 1% 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%.<sup>32</sup>

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 CO<sub>2</sub> equivalent. Over subsequent years this declined by around 11% to around 61.3 million tonnes of CO<sub>2</sub> equivalent.<sup>33</sup> 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

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<sup>31</sup> <http://www.epa.ie/pubs/reports/indicators/irelandsenvironment2012.html>

<sup>32</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/environment/2012/eii2012.pdf>

<sup>33</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/environment/2012/eii2012.pdf>

40% of Ireland's final energy consumption in 2010 compared to only 2% accounted for by agriculture. Wind has become the main source of renewable energy production and accounted for more than 40% of the total in 2010.<sup>34</sup> 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.<sup>35</sup>

### *Agriculture & Environment*

The OECD-FAO Agricultural Outlook for 2012-2021<sup>36</sup> 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)<sup>37</sup>. 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 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 CO<sub>2</sub> equivalent, corresponding to around 18.6 million

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<sup>34</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/environment/2012/eii2012.pdf>

<sup>35</sup> <http://cso.ie/en/media/csoie/releasespublications/documents/environment/2012/eii2012.pdf>

<sup>36</sup> [http://www.keepeek.com/Digital-Asset-Management/oecd/agriculture-and-food/oecd-fao-agricultural-outlook-2012\\_agr\\_outlook-2012-en#page1](http://www.keepeek.com/Digital-Asset-Management/oecd/agriculture-and-food/oecd-fao-agricultural-outlook-2012_agr_outlook-2012-en#page1)

<sup>37</sup> [http://ec.europa.eu/dgs/jrc/index.cfm?id=1410&obj\\_id=13010&dt\\_code=NWS](http://ec.europa.eu/dgs/jrc/index.cfm?id=1410&obj_id=13010&dt_code=NWS)



tonnes.<sup>38</sup> Ammonia emissions were equal to 107,000 tonnes. GHG are projected to increase by 7% between 2010 and 2020 and so increasing the carbon efficiency of agricultural production poses a challenge. While Ireland met its targets for ammonia emissions under the National Emissions Ceiling directive for 2010, Irish agriculture contributes 98.5% of national ammonia emissions (107,000 tonnes).

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 were responsible directly for the use of 251 kToe and the food industry was responsible for the use of 474 kToe.<sup>39</sup> 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 DAFM 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. While some species of conservation concern in Ireland are also faring well, showing stability during this period, other species such as the corncrake, grey partridge and breeding waders have declined. Most species that were selected as farmland indicators were stable or increased during this period also.

#### *4.1.2 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

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<sup>38</sup> [http://www.epa.ie/pubs/reports/air/airemissions/Ire\\_GHG\\_Emissions\\_1990\\_2012\\_handout.pdf](http://www.epa.ie/pubs/reports/air/airemissions/Ire_GHG_Emissions_1990_2012_handout.pdf)

<sup>39</sup> Some estimation is required in the calculation of this data and that needs to be considered

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, pig meat, poultry and horticulture sectors through Bord Bia. Carbon measurement is now part of the Bord Bia scheme and a dairy 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. For example, the savings arising from the eradication of Bovine Viral Diarrhoea (BVD) are estimated at €102 million per annum, and the potential savings associated with Somatic Cell Count (SCC) reduction are of the order of €80 million per annum.

#### *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<sup>40</sup>. 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

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<sup>40</sup> These are the latest available surveys although they are planned to be completed again in 2014

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.

A theme which emerged during this analysis was that this strength could be built upon by ensuring that advisory services are founded on the best available knowledge base, possibly via the provision on continued professional development for advisors.

### *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.<sup>41</sup> 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.

### *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 1<sup>st</sup> and 5<sup>th</sup> 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

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<sup>41</sup> <http://www.oecd-ilibrary.org/docserver/download/5kg6z83f0s34.pdf?expires=1366207663&id=id&accname=guest&checksum=94A93D975DAA8C2CCFCD974B9C89BB6A>

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 bioenergy 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% 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.

#### *4.1.3 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 in 2013 remained 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.

Particular issues arise in areas designated as Less Favoured Areas (LFA). For example, in 2010 FFI for farmers in receipt of LFA payment was €348 per hectare before the payment under the Scheme was taken into account. The figure for farmers not in the LFA Scheme was €609 per hectare.

Many Irish suckler farmers are very small scale and inefficient. Within sectors there are major differences between the efficient and inefficient producers. Amongst 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 and 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 on a widespread basis.

In undertaking the preparation of this RDP, the horizontal principles relating to anti-discrimination and equality were carefully considered. The issue of gender equality emerged most strongly from the consultation process in this regard. There is a significant gender imbalance within agriculture with more than 90% of farm holders being men. Women have higher education at school and university and this is manifested now in the employment rate of women under 35 being higher than for men. Within farm households, women are now generating significant market incomes and are often main breadwinner within the household, in addition to undertaking traditional non-market activities within the household. A continuation of this gender imbalance is thus detrimental in terms of the human capital capacity of the sector and may also inhibit technology uptake and structural change.

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 the Status of EU Protected Habitat and Species in Ireland, 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% were “unknown”. While the level of High Nature Value (HNV) lands in Ireland has been noted above, the concept of HNV 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. 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 future need for increased water conservation and efficient use is not yet as fully appreciated. Uptake under the Rainwater Harvesting Scheme 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 CO<sub>2</sub> 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%. 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 area for potential growth and endorsed the target of 5% of UAA. Consequently, Food Harvest 2020 recommended that the Department should continue to directly support the sector.

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, 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<sup>42</sup>. 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.

#### *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, these additional constraints for rural enterprises makes a difficult environment for innovation and entrepreneurship in rural areas.

#### *4.1.4 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 smart, green 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.

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<sup>42</sup> National Spatial Strategy (2010) *Implementing the National Spatial Strategy: 2010 Update and Outlook Harnessing Potential, Delivering Competitiveness, Achieving Sustainability*

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 quotas were 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 exist 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 farm measures which 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 offers the possibility to significantly 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*”<sup>43</sup> Government proposals to align the work of Local

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<sup>43</sup> Delivering Local Development: Ireland, OECD, LEED, Forthcoming.

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.

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.

#### *4.1.5 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 smart, green growth 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 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. Under the EU Effort Sharing Decision (ESD) binding emission reduction targets have been established for Member States to cover 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. In the absence of abatement measures, GHG emissions from agriculture are projected to increase by 7% between 2010 and 2020; equivalent to a 1% increase above the 2005 ESD ref year.

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 has 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. Similar to GHG emissions, ammonia emissions from agriculture are also projected to increase.

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 figure was 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. 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.

#### 4.1.6 Common and programme-specific context indicators

<b>I Socio-economic and rural situation</b>		<b>Value</b>	<b>unit</b>	<b>year</b>
<b>1</b>	<b>Population</b>			
	total	4,591,087	Inhabitants	2013
	rural	3,328,598	Inhabitants	2013
	rural	72.501305246	% of total	2013
	intermediate	-	-	-
	urban	1,262,489	Inhabitants	2013
	urban	27.498694753	% of total	2013
<b>2</b>	<b>Age Structure</b>			
	total < 15 years	990,259	Persons	2012
		21.569162161	% of total population	2012
	total 15 - 64 years	3,047,582	Persons	2012
		66.380401852	% of total population	2012
	total > 64 years	544,928	Persons	2012
		11.869258848	% of total population	2012
	Total rural	3,320,220	Persons	2012
	rural <15 years	740,531	Persons in age group	2012
22.30380028		% of total rural population	2012	



		16.12975315	% of total population	2012
		2,176,732	Persons in age group	2012
	rural 15 - 64 years	65.55987254	% of total rural population	2012
		47.41212702	% of total population	2012
		402,938	Persons in age group	2012
	rural > 64 years	12.13588256	% of total rural population	2012
		8.77652721	% of total population	2012
	Total urban	1,262,487	Persons	2012
		249,728	Persons in age group	2012
	urban < 15 years	19.780639325	% of total urban population	2012
		5.439409011	% of total population	2012
		870,850	Persons in age group	2012
	urban 15 - 64 years	68.978928099	% of total urban population	2012
		18.968274833	% of total population	2012
		141,990	Persons in age group	2012
	urban > 64 years	11.246848482	% of total urban population	2012
		3.092731634	% of total population	2012
<b>3</b>	<b>Territory</b>			
	total	69,797	Km2	2013
	rural	68,877	Km2	2012
	rural	98.681891771	% of total area	2012
	intermediate	-	-	-
	urban	921	Km2	2012
	urban	1.319540954	% of total area	2012
<b>4</b>	<b>Population Density</b>			
	total	67.1	Inhab / km2	2012
	rural	49.96	Inhab / km2	2012
<b>5</b>	<b>*Employment Rate</b>			
	total (15-64 years)	60.5	%	2013
	male (15-64 years)	65.1	%	2013
	female (15-64 years)	55.9	%	2013
	total (20-64 years)	65.5	%	2013
	male (20-64 years)	70.9	%	2013
	female (20-64 years)	60.3	%	2013
	Densely-populated area total (15-	73.8	%	2012

	64)			
	Rural (thinly populated (15-64)	34.3	%	2012
<b>6</b>	<b>Self-employment rate</b>			
	total (15-64 years)	15.15864333	% (1828 total – 277.1 self)	2013
<b>7</b>	<b>Unemployment rate</b>			
	total (15-74 years)	13.1	%	2013
	total males (15-74 years)	15	%	2013
	total females (15-74)	10.7	%	2013
	Youth total (15-24 years)	26.8	%	2013
	Youth Male (15-24 years)	29.8	%	2013
	Youth female (15-24 years)	23.5	%	2013
	rural (thinly populated) (15-74 years)	13.4	%	2013
<b>8</b>	<b>*GDP per capita</b>			
	total	128.3	Index PPS (EU-27 = 100)	2012
	Total	35,600	Eur/inhabitant	2013
	Total	32,900	PPS/inhabitant	2012
	Predominantly urban regions	188.2	Index PPS (EU-27 = 100)	2009
	Predominantly urban regions	53,036.0	Eur/inhabitant	2009
	Predominantly urban regions	44,209.9	PPS/inhabitant	2009
	Predominantly rural regions	104.9	Index PPS (EU-27 = 100)	2009
	Predominantly rural regions	29,567.7	Eur/inhabitant	2009
	Predominantly rural regions	24,647.1	PPS/inhabitant	2009
<b>9</b>	<b>*Poverty rate</b>			
	total	29.4	% of total population	2011
	Densely-populated area	27.1	% of total population	2011
	Intermediate urbanised area	33.1	% of total population	2011
	rural (thinly populated)	28.8	% of total population	2011
<b>10</b>	<b>Structure of the economy (GVA)</b>			
	total	147,445.5(p)	EUR million	2013
	primary	2.218421992	% of total	2012 e
	secondary	27.40878886	% of total	2012 e
	tertiary	70.37278915	% of total	2012 e
	rural	57.82314655	% of total	2010
	intermediate	-	-	-

	urban	42.17685345	% of total	2010
<b>11</b>	<b>Structure of Employment</b>			
	total	1881.9	1000 persons	2013
	primary	4.672287191	% of total	2012
	secondary	18.38999184	% of total	2012
	tertiary	76.93772097	% of total	2012
	rural	66.33658009	% of total	2010
	intermediate	-	-	-
	urban	33.65800866	% of total	2010
<b>12</b>	<b>Labour productivity by economic sector</b>			
	total	80788.14251	EUR/person	2012 e
	primary	38358.55646	EUR/person	2012 e
	secondary	120408.1633	EUR/person	2012 e
	tertiary	73894.66242	EUR/person	2012 e
	rural	66766.70201	EUR/person	2010
	intermediate	-	-	-
	urban	95983.60129	EUR/person	2010

	<b><i>II Agriculture/Sectorial analysis</i></b>	Value	unit	year
<b>13</b>	<b>Employment by economic activity</b>			
	total	1828	1000 persons	2013
	agriculture	80.4	1000 persons	2013
	agriculture	4.398249452	% of total	2013
	forestry	3.2	1000 persons	2013
	forestry	0.175054704	% of total	2013
	food industry	45.2	1000 persons	2012
	food industry	2.459462401	% of total	2012
	tourism	119.7	1000 persons	2012
	tourism	6.513222331	% of total	2012
<b>14</b>	<b>Labour productivity in agriculture</b>			
	total	9799.899356	EUR/AWU	avg. 2010- 2012
<b>15</b>	<b>Labour productivity in forestry</b>			
	total	n.a.	EUR/AWU	0

<b>16</b>	<b>Labour productivity in the food industry</b>			
	total	147,444.1	EUR/person	2012
<b>17</b>	<b>Agricultural holdings (farms)</b>			
	total	139890	No	2010
	farm size <2 Ha	2210	No	2010
	farm size 2-4.9 Ha	7380	No	2010
	farm size 5-9.9 Ha	15750	No	2010
	farm size 10-19.9 Ha	33580	No	2010
	farm size 20-29.9 Ha	24690	No	2010
	farm size 30-49.9 Ha	30670	No	2010
	farm size 50-99.9 Ha	20760	No	2010
	farm size >100 Ha	4720	No	2010
	farm economic size <2000 Standard Output (SO)	17860	No	2010
	farm economic size 2.000 - 3.999 SO	16810	No	2010
	farm economic size 4.000 - 7.999 SO	25150	No	2010
	farm economic size 8.000 - 14.999 SO	26030	No	2010
	farm economic size 15.000 - 24.999 SO	17570	No	2010
	farm economic size 25.000 - 49.999 SO	15160	No	2010
	farm economic size 50.000 - 99.999 SO	11160	No	2010
	farm economic size 100.000 - 249.999 SO	8660	No	2010
	farm economic size 250.000 - 499.999 SO	1040	No	2010
	farm economic size > 500.000 SO	400	No	2010
	average physical size	35.68053471	ha UAA/holding	2010
	average economic size	30722.10837	EUR of SO/holding	2010
	average size in labour units (persons)	1.944670813	Persons/holding	2010
	average size in labour units (AWU)	1.182071628	AWU/holding	2010
<b>18</b>	<b>Agricultural Area</b>			
	total UAA	4991350	ha	2010
	arable	20.26906548	% of total UAA	2010
	permanent grassland and meadows	79.7084957	% of total UAA	2010
	permanent crops	0.01943362	% of total UAA	2010
<b>19</b>	<b>Agricultural area under organic Farming</b>			
	certified	24850	ha UAA	2010
	in conversion	6780	ha UAA	2010

	share of UAA (both certified and conversion)	0.633696295	% of total UAA	2010
<b>20</b>	<b>Irrigated Land</b>			
	total	0	ha	2010
	share of UAA	0	% of total UAA	2010
<b>21</b>	<b>Livestock units</b>			
	total	5787400	LSU	2010
<b>22</b>	<b>Farm labour force</b>			
	total regular farm labour force	272040	Persons	2010
	total regular farm labour force	162350	AWU	2010
	Male regular farm labour force	197950	Persons	2010
	Male regular farm labour force	72.8	% of total	2010
	Female regular farm labour force	74090	Persons	2010
	Female regular farm labour force	27.2	% of total	2010
	Total Sole holders working on the farm	139,560	Persons	2010
	Total Sole holders working on the farm	51.3	% of total	2010
	Male Sole holders working on the farm	122,210	Persons	2010
	Male Sole holders working on the farm	87.6	% of total	2010
	Female Sole holders working on the farm	17,350	Persons	2010
	Female Sole holders working on the farm	12.4	% of total	2010
	Total Members of sole holders' family working on the farm	116,080	Persons	2010
	Total Members of sole holders' family working on the farm	42.7	% of total	2010
	Males Members of sole holders' family working on the farm	61,490	Persons	2010
	Males Members of sole holders' family working on the farm	53	% of total	2010
	Female Members of sole holders' family working on the farm	54,590	Persons	2010
	Female Members of sole holders' family working on the farm	47	% of total	2010
	Total Non-family labour force	16,410	Persons	2010
	Total Non-family labour force	6	% of total	2010
	Male Total Non-family labour force	14,250	Persons	2010
	Male Total Non-family labour force	86.8	% of total	2010
	Female Total Non-family labour force	2,160	Persons	2010
	Female Total Non-family labour force	13.2	% of total	2010
	Temporary farm labour force	3020	AWU	2010
<b>23</b>	<b>Age structure of farm managers</b>			

	total number of farm managers	139890	Persons	2010
	Total < 35 y	9450	Persons	2010
	Total < 35 y	6.755307742	% of total	2010
	Total 35-54	60070	Persons	2010
	Total 35-54	42.9	% of total	2010
	Total > 55 y	70,370	Persons	2010
	Total > 55 y	50.3	% of total	2010
	Ratio young / elderly managers / Number of young managers by 100 elderly managers	13.4	%	2010
<b>24</b>	<b>Agricultural training of farm managers</b>			
	Total Farm Manager	139,890	Persons	2010
	Total Farm Manager Practical experience only	96,510	Persons	2010
	Total Farm Manager Practical experience only	69	% of total	2010
	Total Farm Manager basic training	21,170	Persons	2010
	Total Farm Manager basic training	15.1	% of total	2010
	Total Farm Manager Full agricultural training	22,210	Persons	2010
	Total Farm Manager Full agricultural training	15.9	% of total	2010
	Total < 35 y	9,450	Persons	2010
	Total < 35 y Practical experience only	4,580	Persons	2010
	Total < 35 y Practical experience only	48.5	% of total	2010
	Total < 35 y basic training	1,050	Persons	2010
	Total < 35 y basic training	11.1	% of total	2010
	Total < 35 y Full agricultural training	3,820	Persons	2010
	Total < 35 y Full agricultural training	40.4	% of total	2010
	Total 35-54	60,070	Persons	2010
	Total 35-54 Practical experience only	36,290	Persons	2010
	Total 35-54 Practical experience only	60.4	% of total	2010
	Total 35-54 Basic training	10,570	Persons	2010
	Total 35-54 Basic training	17.6	% of total	2010
	Total 35-54 Full agricultural training	13,220	Persons	2010
	Total 35-54 Full agricultural training	22	% of total	2010
	Total > 55 y	70,370	Persons	2010
	Total > 55 y Practical experience only	55,630	Persons	2010
	Total > 55 y Practical experience only	79.1	% of total	2010
	Total > 55 y Basic training	9,560	Persons	2010

	Total > 55 y Basic training	13.6	% of total	2010
	Total > 55 y Full agricultural training	5,170	Persons	2010
	Total > 55 y Full agricultural training	7.3	% of total	2010
<b>25</b>	<b>*Agricultural factor income</b>			
	total	16910.22222	EUR/AWU	2012e
	total (index)	83.9	Index 2005 = 100	2012e
<b>26</b>	<b>*Agricultural Entrepreneurial Income</b>			
	Standard of living of farmers	11717.36037	EUR/AWU	2012e
	Standard of living of farmers as a share of the standard of living of persons employed in other sectors	26.70092211	%	2012e
<b>27</b>	<b>*Total factor productivity in agriculture</b>			
	total (index)	93.24060818	Index 2005 = 100	avg. 2009-2011
<b>28</b>	<b>Gross fixed capital formation in agriculture</b>			
	GFCF	362.9	EUR million	2011
	share of GVA in agriculture	12.38312973	% of GVA in agriculture	2011
<b>29</b>	<b>Forest and other wooded land (FOWL)</b>			
	total	787.95	1000 ha	2010
	share of total land area	11.52074743	% of total land area	2010
<b>30</b>	<b>Tourism infrastructure</b>			
	bed-places in collective establishments	197065	No of bed-places	2011
	rural	148,263	number	2011
	rural	75.23520039	% of total	2011
	intermediate	-	-	-
	urban	48,803	Number	2011
	urban	24.8	% of total	2011

	<b>III Environment/climate</b>	<b>Value</b>	<b>unit</b>	<b>year</b>
<b>31</b>	<b>Land Cover</b>			
	share of agricultural land	67.1	% of total area	2006
	share of natural grassland	1.3	% of total area	2006
	share of forestry land	4.1	% of total area	2006
	share of transitional woodland shrub	6.0	% of total area	2006
	share of natural land	17.2	% of total area	2006
	share of artificial land	2.3	% of total area	2006

	share of other area		2.1	% of total area	2006
<b>32</b>	<b>Areas with Natural Constraints</b>				
	total		77.5	% of total UAA	2005
	mountain		0.0	% of total UAA	2005
	other		77.1	% of total UAA	2005
	specific		0.4	% of total UAA	2005
<b>33</b>	<b>Farming intensity</b>				
	low intensity		45.46	% of total UAA	2007
	medium intensity		30.83	% of total UAA	2007
	high intensity		20.14	% of total UAA	2007
	grazing		44.7	% of total UAA	2010
<b>34</b>	<b>Natura 2000 areas</b>				
	share of the territory		13.12	% of territory	2011
	share of UAA (incl. natural grassland)		4.1	% of UAA	2011
	share of total forestry area		18.3	% of forest area	2011
<b>35</b>	<b>*Farmland Birds index (FBI)</b>				
	total (index)		92.4	Index 2000 = 100	2008
<b>36</b>	<b>Conservation status of agricultural habitats (grassland)</b>				
	favourable		0.0	% of assessments of habitats	2001-2006
	unfavourable - inadequate		33.0	% of assessments of habitats	2001-2006
	unfavourable - bad		66.0	% of assessments of habitats	2001-2006
	unknown		0.0	% of assessments of habitats	2001-2006
<b>37</b>	<b>*HNV Farming</b>				
	total		n.a.	% of total UAA	0
<b>38</b>	<b>Protected Forest</b>				
	class 1.1		n.a.	% of FOWL area	2011
	class 1.2		n.a.	% of FOWL area	2011
	class 1.3		0.9	% of FOWL area	2011
	class 2		n.a.	% of FOWL area	2011
<b>39</b>	<b>*Water Abstraction in Agriculture</b>				
	total		0.0	1000 m3	2010
<b>40</b>	<b>*Water Quality</b>				
	Potential surplus of nitrogen on agricultural land		52.8	kg N/ha/year	avg. 2006-2009
	Potential surplus of phosphorus on agricultural land		4.0	kg P/ha/year	avg. 2006-2009
	Nitrates in freshwater - Surface water:				



	High quality		74.9	% of monitoring sites	2010
	Moderate quality		24.0	% of monitoring sites	2010
	Poor quality		1.1	% of monitoring sites	2010
	Nitrates in freshwater - Groundwater:				
	High quality		85.2	% of monitoring sites	2010
	Moderate quality		14.8	% of monitoring sites	2010
	Poor quality		0.0	% of monitoring sites	2010
<b>41</b>	<b>*Soil organic matter in arable land</b>				
	Total estimates of organic carbon content		11.5	mega tons	2009
	Mean organic carbon content		21.2	g kg-1	2009
<b>42</b>	<b>*Soil Erosion by water</b>				
	rate of soil loss by water erosion		0.3	tonnes/ha/year	2006
	agricultural area affected		115.8	1000 ha	avg. 2006-2007
	agricultural area affected		2.4	% of agricultural area	avg. 2006-2007
<b>43</b>	<b>Production of renewable Energy from agriculture and forestry</b>				
	from agriculture		34.4	kToe	2010
	from forestry		197.0	kToe	2010
<b>44</b>	<b>Energy use in agriculture, forestry and food industry</b>				
	agriculture and forestry		251.0	kToe	2011
	use per ha (agriculture and forestry)		47.0	kg of oil equivalent per ha of UAA	2011
	food industry		474.0	kToe	2011
<b>45</b>	<b>*Emissions from agriculture</b>				
	total agriculture (CH4 and N2O and soil emissions/removals)		18,370.6	1000 t of CO2 equivalent	2010
	share of total GHG Emissions		30.5	% of total net emissions	2010
	total Ammonia emissions from agriculture		107.2	1000 t of NH3	2011

## 4.2 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 Food Harvest 2020 Environmental Analysis), 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 be 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 bespoke training in a wide range of areas were also identified as part of the RDP design process. The need for a prioritised focus on training that can be delivered means that dedicated funding cannot 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 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 Bovine Viral Diarrhoea (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. 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.

## **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 20) 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 increase 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. National Farm Survey data show that average gross new investment per farm in 2012 was €8,713. However, the need for certain investments that have 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.

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 on farm capital investments.

### **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 increasing 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 1 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 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 the 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 in relation to farm incomes and output. 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.



Any sectoral supports should also be undertaken in a manner compatible with possible schemes under Pillar 1.

**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 relevant to 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 particular needs such as 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.

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, changes in management practices can sometimes lead to under-grazing, thus presenting environmental difficulties and innovative actions may be needed to encourage a more cohesive and sustainable approach requiring greater co-operation among 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 the 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 has 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. In particular, 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. Nevertheless, the issue of water efficiency in the context of WFD requirements remains as an important policy matter and this can be addressed via on farm capital investment where appropriate, and there is scope under the on farm capital investment measure to address this.

## **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 for 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 & production systems and targeted Agri-Environment Climate action to reduce GHG & 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 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 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 agro forestry 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. 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 of any 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 at a 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 enterprise development with identified potential tailored to the LDS area, and working in cooperation with the overall integrated approach to regional and local planning proposed in *Putting People First – Action Programme for Effective Local Government*.

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 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. Such initiatives should 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 to tailor the solution to the particular problems of the areas concerned. The approach will be 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 LDSs as required in the EU regulatory framework.

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

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

A recurring theme in the SWOT and consultation process was the importance of the availability and use of high speed broadband in the 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 report of the Commission for the Economic Development of Rural Areas. There is recognition that this challenge is being addressed in other fora. 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. A theme emerging from the preparatory analysis is the potential for the RDP to support infrastructural development in a complementary manner through, for example, training initiatives delivered via LEADER.



## **5. Description of the Strategy**

### **5.1 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 smart, green, 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 need 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 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 DAFM 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 4. 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 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 4 (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 in Section 4, 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 in Section 4 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 analyses in Section 4 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

## 5.2 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 5.2.1.

### *5.2.1 Choice and combination of measures*

**Priority 1** – Fostering knowledge transfer and innovation in agriculture, forestry, and rural areas.

**Focus area 1(a)** – fostering innovation, cooperation, and the development of the knowledge base in rural areas.

The main measures selected to address this focus area are the EIP Operational Groups, Knowledge Transfer Groups, Locally Led Agri-environmental Schemes, CPD for advisors, Targeted Advisory Service for Animal Health and Welfare, and support for Collaborative Farming.

In each case, measure design has built on clearly established themes emerging from the SWOT analysis. Fostering innovation and enhancing the knowledge base will underpin a more efficient and effective sector. While mutually supportive, these measures are designed on varying delivery mechanisms targeted at specifically identified needs. The combined effect will lead to greater uptake of best practice and the more effective delivery of RDP support as a whole.

**Focus Area 1 (b)** – strengthening the links between agriculture, food production and forestry and research and innovation, including for the purpose of improved environmental management and performance.

The main measures selected to address this focus area are the EIP Operational Groups, Knowledge Transfer Groups, CPD for advisors and the Beef Data and Genomics Programme.

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. EIP Operational Groups in particular are designed to strengthen the links between research, innovation and on farm practices. CPD for advisors and Knowledge Transfer Groups will also ensure that the most up to date and innovative practices feed into the knowledge base of the sector. Finally, the Beef Data and Genomics Programme has at its centre the use of innovative techniques and research to underpin more efficient and climate friendly practices in the suckler herd.

**Focus Area 1 (c)** – fostering lifelong learning and vocational training in the agricultural and forestry sectors.

The main measures selected to address this focus area are Knowledge Transfer Groups and CPD for advisors.

Knowledge Transfer Groups will ensure the acquisition of new skills among farmers of all ages, and CPD for advisors will similarly underpin the development of new knowledge and skills.

In addition, targeted training has been incorporated into the GLAS design to ensure that environmental training continues to be delivered to farmers.

**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 and orientation as well as agricultural diversification.

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

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

A particular sectoral competitiveness challenge was identified in the beef sector, and the Beef Data and Genomics Programme will support the introduction of innovative practices in the suckler herd which will underpin greater efficiency in this sector 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 demographics. Support for collaborative farming is designed to encourage an increased level of farm partnerships and other collaborative approaches with the attendant economic, structural and skills related benefits.

It should also be noted, that the integrated design of RDP measures which is firmly based on establishing a clear 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 aforementioned measures. 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.

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 TAMSII 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 TAMSII. However, in order to target support specifically at encouraging young farmers and to enable them to take on necessary infrastructural work 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.

Themes emerging from the SWOT analysis relevant to this Focus Area include the challenges for primary producers in integrating themselves into the food chain, and the need to add value to agricultural products. In responding to these issues, stand alone measures had originally been considered. However, given the congruence with emerging LEADER themes, support in this area has now been integrated into the LEADER mechanism. While these measures make a contribution under this Focus Area, they are to be programmed under 6(b) as they are to be delivered via LEADER.

**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. 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 Groups 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

In line with the relevant guidance document, the treatment of measures for Priority 4 is at priority level, rather than at the level of 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 agri-environment and climate measure (GLAS) has been designed in such a way as to achieve objectives under both Article 28 and Article 30 of Regulation 1305/2013. Payments for Natura 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 the key challenges emerging 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 their 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, a number of other measures have been designed in order to reinforce and complement the benefits to be delivered by GLAS. The Locally Led Agri-Environment Scheme will address specific 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 measures will all contribute to the knowledge base which will underpin the achievement of greater environmental benefits. The Organic Farming Scheme will also make a clear contribution to these focus areas. The farming practices it promotes contribute to improving soil and water quality, to mitigation of 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.

Finally, the ANC 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 and sustainable water usage has been highlighted as a LEADER theme, 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. As noted above, however, general water efficiency issues remain as an issue of national importance in the context of WFD requirements and there is scope under TAMSII to address this.

**Focus Area 5 (b)** – increasing efficiency in energy usage in agriculture and food processing  
The main measure contributing to this focus area is TAMSII, 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 and poultry sector has been identified as one such sector and TAMSII 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, TAMSII 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 Areas is the Bio Energy Scheme.

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 Scheme 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 LDSs 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 which will have a positive effect on emissions, including the GLAS, the Organic Farming Scheme, TAMS II, the Beef Data and Genomics Programme, and the Knowledge Transfer Groups 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.

GLAS 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 has identified the establishment of an Economic Breeding Index and support for weight gain in beef as being the most cost-efficient climate change actions 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 on a nationwide basis. 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 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 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 reintroduction of support for Traditional Farm Buildings Scheme 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.

**Focus Area 6(c)** - enhancing the accessibility use and quality of information and communication technologies (ICT) in rural areas

The EU Commission guidance suggests that all LEADER actions should be programmed under priority 6(b). Actions under this Focus Area will be incorporated into the development of LDSs under LEADER.

### **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 LDS and correspond to the objectives and priorities indicated for support under LEADER in the Partnership Agreement and the RDP.

The SWOT and needs analyses have identified a number of strong themes that should be addressed through RDP interventions and these themes are outlined in the measure description section. Further detail in relation to the new implementation arrangements for LEADER is also outlined in the measure description section.

### *5.3 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 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 grassroot 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 Programme 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 in to 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 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.
- TAMSII 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 Analysis 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, GLAS 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 of an integrated and mutually supportive set of measures which contribute to the environment cross-cutting objective.

The Organic Farming Scheme 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 Programme 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 agri-environment and climate supports.

#### 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 Analysis 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 and 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 TAMSII 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 Programme 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 as the three 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 also underpin the selection of higher quality animals that will be suited to Ireland’s grass based system.

The climate change agenda is also central to the logic underlying the Bioenergy Scheme. Current and projected levels of biomass are not sufficient to meet our renewable energy targets, and this scheme 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 LDS process.

#### 5.4 Summary table of the intervention logic

The online system for submitting the draft RDP to the EU Commission will generate this table automatically as the RDP is uploaded. Accordingly, the detail here is provided purely as indicative.

Priority 2		
Focus Area	Quantified target	Combination of measures
Focus area (2A) 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.	% holdings supported for restructuring / modernisation	On Farm Capital Investment Measure
		Beef Data and Genomics Measure
		Collaborative Farming Measure

Focus area (2B) Facilitating the entry of adequately skilled farmers into the agricultural sector and, in particular, generational renewal	% holdings supported for young farmers / business development	On Farm Capital Investment Measure
		Collaborative Farming Measure
<b>Priority 3</b>		
<b>Focus Area</b>	<b>Quantified target</b>	<b>Combination of measures</b>
Focus area (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 chains, producer groups and organisations and inter-branch organisations	% holdings supported under quality schemes, short supply chains etc	LEADER measure
Focus area (3B) Supporting farm risk prevention and management	% farms participating in risk management schemes	Targeted Animal Health and Welfare Advisory Measure
		Knowledge Transfer Groups Measure
<b>Priority 4</b>		
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.	% agricultural land supporting biodiversity/ landscapes	Priority 4 is programmed on a joint basis across FAs  AEC Measure (GLAS) Locally Led AEC Measure Organic Farming Scheme Knowledge Transfer Group Measure



Focus Area (4B) Improving water management, including fertiliser and pesticide management	% agricultural land improving water management	CPD for Advisors Measure EIP Operational Groups Measure Areas of Natural Constraint Measure TAMS II
Focus Area 4(C) Preventing soil erosion and improving soil management	% agricultural land improving soil management / preventing erosion	
<b>Priority 5</b>		
Focus Area 5(A) Increasing efficiency in water use by agriculture	% irrigated land switching to more efficient irrigation system	
Focus Area 5(B) Increasing efficiency in energy use in agriculture and food processing	Total investment in energy efficiency	On Farm Capital Investment Measure
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.	Total investment in renewable energy production	Bio Energy Measure
		LEADER Measure
Focus Area 5(D) Reducing Green house gas and ammonia emissions from agriculture	LU affected by GHG / ammonia reduction supports	Beef Data and Genomics Measure
		Knowledge Transfer Group Measure
		CPD for Advisors Measure
		On Farm Capital Investment Measure
		AEC Measure (GLAS)
		EIP Operational Groups Measure
Focus Area 5(E) Fostering carbon conservation and sequestration in agriculture and forestry.	% agricultural land under management contracts contributing to carbon sequestration	AEC Measure (GLAS)
<b>Priority 6</b>		

Focus Area 6(A) Facilitating diversification, creation and development of small enterprises as well as job creation	Jobs created in supported projects	
Focus Area 6(B) Fostering local development in rural areas	% rural population benefitting from improved services / infrastructures % of same covered by LDS Jobs created in supported projects	LEADER Measure
Focus Area 6(C) Enhancing the accessibility, use and quality of ICT in rural areas	% rural population benefitting from improved services / infrastructures	

### 5.5 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

DAFM encompasses the Managing Authority for the EAFRD, and within the Department the Rural Development Division 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 DAFM, 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 Managing Authority and Paying Agency 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 on line), 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 DAFM. 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, DAFM 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.

## **6. Assessment of ex ante conditionalities**

Ireland's Partnership Agreement includes an assessment of the general ex ante conditionalities as they apply across the ESI funds. The general ex ante conditionalities which are applicable to this RDP are first set out. This section then sets out the identification and assessment of the ex ante conditionalities identified in the Rural Development Regulation as specific to the European Agricultural Fund for Rural Development.

The relevant EU Commission guidance states that as a general rule, the general ex ante conditionalities on the effective application of Union law will be applicable in case the relevant provisions of Union law are applicable to the interventions planned to be supported by the ESI Fund under a priority/Union priority, and when it is estimated that their non-fulfilment would lead to a clearly identified risk to the effective and efficient achievement of a specific objective/focus area.

### *6.1 Identification and assessment*

#### 6.1.1 Applicable general ex ante conditionalities

A) Public Procurement - The existence of arrangements for the effective application of Union public procurement law in the field of ESI funds.

The criteria for fulfilment of this ex ante conditionality are

- Arrangements for the effective application of Union public procurement rules through appropriate mechanisms
- Arrangements which ensure transparent contract award procedures
- Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds
- Arrangements to ensure administrative capacity for implementation and application of Union public procurement rules.

This conditionality has been fulfilled. EU public procurement laws constitute applicable Union law for interventions planned under the RDP. The RDP will include measures to support knowledge transfer and the provision of advice to farmers. The RD Regulation specifically states that the selection of authorities or bodies to provide such services should be governed by public procurement law.

Arrangements are in place to ensure that appropriate public procurement rules are applied and that there is adherence to the principles of equal treatment, non-discrimination and transparency. Procedures include the appropriate publication of transparent selection and award criteria in any call for tenders and the communication of relevant Treaty principles and procurement rules to staff involved in the implementation of the RDP.

Within DAFM, the Central Procurement Unit (CPU) disseminates policy circulars, guidelines and advice on all aspects of procurement to line divisions. The CPU has also organised an information seminar for purchasing divisions. The Paying Agency procedures manuals set out

specific rules on public procurement and this information has been circulated to all staff. The CPU has also facilitated training for divisions from the Chief State Solicitor's Office.

Relevant material to assist line divisions is also available via the DAFM intranet. The CPU also has a role in scrutinising tenders drafted by the purchasing units before they issue, suggesting changes for improved outcomes and ensuring compliance with legal requirements in tender documents.

It is also relevant that Office of Government Procurement (OGP) has recently been established in alignment with the Department of Public Expenditure and Reform. Once the OGP is fully resourced and has fully engaged with all departments/agencies, the sourcing and tendering function will be transferred to the OGP, i.e. the tendering process for services/suppliers under the RDP will at some stage migrate to the OGP.

The LEADER element of the RDP has experienced and applied significant learning in the context of public procurement during the 2007-2013 period which is reflected in the operating rules that govern the current programme. This learning will also be applied and developed in the next programme period. DECLG remain committed to supporting LAGs and will provide capacity building and training initiatives to maintain and ensure high standards when it comes to all issues of public procurement related to the delivery of LEADER interventions.

The RDP measures relevant to this conditionality are

- Knowledge Transfer Groups
- Targeted Animal Health and Welfare Advisory Service
- European Innovation Partnerships
- LEADER

B) State Aid - The existence of arrangements for the effective application of Union State Aid rules in the field of the ESI funds.

The criteria for fulfilment of this ex ante conditionality are

- Arrangements for the effective application of Union State Aid rules
- Arrangements for training and dissemination of information for staff involved in the implementation of the ESI funds
- Arrangements to ensure administrative capacity for implementation and application of Union State Aid rules.

The EU State Aid rules constitute applicable Union law for interventions planned under the RDP. The Rural Development Regulation (Articles 81 and 82) sets out the position in relation to the application of these rules to Rural Development expenditure by Member States, including in relation to additional national financing during the programming period.

This conditionality has been fulfilled. Arrangements are in place to ensure application and implementation of EU State Aid rules via a well-established notification and approval process for any proposed national financing.

In DAFM there is a dedicated section within EU Division that provides advice and assistance, based on advice from the Commission and from previous state aid experience, to ensure that schemes operated by the Department and its agencies comply with applicable State Aid rules. This provision of advice is also facilitated and supported by the department's Legal Division. The Irish authorities are represented on the Advisory Committee on State Aid of the Directorate-General of Agriculture and Rural Development of the European Commission where the latest developments in State Aid Regulations are discussed and all presentations are disseminated to line divisions with responsibility for the operation of the various schemes. The Irish authorities are in ongoing contact with the Commission on any issues that might arise regarding implementation of State Aid rules. The Irish authorities further comply with the provisions of the Agriculture State Aid regulations by completing annual scheme expenditure reports on the State Aid Reporting Interactive system (SARI).

The dedicated section within DAFM ensures that all relevant sections are involved in consultations on the review of the State Aid rules, that legal advice is sought when necessary and that any issue requiring legal clarity or certainty is raised directly with the Commission. Training courses are also provided and relevant staff are kept informed of development by way of office notices and circulars.

DECLG ensures that all entities involved in the delivery of LEADER interventions are fully cognisant of the rules regarding State Aid and this will continue in the 2014-2020 period. The operating rules for LEADER 2007-2013 contain guidance regarding State Aid implications and DECLG plans to support future LAGs to comply with relevant State Aid requirements through capacity building/training and the provision of comprehensive guidance as part of the operating rules for the 2014-2020 period.

C) Environmental Legislation – the existence of arrangements for the effective application of Union environmental legislation related to EIA and SEA.

The criteria for fulfilment of this ex ante conditionality are

- Arrangements for the effective application of Directive 2011/92/EU (EIA) and of Directive 2001/42/EC (SEA)
- Arrangements for training and dissemination of information for staff involved in the implementation of the EIA and SEA Directives
- Arrangements to ensure sufficient administrative capacity.

This conditionality does constitute applicable Union law for interventions planned under the RDP

This conditionality has been fulfilled. EIA (Agriculture) regulations (SI 456/2011)<sup>44</sup> provide the basis for the effective application of Union environmental legislation in this area. Under these regulations, DAFM has an EIA Screening and Consent system in place for certain farm restructuring works. An Inspectors' Procedures Manual has been produced, and

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<http://www.agriculture.gov.ie/media/migration/ruralenvironment/environment/environmentalimpactassessment/SI456of2011200911.pdf>

departmental inspectors - who have been authorised by Ministerial Order - have received appropriate training, which is ongoing, as required. Administrative staff administering the system in the Department of Agriculture, Food and the Marine have also received training.

This conditionality is relevant to the suite of agri-environment and climate measures in the RDP.

D) Data on monitoring and evaluation - The existence of a statistical basis necessary to undertake evaluations to assess the effectiveness and impact of the programmes. The existence of a system of result indicators necessary to select actions which most effectively contribute to desired results, to monitor progress towards results and to undertake impact evaluation.

The criteria for fulfilment of this ex ante conditionality are

- Arrangements for timely collection and aggregation of statistical data with the following elements are in place:
  - the identification of sources and mechanisms to ensure statistical validation
  - arrangements for publication and public availability of aggregated data
- An effective system of result indicators, including:
  - the selection of result indicators for each programme providing information on what motivates the selection of policy actions financed by the programme
  - the establishment of targets for these indicators
  - the consistency of each indicator with the following requisites: robustness and statistical validation, clarity of normative interpretation, responsiveness to policy, timely collection of data
- Procedures in place to ensure that all operations financed by the programme adopt an effective system.

This conditionality is relevant to all measures in the RDP.

This conditionality is fulfilled. The requirements for statistical reporting and evaluation have been integrated into the measure design process, and work is continuing in this regard.

#### 6.1.2 EAFRD specific ex ante conditionalities

A) Risk prevention and risk management - the existence of national or regional risk assessments for disaster management, taking into account climate change adaptation

The criteria for fulfilment of this ex ante conditionality are

- A national or regional risk assessment with the following elements shall be in place:



- a description of the process, methodology, methods and non-sensitive data used for risk assessment as well as of the risk-based criteria for the prioritisation of investment
- a description of single-risk and multi-risk scenarios
- taking into account, where appropriate, national climate change adaptation strategies

While the RDP does not include any measures to support disaster and specific risk management, elements of the issue of risk management will arise in the context of Knowledge Transfer Groups.

This conditionality is fulfilled. In relation to risk assessment, the Office of Emergency Planning produced a National Risk Assessment for Ireland<sup>45</sup> in December 2012. It outlines a risk assessment methodology and incorporates a range of hazards into a National Risk Matrix. The Major Emergency Management Framework<sup>46</sup> (2006) includes a risk assessment process/methodology to be applied and documented by the principal response agencies (Local Authorities, Garda and the Health Service Executive). Local Authorities are the lead agency for weather-related emergencies, and must have a specific sub-plan of their Major Emergency Plans for responding to severe weather emergencies. The Major Emergency Management Framework is accompanied by a number of guidance documents, including (No.1) A Guide to Risk Assessment in Major Emergency Management<sup>47</sup> and (No.14) A Guide to Severe Weather Emergencies.<sup>48</sup>

On climate change adaptation, the general scheme of the Climate Action and Low Carbon Development Bill 2014 was agreed by Government in April, 2014. The Bill will provide for a National Low Carbon Roadmap and a National Climate Change Adaptation Framework.

B) Good Agricultural and Environmental Conditions (GAEC) - standards for good agricultural and environmental condition of land referred to in Chapter I of Title VI of Regulation (EU) 1306/2013 are established at national level.

The criterion for fulfilment of this conditionality is that GAEC standards are defined in national law and specified in the programmes.

This conditionality does constitute applicable Union law for interventions planned under the RDP.

This conditionality has been fulfilled. National GAEC legislation is in place through various measures. Procedures are in place to ensure compliance with 1% inspection requirement.<sup>49</sup>

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<http://www.emergencyplanning.ie/media/docs/A%20National%20Risk%20Assessment%20for%20Ireland%20Published.pdf>

<sup>46</sup> <http://www.mem.ie/framework.htm>

<sup>47</sup> <http://www.mem.ie/guidancedocuments/a%20guide%20to%20risk%20%20assessment.pdf>

<sup>48</sup> <http://www.mem.ie/GuidanceDocuments/SevereWeatherEmergencies.pdf>

<sup>49</sup> <http://www.agriculture.gov.ie/farmerschemespayments/crosscompliance/> Wildlife Acts 1976 & 2000, Forestry Act 1946, SI 291/1985, SI 94/1997, SI 610/2010, National Monuments (Amendments) Act 2004, Noxious Weeds Act 1936, Single Payment Scheme terms

The RDP measures relevant to this conditionality are

- The suite of agri-environment and climate measures
- The Areas of Natural Constraint Scheme.
- The Organic Farming Scheme

C) Minimum requirements for fertilisers and plant protection products - minimum requirements for fertilisers and plant protection products referred to in article 29 Chapter I of Title III of the Rural Development Regulation are defined at national level.

The criterion for fulfilment of this conditionality is that minimum requirements for fertiliser and plant protection products referred to in Chapter 1 of Title III of the Rural Development Regulation are specified in the programmes.

This conditionality has been fulfilled. National measures are in place that give effect to EU rules on the marketing of fertilisers.<sup>50</sup>

D) Other relevant national standards - relevant mandatory national standards are defined for the purpose of article 29 Chapter I of Title III of the Rural Development Regulation

The criterion for fulfilment of this conditionality is that relevant mandatory standards are specified in the programmes.

This conditionality has been fulfilled. National measures and a national Nitrates Action Programme are in place under the joint responsibility of DAFM & DECLG.<sup>51</sup> National measures and a National Action Plan on the Sustainable Use of Pesticides are in place.<sup>52</sup>

E) Energy efficiency- actions have been carried out to promote cost-effective improvements of energy end-use efficiency and investment in energy efficiency when constructing or renovating buildings

The criteria for fulfilment of this criteria are

- measures to ensure minimum requirements are in place related to the energy performance of buildings consistent with Arts 3-5 of the Energy Performance of Buildings Directive (2010/31/EU)

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<sup>50</sup> <http://www.irishstatutebook.ie/2005/en/si/0384.html>

<http://www.irishstatutebook.ie/1978/en/si/0248.html> <http://www.irishstatutebook.ie/1998/en/si/0048.html>  
<http://www.irishstatutebook.ie/1955/en/act/pub/0008/index.html>

<sup>51</sup> <http://www.irishstatutebook.ie/pdf/2014/en.si.2014.0031.pdf>

<sup>52</sup> <http://www.irishstatutebook.ie/2011/en/si/0310.html> <http://www.irishstatutebook.ie/2012/en/si/0155.html>  
<http://www.irishstatutebook.ie/2012/en/si/0159.html>

<http://www.pcs.agriculture.gov.ie/Docs/National%20Action%20Plan%20for%20the%20sustainable%20use%20of%20pesticides.pdf>

- measures necessary to establish a system of certification of the energy performance of buildings consistent with Art 11 of Dir. 2010/31/EU
- measures to ensure strategic planning on energy efficiency, consistent with Art 3 of the Energy Efficiency Directive (2012/27/EU - repealed Dir. (2006/32/EC))
- measures consistent with Arts 9-11 of the Energy Efficiency Directive to ensure the provision to final customers of individual meters insofar as it is technically possible, financially reasonable and proportionate in relation to the potential energy savings.

This conditionality has been fulfilled. The Energy Efficiency Directive is to be transposed in 2014. High-level goals are set out in the National Energy Efficiency Action Plan.<sup>53</sup>

Ireland has had a national energy efficiency target in place since 2009 - 20% energy savings by 2020, and 33% reduction in public sector energy use. Also, the Sustainable Energy Authority of Ireland, on behalf of the Department of Communications Energy and Natural Resources, has developed a National Energy Services Framework to help develop the energy efficiency market in the non-domestic sector, including through energy performance contracting.

F) Water sector - the existence of (a) a water pricing policy which provides adequate incentives for users to use water resources efficiently and (b) an adequate contribution of the different water uses to the recovery of the costs of water services at a rate determined in the approved river basin management plan for investment supported by the programmes.

The criterion for fulfilment of this conditionality is that in sectors supported by the EAFRD, a Member State has ensured a contribution of the different water uses to the recovery of the costs of water services by sector, consistent with Art 9 paragraph 1 first indent of the Water Policy Directive (2000/60/EC) having regard, where appropriate, to the social, environmental and economic effects of the recovery as well as the geographic and climatic conditions of the region(s) affected

This conditionality has been fulfilled. On 1 January, 2014 Irish Water assumed responsibility for water and wastewater services to homes and businesses connected to a public water supply.

G) Renewable Energy - actions have been carried out to promote the production and distribution of renewable energy sources

The criteria for fulfilment of this ex ante conditionality are

- Transparent support schemes, priority in grid access or guaranteed access and priority in dispatching, as well as standard rules relating to the bearing and sharing of costs of technical adaptations which have been made public are in place consistent with Arts

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<sup>53</sup> [http://www.dcenr.gov.ie/NR/rdonlyres/B18E125F-66B1-4715-9B72-70F0284AEE42/0/2013\\_0206\\_NEEAP\\_PublishedversionforWeb.pdf](http://www.dcenr.gov.ie/NR/rdonlyres/B18E125F-66B1-4715-9B72-70F0284AEE42/0/2013_0206_NEEAP_PublishedversionforWeb.pdf)

14(1), 16(2) and 16(3) of the Directive on the Promotion of the Use of Energy from Renewable Sources (2009/28/EC)

- A Member State has adopted a national renewable energy action plan consistent with Art 4 of Dir. 2009/28/EC

This conditionality has been fulfilled. Ireland's National Renewable Energy Action Plan<sup>54</sup> was adopted in 2010. Member States must file a progress report every two years in respect of the preceding two years. In January 2012, Ireland submitted its first progress report covering the years 2009 and 2010<sup>55</sup>. It will shortly submit its second report covering the years 2011 and 2012.

H) Next Generation Network (NGN) Infrastructure - the existence of national or regional NGN plans which take account of regional actions in order to reach the EU high-speed Internet access targets, focusing on areas where the market fails to provide an open infrastructure at an affordable cost and quality in line with the EU competition and state aid rules, and provide accessible services to vulnerable groups.

The criteria for fulfilment of this ex ante conditionality are

- A national or regional NGN Plan is in place that contains:
  - a plan of infrastructure investments based on an economic analysis taking account of existing private and public infrastructures and planned investments
  - sustainable investment models that enhance competition and provide access to open, affordable, quality and future-proof infrastructure and services
  - measures to stimulate private investment

This conditionality has been fulfilled. The National Broadband Plan 2012 ("Delivering a Connected Society")<sup>56</sup> will ensure that high-speed broadband is available to all citizens and businesses, will provide a policy/regulatory framework to incentivise/accelerate commercial investment, and provides for State-led investment for areas where it is not commercially viable.

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<sup>54</sup> <http://www.dcenr.gov.ie/NR/rdonlyres/03DBA6CF-AD04-4ED3-B443-B9F63DF7FC07/0/IrelandNREAPv11Oct2010.pdf>

<sup>55</sup> <http://www.dcenr.gov.ie/NR/rdonlyres/B611ADDD-6937-4340-BCD6-7C85EAE10E8F/0/IrelandfirstreportonNREAPJan2012.pdf>

<sup>56</sup> <http://www.dcenr.gov.ie/Communications/Communications+Development/Next+Generation+Broadband/>

## 7. Performance Framework

	Indicators	Definitions of the pre-defined performance framework indicators	2018	END RDP
Priority 2	Total Public Expenditure P2 (€)	$\Sigma$ of total public expenditure of all measures under P2	<b>€147.05 million</b>	<b>€348.5 million</b>
	Number of agriculture holdings with RDP support for investment in restructuring or modernisation (2A) + Number of agricultural holdings with RDP supported business development plan/investment for young farmers (2B)	Number of holdings supported under 4.1 (2A) + number of holdings supported under 6.1 (2B) {or number of holdings supported under 4.1 (2B) if 6.1 = 0 } *underlined parts only as 6.1 is not in RDP (Art 19 Farm & Business Development)	<b>8,800</b>	<b>20,750</b>
Priority 3	Total Public Expenditure P3 (€)	$\Sigma$ of total public expenditure of all measures under P3	<b>€19.5 million</b>	<b>€41 million</b>
	Nr of agricultural holdings supported under quality schemes, local markets/short supply circuits, and producer groups (3A)	Number of holdings supported under 3.1 (3A) + Number of holdings supported under 9 (3A) + Number of holdings supported under 16.4 (3A)	N/A	N/A
	Number of agricultural holdings participating in risk management schemes (3B)	Number of holdings supported under 17.1 (3B) + Number of holdings participating in 17.2 (3B) + Number of holdings participating in 17.3 (3B) + number of	N/A	N/A

		holdings supported for preventive actions 5.1 (3B)		
Priority 4	Total Public Expenditure P4 (€)	∑ of total public expenditure of all measures under P4	<b>€1,778 million</b>	<b>€2,685 million</b>
	Agricultural land under management contracts contributing to biodiversity (ha) (4A) + Agricultural land under management contracts improving water management (ha) (4B) + Agricultural land under management contracts improving soil management and/preventing soil erosion (ha) (4C)	Total area supported under 8.1 (P4 Ag) + Total area supported under 8.2 (P4 Ag) + <u>Total area supported under 10.1 (P4 Ag) +</u> <u>Total area supported under 11.1 (P4 Ag) +</u> <u>Total area supported under 11.2 (P4 Ag) +</u> Total area supported under 12.1 (P4 Ag) + Total area supported under 12.3 (P4 Ag) *underlined parts only as 8.1/8.2 is not in RDP (forestry) and 12.1/12.3 is Natura 2000, included under AECM.	<b>2,379,000 ha</b>	<b>2,401,000 ha</b>
Priority 5	Total Public Expenditure P5 (€)	∑ of total public expenditure of all measures under P5	<b>€385.45 million</b>	<b>€676.54 million</b>
	Nr of investment operations in energy savings and efficiency (€) (5B) + Nr of investment operations in renewable energy production (€) (5C)	Number of operations supported under 4.1 to 4.3 (5B) + Number of operations supported under 7.2 (5B) + Number of operations supported under 4.1 to 4.3 (5C) + Number of operations supported	<b>300 Operations</b>	<b>625 Operations</b>

		under 7.2 (5C) + Number of operations supported under 6 (5C) + Number of operations supported under 8.6 (5C) +		
	Agricultural and forest land under management to foster carbon sequestration/conservation (ha) (5E) + Agricultural land under management contracts targeting reduction of GHG and/or ammonia emissions (ha) (5D) + Irrigated land switching to more efficient irrigation system (ha) (5A)	Total area supported under 10.1 (5A) + Total area supported under 4 (5A) + <u>Total area supported under 10.1 (5D)</u> + Total area supported under 10.1 (5E) + Total area supported under 8.1 (5E) + Total area supported under 8.2 (5E) *underlined only as focus area 5A & 8.1/8.2 (forestry) not in RDP	<b>163, 750 ha</b>	<b>163, 750 ha</b>
Priority 6	Total Public Expenditure P6 (€)	∑ of total public expenditure of all measures under P6	<b>€110 million</b>	<b>€250 million</b>
	Nr of operations supported to improve basic services and infrastructures in rural areas (6B and 6C)	Number of operations supported under 7 (6B) + Number of operations supported under 7.3 (6C)	N/A	N/A
	Population covered by LAG	Population covered by LAG	<b>2,470,308</b>	<b>2,470,308</b>

## **P2 Justification for the Milestone setting**

For various measures programmed under priority 2 (Knowledge Transfer Groups, CPD, EIP) it is expected that half of the expenditure will be realised by the end of 2018. However, that is not the case for TAMS. Experience of past capital investment schemes has shown that they can be slower to get started initially and that expenditure can lag behind approvals for beneficiaries. For example, in some instances planning permission may be required prior to applications for investment. Therefore, overall for priority 2, total expenditure by the end of 2018 is expected to be around 43% of the overall end of RDP target.

## **P2 Justification for the Milestone setting**

In total 8,800 holdings under TAMSII are expected to be supported by the end of 2018 for priority 2. This comprises 6,300 holdings under TAMS in general and 2,500 that are forecast under the Young Farmer's strand of TAMSII. Overall this accounts for less than 50% of the holdings that will be supported by the end of the RDP. As noted above, the experience of past capital investment schemes has shown that there can be initial delays before they are up and running at full capacity.

However, the Dairy Equipment scheme is an exception within TAMSII overall. For example, a high uptake under this is envisaged initially and that corresponds to 4,000 out of 7,000 holdings that will be supported by the end of 2018. Given the abolition of dairy quotas in 2015 and the expected expansion in the sector in order to take advantage of this opportunity, this is an important national policy priority for early investment. Expectations in relation to the envisaged take up of the Young Farmers measure are closely linked to an examination of the numbers of recent graduates from Teagasc agricultural courses, a pattern that is expected to continue in the short term.

## **P3 Justification for the Milestone setting**

Under priority 3 in relation to the Knowledge Transfer Groups and the Animal Health and Welfare Advisory measure it is expected that half of the expenditure will be realised by the end of 2018. The other component under priority 3 is the Animal Welfare, Handling and Safety strand within TAMS. 40% of this expenditure is expected to have occurred by the end of 2018.

## **P3 Justification for the Milestone setting**

This indicator is not included in the RDP 2014-2010 for Ireland, as those particular measures will not be supported.

## **P3 Justification for the Milestone setting**



This indicator is not included in the RDP 2014-2010 for Ireland, as those particular measures will not be supported.

#### **P4 Justification for the Milestone setting**

In relation to priority 4 around 65% of the total public expenditure is forecast as being spent by the end of 2018. One of the major measures under priority four, Areas of Natural Constraints, is expected to stay constant in expenditure terms over the years. Some of the other measures, such as CPD, Article 35 co-operation measures, the Organic Farming Scheme and Knowledge Transfer Groups are expected to have half of their total expenditure by the end of 2018. The Farm Nutrient element of TAMSII, which will impact upon water quality, is expected to attain around one third of its total expenditure by the end of 2018. In its initial year(s) it may be focussed upon tillage framers as a priority, and uptake may be higher in later years once that restriction is broadened out. Just over 60% of the expenditure under GLAS is forecast to be realised by the end of 2018, as it is a key component of the RDP. This may include some of the transitional expenditure in the RDP under ANCs, REPS and AEOS.

#### **P4 Justification for the Milestone setting**

Within the GLAS scheme it is envisaged that 2.3 million hectares will be supported for the achievement of environmental objectives. In the indicator plan this is broken down into: 900,000 hectares for biodiversity, 800,000 hectares for water management and 600,000 hectares in relation to soil management. Since it is anticipated that the maximum number of 50,000 participants in GLAS would be recruited into the scheme by the end 2018, the end of 2018 and end RDP values are the same in terms of the area supported under management contracts.

Detailed maps and files received from organisations such as the National Parks and Wildlife Service and the Environmental Protection Agency assisted in the identification of farms in areas where the environmental priorities are, such as High status water areas and Natura 2000 sites. When combined with the extrapolation of evidence of the uptake of options under previous agri-environmental schemes, such as REPS and AEOS, this has helped to shape the expectations for the varying options under GLAS and provide a detailed and solid evidence base for these forecasts.

The Organic Farming Scheme, which is also relevant here, will develop further from the end of 2018 towards the end of the RDP in terms of the area under conversion to organic farming and also the area being maintained under organic farming.

## **P5 Justification for the Milestone setting**

In relation to certain measures under this priority it is expected that half of the expenditure will be incurred by the end of 2018. This is the case in relation to Knowledge Transfer Groups, EIP, Bioenergy and CPD. The two relevant components within TAMS are the pig and poultry investments and the low emissions slurry spreading equipment. Combined these two components are anticipated to achieve expenditure of around one-third by the end of 2018. It is believed that the low emissions slurry spreading equipment will initially spend at a lower rate than the pig and poultry energy investments.

Selected actions under GLAS which are being programmed under Focus area 5D (reducing GHG and ammonia emissions) are expected to have realised 64% of expenditure by the end of 2018.

## **P5 Justification for the Milestone setting**

The anticipated number of operations to be supported in relation to energy efficiency (focus area 5B) and in renewable energy (focus area 5C) by the end of 2018 is just under half of the total operations that will be supported by the end of the RDP. The majority of this is in relation to the bioenergy measure, which will be run on an annual basis and for which a relatively constant level of demand is forecast. The energy efficiency measures for pig and poultry farmers under TAMSII are expected to have achieved 40% of their completion by the end of 2018. Again this is broadly similar to the expected pattern for TAMSII in general.

## **P5 Justification for the Milestone setting**

Various measures are being programmed to meet some of these focus areas, including low emissions slurry spreading equipment under TAMSII, Knowledge Transfer Groups, EIP and CPD. However, these are not area based measures under an agri-environment and climate measure.

While certain actions under GLAS are seen as being directly relevant to carbon sequestration and focus area 5E, by and large these are related to hedgerows (coppicing, laying and planting) and as such are monitored on a linear metre basis, and not an area basis. Traditional orchards are measured in units. Therefore, these actions are not directly addressed by the Commission target of an area supported under a management contract.

The actions under GLAS that are primarily considered relevant to focus area 5D, reducing GHG and ammonia emissions, include low emission slurry spreading, creation of new habitats, environmental management of fallow land, heritage buildings and low input permanent pasture. With the exception of low emissions slurry spreading and heritage buildings, these actions can be measured on an area basis, in terms of hectares. As with the expenditure under GLAS, the total area of 163,750 hectares forecast for the end of the RDP

also serves as the milestone to be achieved by the end of 2018. This is also based on the assumption that by the end of 2018 the maximum number of 50,000 participants in GLAS would be recruited into the scheme.

#### **P6 Justification for the Milestone setting**

In relation to priority 6, €110 million in expenditure is envisaged by the end of 2018, which is equivalent to 44% of the overall LEADER allocation of €250 million (including €15 million for two food measures). The expenditure pattern that took place for LEADER under the 2007-2013 RDP was analysed, and it was found that expenditure increased on a year on year basis from a relatively low initial base. LEADER was slower to start expenditure initially due to the necessary formation of LAGs and their preparation. A similar pattern is anticipated for the 2014-2020 RDP, given the requirement for the preparation of LDSs for example.

#### **P6 Justification for the Milestone setting**

This indicator is not included in the RDP 2014-2010 for Ireland, as those particular measures will not be supported.

#### **P6 Justification for the Milestone setting**

It is currently anticipated that a rural population of some 2.5 million persons will be covered by a LAG and potentially be able to benefit through applying for LEADER funding and projects.

## **8. Description of Measures**

### **8.1 General conditions**

#### **Definition of rural areas**

Ireland has a much higher percentage of its territory and population living in rural areas relative to the EU-27 average. The significance of rural areas in Ireland is confirmed in published Commission data. However, because there is no single agreed definition of ‘rural’ as a concept, different definitions are used by different bodies.

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. In other words, 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 its work, the Commission for the Economic Development of Rural Areas (CEDRA) 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, as well as small, medium and large towns. This is the definition adopted in the RDP.

Analysis carried out by Teagasc for DECLG, combining population criteria and socio/economic criteria, confirmed that considering a similar area for LDSs in the RDP was also appropriate.

#### **Baselines / cross-compliance**

Baseline and cross-compliance details can be found in the respective measure descriptions.

#### **Intended use of financial instruments / advances**

Chapter II of the Rural Development Regulation refers to common provisions for several measures. The option for beneficiaries to receive an advance payment of up to 50% of aid assistance, as provided for in Article 45(4), is not included in the RDP. Similarly, the RDP does not anticipate the use of financial instruments to deliver EAFRD funding as envisaged in Article 45(5). The SWOT and Needs analyses and the results of the public and stakeholder consultation conducted by the Managing Authority did not identify a requirement for such investment.

#### **Common provisions for investment**

With regard to Articles 45 & 46 on investments, the latter is not applicable because no irrigation measures are proposed in the draft RDP.

Under Article. 45, investment operations likely to have negative environmental effects shall, where appropriate, be preceded by an environmental impact assessment (EIA).

#### **Environmental Protection Legislation**

There are a number of environmental directives and international agreements that can potentially have linkages with the RDP. Where it is required to establish these in Irish law, there are also corresponding domestic enforcement regulations. The relevance and

importance of these regulations is that many set the legal framework of environmental rules and requirements under Irish law within which rural development takes place. These include, but are not limited to, the following:

- The Habitats Directive is implemented in Irish law by the European Communities (Birds and Natural Habitats) Regulations 2011 (S.I. No. 477 of 2011).
- The Nitrates Directive (91/676/EEC) is implemented through a series of regulations, the most recent of which was the European Union (Good Agricultural Practice for Protection of Waters) Regulations 2014 (S.I. No.31 of 2014).
- The Environmental Protection Agency (Industrial Emissions) (Licensing) Regulations 2013 (S.I. No. 137 of 2013) are part of the Integrated Pollution Prevention and Control (IPPC) licensing legislation implementing the EU Directive on the licensing of emissions.
- Environmental Impact Assessment (EIA) Directive 2011/92/EU, on the assessment of the effects of certain public and private projects on the environment is implemented in Ireland through a range of regulations, including cross-cutting regulations on planning and development.
- European Communities (Environmental Impact Assessment) (Agriculture) Regulations 2011 (S.I. No. 456 of 2011) provide that farmland developments relating to ‘restructuring of rural holdings’, ‘commencing to use uncultivated land or semi-natural land for intensive agriculture’ and ‘land drainage works on land used for agriculture’ may be subject to EIA depending on their scale and location.
- Directive 2009/128/EC of the European Parliament and of the Council of 21 October 2009 was transposed into Irish law by the European Communities (Sustainable Use of Pesticides) Regulations 2012 (S.I. No. 155 of 2012).

**Title of the Measure**

Measure Code 1 Submeasure 1.1

Knowledge Transfer Groups

**Legal basis**

Article 14 of Regulation (EU) No 1305/2013

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

Available evidence suggests that profitability levels on many 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 which will avail of additional expertise such as that of veterinary practitioners as appropriate.

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. All participating farmers will also be required to develop a Farm Improvement Plan (FIP) in the initial year of participation and to update it in each of the 2<sup>nd</sup> and 3<sup>rd</sup> years of the scheme. This Plan will be developed in association with both the qualified facilitator and a qualified veterinary practitioner.

Specific identified issues are 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 ensuring a more targeted focus at knowledge exchange meetings. In this regard scheme design includes 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 Impact 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 Programme.

Knowledge Transfer Groups will also support the reduction of green house 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 green house gas, identify mitigation capacity and set targets and a pathway to reduce emissions. Again, this will form part of the annual FIP where appropriate.

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 together with wider elements of risk and financial management. This will be achieved by the innovative scheme design that makes it a compulsory requirement that all participants complete a FIP in collaboration with the knowledge transfer facilitator and a qualified veterinary practitioner where appropriate.

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.

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

*Description of the Operation:*

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. The requirement that each participating farmer must complete a tailored Farm Improvement Plan will ensure that the time spent at the knowledge exchange meetings is supplemented by one-to-one contact between the farmer and his advisor and veterinary practitioner (where appropriate) for each year the farmer is participating in the scheme.

Knowledge Transfer Groups will focus on all aspects of a farm's performance including financial management, animal health and welfare, grass management, sustainability, breeding and integrated pest management.

They will be delivered in the following sectors:

- Dairy
- Beef,
- Sheep,
- Poultry,
- Tillage, and
- Equine.

Groups will run for a period of 3 years and to prevent double funding DAFM will prohibit farmers from participating in more than one group simultaneously.

Following the ranking and selection process successful facilitators (beneficiaries) will notify DAFM of the composition of each group they have been awarded. Each group will contain a maximum of 15 farmers (10 in the case of Poultry), except in exceptional circumstances to be specified and approved by DAFM.

DAFM will in turn validate each group and notify the facilitator that s/he may commence delivering the measure to approved groups. From that point facilitators will be authorised to commence holding knowledge exchange meetings and to start the process of developing individual FIPs.

#### Beneficiary (Facilitator) Actions

For each approved group a facilitator will arrange knowledge exchange meetings for participating farmers with meeting topics to be selected from a menu of topics covering farm management issues. The menu of topics will be sector specific and will include areas such as grassland management, pest management, herd health, breeding, risk management and nutrient management.

Facilitators will also be required to prepare a Farm Improvement Plan in conjunction with each farmer in their approved group. This Plan must be updated in each of the years 2 and 3. The Plan will be sector specific and tailored for each individual farmer. It will be developed



during one-to-one contact between the respective farmer and his facilitator and veterinary practitioner.

### Farmer Actions

Each participating farmer will be required to attend a minimum of 5 knowledge exchange meetings/Teagasc accredited national events relevant to that sector. The knowledge exchange meetings will be run by the group's approved facilitator.

In addition each participating farmer will be required to prepare a FIP in association with his approved facilitator. Each FIP will be both sector specific and tailored to an individual farmers need. Depending on the sector concerned it may include a Profit Monitor, a Machinery Cost Calculator, an Integrated Pest Management (IPM) Survey, a Carbon Navigator, a Herd Health Plan and a Breeding Plan. The animal health and welfare element of the FIP must be completed in conjunction with a qualified veterinary practitioner.

### *Type of support:*

Annual grant.

### *Links to other legislation:*

N/a

### *Beneficiaries:*

The beneficiaries will be the advisors/trainers. Under the scheme the eligible costs for the advisors/trainers and farmers are broken down and separately identified.

### *Eligible Costs:*

#### Beneficiary (Facilitator)

Eligible costs are the facilitator costs associated with running the knowledge exchange meetings. This comprises the time it takes to prepare and run each knowledge exchange meeting. Also the time it takes to prepare and update each FIP is included. Finally, the facilitators' administrative costs associated with operating a KT Groups are included.

#### Farmer

Each participating farmer is compensated for the time element (replacement farmer cost) and travel cost associated with attending knowledge exchange meetings/Teagasc accredited national events. In addition, each farmer will also be compensated for veterinary costs incurred and the time element (replacement farmer cost) associated with the development of the FIP.

### *Eligibility conditions:*

DAFM will identify Knowledge Transfer Groups to be provided and set a maximum number of groups to be funded by sector. Course facilitators will apply to manage and facilitate

groups provided they comply with basic eligibility criteria including minimum educational qualifications to FETAC Level 8 and indemnity insurance up to €150,000.

Following approval, facilitators will be expected to manage and facilitate a minimum number of knowledge exchange meetings and oversee the completion of a FIP for each participating farmer. This Plan will be updated in each of the years 2 and 3. They will also be responsible for the completion of administrative functions linked to scheme compliance and evaluation.

Participating farmers will be expected to attend 5 knowledge exchange meetings and or Teagasc accredited national events and also to prepare/update the FIP on an annual basis.

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

The selection of the 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 will include

- Facilitator participation in CPD,
- Additional facilitator qualifications beyond FETAC Level 8,
- Facilitator's willingness to provide additional expertise at knowledge exchange meetings, and
- Diversity in group composition.

*Applicable amounts and support rates:*

Support will be based on the eligible costs as set out above. All costs have been independently verified by Teagasc.

Each facilitator (beneficiary) will be paid an annual grant of €500 per participating farmer. There will be a maximum of 15 members per group, or 10 in the case of Poultry, subject to DAFM approval to allow group size to exceed these maxima in exceptional circumstances. Accordingly, the maximum facilitator grant per group per year is €7,500 or €5,000 in the case of poultry groups.

Each participating farmer will be paid an annual grant of €750.

## **Verifiability and controllability of the measures**

### *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 oversee appropriate completion of FIP by individual farmers.

As regards participating farmers the risks include:

- Failure to attend the minimum required number of meetings/events.
- Failure to appropriately complete FIP.
- 

There is also a risk of double funding linked to the possibility of farmers participating in more than one group concurrently.

### *Mitigating actions*

The managing division will ensure that an appropriate control environment is in place coupled with a suitable penalty schedule. This control environment consists 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 are based on normal risk criteria and will involve professional staff from the Department's Agricultural Structures and Environment Division.

The penalty schedule comprises a proportionate deterrent against failure to comply and is based on the published EU Regulations. It is linked to each aspect of the scheme and comprises distinct penalties for both facilitators and participating farmers.

Double funding is prevented by prohibiting farmers from participating in more than one group at the same time. DAFM databases will be used to verify compliance with this.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design. This involves the identification of risks in relation to both the knowledge providers and farmers.

## **Methodology for the calculations of the amount of support, when relevant**

All costings are based on the eligible knowledge exchange actions carried out by both facilitators (scheme beneficiaries) and participating farmers. They are based on the standard cost approach and have been independently verified by Teagasc. The details associated with each element of the costings, by sector, are as follows.

### Beef, Dairy & Sheep Costings

Facilitator Standard Cost Payment- €22,500 or €7,500 per annum (Based on group of 15)

Farmer Standard Cost Payment - €2,250 or €750 per annum

### Cost Breakdown

#### Facilitator element

The facilitator has to arrange 5 knowledge exchange meetings for participating farmers each year. Each meeting will take the facilitator 5 hours – 3 hours preparatory time and 2 hours meeting time costed at €80 per hour. The total cost over the three year period is €6,000 per group.

The facilitator is required to collaborate with each participating farmer in developing a Farm Improvement Plan over the period of participation in the programme. This plan involves the completion of a Profit Monitor, Carbon Navigator, Herd Health Plan and Breeding Plan as appropriate. It is estimated that the completion of this plan will take the facilitator 6 hours in the initial year and 3 hours in each of the years 2 and 3. Based on a group size of 15 the total cost over the three year period is €14,400 per group.

Each facilitator will also incur an administration cost associated with their involvement with individual farmers and DAFM. It is estimated at 2 hours per year per farmer and is costed at €25 per hour. Based on a group size of 15 the total cost over the three year period is €2,250.

#### Farmer element

Each farmer will attend 5 meetings per year. Including the travel time a replacement farmer will be required for 4 hours per meeting. At a replacement farmer cost of €20 per hour this will cost €1,200 over the three year period.

To attend each meeting, on average each farmer will drive 40 kms. This results in an eligible travel cost of €276 over the three year period.

Each farmer will collaborate with his facilitator in developing a Farm Improvement Plan. This plan involves the completion of a Profit Monitor, Carbon Navigator, Herd Health Plan and Breeding Plan as appropriate. It is estimated that the completion of this plan will involve farmer preparatory time plus time directly engaging with his facilitator for a period of 8 hours in the initial year and 6 hours in each of the years 2 and 3. Using the farmer replacement cost rate of €20 per hour the total cost over the three year period is €400 per farmer.

In preparing the animal health and welfare aspect of the FIP, each farmer will engage a qualified veterinary practitioner in years 2 and 3. It is estimated that the completion of this plan will take the veterinary practitioner a period of 3 hours in year two and 2 hours in the third year. It is costed at €80 per hour. The total cost over the three year period is €400 per farmer.

### **Beef, Dairy and Sheep Costing Tables (all €)**

	<b>Meeting Cost</b>	<b>FIP Collaboration</b>	<b>Administration</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Facilitator</b>	6000	14400	2250	22650	7550

	<b>Meeting Cost</b>	<b>Travel Cost</b>	<b>FIP Collaboration</b>	<b>Vet Cost</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Farmer</b>	1200	276	400	400	2276	758

### Tillage Costings

Facilitator Standard Cost Payment - €22,500 or €7,500 per annum (Based on group of 15)

Farmer Standard Cost Payment - €2,250 or €750 per annum

### Cost Breakdown

#### Facilitator element

The facilitator has to arrange 5 knowledge exchange meetings for participating farmers each year. Each meeting will take the facilitator 5 hours – 3 hours preparatory time and 2 hours meeting time costed at €80 per hour. The total cost over the three year period is €6,000 per group.

The facilitator is required to collaborate with each participating farmer in developing a Farm Improvement Plan over the period of participation in the programme. This plan involves the completion of a Profit Monitor/Machinery Cost, IPM Survey, Nutrient Management Plan and Monitoring Key Crop/IPM Indicators as appropriate. It is estimated that the completion of this plan will take the facilitator 6 hours in the initial year and 3 hours in each of the year 2 and 3. Based on a group size of 15 the total cost over the three year period is €14,400 per group.

Each facilitator will also incur an administration cost associated with their involvement with individual farmers and DAFM. It is estimated at 2 hours per year per farmer and is costed at €25 per hour. Based on a group size of 15 the total cost over the three year period is €2,250.

#### Farmer element

Each farmer will attend 5 meetings per year. Including the travel time a replacement farmer will be required for 4 hours per meeting. At a replacement farmer cost of €20 per hour this will cost €1,200 over the three year period, averaging at €400 per year.

To attend each meeting, on average each farmer will drive 40 kms to attend each meeting. This results in an eligible travel cost of €276 over the three year period. This equates to €92 per farmer per year.

Each farmer will collaborate with his facilitator in developing a Farm Improvement Plan. This plan involves the completion of a Profit Monitor/Machinery Cost, IPM Survey, Nutrient Management Plan and Monitoring Key Crop/IPM Indicators. It is estimated that the completion of this plan will involve farmer preparatory time and the farmer engaging directly with his facilitator for a period of 14 hours in the initial year and 13 hours in each of the years 2 and 3. Using the farmer replacement cost rate of €20 per hour the total cost over the three year period is €800 per farmer, equating to €267 per year.

In total, the eligible cost per farmer of fully complying with the scheme is €758 per year.

#### **Tillage Costing Tables (all €)**

	<b>Meeting Cost</b>	<b>FIP Collaboration</b>	<b>Administration</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Facilitator</b>	6000	14400	2250	22650	7550

	<b>Meeting Cost</b>	<b>Travel Cost</b>	<b>FIP Collaboration</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Farmer</b>	1200	276	800	2276	758

#### Poultry Costings

Facilitator Cost - €15,900 or €5,300 per annum (Based on group of 10)

Farmer Cost - €2,250 or €750 per annum

#### Cost Breakdown

##### Facilitator element

The facilitator has to arrange 5 knowledge exchange meetings per year for participating farmers. Each meeting will take the facilitator 4 hours – 2 hours preparatory time and 2 hours meeting time costed at €80 per hour. The total cost over the three year period is €4,800 per group.

The facilitator is required to collaborate with each participating farmer in developing a Farm Improvement Plan over the period of participation in the programme. This plan involves the completion of a Profit Monitor, Carbon Navigator, Herd Health Plan and Breeding Plan as appropriate. It is estimated that the completion of this plan will take the facilitator 6 hours in the initial year and 3 hours in each of the years 2 and 3. Based on a group size of 10 the total cost over the three year period is €9,600 per group.

Each facilitator will also incur an administration cost associated with their involvement with individual farmers and DAFM. It is estimated at 2 hours per year per farmer and is costed at €25 per hour. Based on a group size of 10 the total cost over the three year period is €1,500.

Farmer element

Each farmer will attend 5 meetings per year. Including the travel time a replacement farmer will be required for 4 hours per meeting. At a replacement farmer cost of €20 per hour this will cost €1,200 over the three year period.

To attend each meeting, on average each farmer will drive 40 kms to attend each meeting. This results in an eligible travel cost of €276 over the three year period.

Each farmer will collaborate with his facilitator in developing a Farm Improvement Plan. This plan involves the completion of a Profit Monitor, Carbon Navigator, Herd Health Plan and Breeding Plan. It is estimated that the completion of this plan will take the farmer preparatory time and involve the farmer engaging directly with his facilitator for a period of 8 hours in the initial year and 6 hours in each of the years 2 and 3. Using the farmer replacement cost rate of €20 per hour the total cost over the three year period is €400 per farmer.

In preparing the animal health and welfare aspect of the FIP, each farmer will engage a qualified veterinary practitioner. It is estimated that the completion of this plan will take the veterinary practitioner a period of 3 hours in year two and 2 hours in the third year. It is costed at €80 per hour. The total cost over the three year period is €400 per farmer.

**Poultry Costing Tables (all €)**

	<b>Meeting Cost</b>	<b>FIP Collaboration</b>	<b>Administration</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Facilitator</b>	4800	9600	1500	14550	4850

	<b>Meeting Cost</b>	<b>Travel Cost</b>	<b>FIP Collaboration</b>	<b>Vet Cost</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Farmer</b>	1200	276	400	400	2276	758

Equines

Facilitator Standard Cost Payment- €22,500 or €7,500 per annum (Based on group of 15)

Farmer Standard Cost Payment - €2,250 or €750 per annum

Cost Breakdown

Facilitator element

The facilitator has to arrange 5 knowledge exchange meetings each year for participating farmers. Each meeting will take the facilitator 5 hours – 3 hours preparatory time and 2 hours

meeting time costed at €80 per hour. The total cost over the three year period is €6,000 per group.

The facilitator is required to collaborate with each participating farmer in developing a Farm Improvement Plan. This plan involves the completion of a Profit Monitor, Herd Health Plan and Breeding Plan. It is estimated that the completion of this plan will take the facilitator 6 hours in the initial year and 3 hours in each of the years 2 and 3. Based on a group size of 15 the total cost over the three year period is €14,400 per group.

Each facilitator will also incur an administration cost associated with their involvement with individual farmers and DAFM. It is estimated at 2 hours per year per farmer and is costed at €25 per hour. Based on a group size of 15 the total cost over the three year period is €2,250.

Farmer element

Each farmer will attend 5 meetings per year. Including the travel time a replacement farmer will be required for 4 hours per meeting. At a replacement farmer cost of €20 per hour this will cost €1,200 over the three year period.

To attend each meeting, on average each farmer will drive 40 kms. This results in an eligible travel cost of €276 over the three year period.

Each farmer will collaborate with his facilitator in developing a Farm Improvement Plan. This plan involves the completion of a Profit Monitor, Carbon Navigator, Herd Health Plan and Breeding Plan as appropriate. It is estimated that the completion of this plan will involve farmer preparatory time plus time directly engaging with his facilitator for a period of 8 hours in the initial year and 6 hours in each of the years 2 and 3. Using the farmer replacement cost rate of €20 per hour the total cost over the three year period is €400 per farmer.

In preparing the animal health and welfare aspect of the FIP, each farmer will engage a qualified veterinary practitioner in years 2 and 3. It is estimated that the completion of this plan will take the veterinary practitioner a period of 3 hours in year two and 2 hours in the third year. It is costed at €80 per hour. The total cost over the three year period is €400 per farmer.

**Equine Costing Tables (all €)**

	<b>Meeting Cost</b>	<b>FIP Collaboration</b>	<b>Administration</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Facilitator</b>	6000	14400	2250	22650	7550



	<b>Meeting Cost</b>	<b>Travel Cost</b>	<b>FIP Collaboration</b>	<b>Vet Cost</b>	<b>Total</b>	<b>Annual Cost</b>
<b>Farmer</b>	1200	276	400	400	2276	758

**Additional information specific to the Measure concerned**

Discussions with relevant stakeholders indicate that the sector will have capacity to provide the required level of Knowledge Transfer Groups. As the requirements increase 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.

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

N/a

### **Title of the Measure**

Measure Code 2. Submeasure 2.3  
Continuous Professional Development (CPD)

### **Legal basis**

Article 15 of Regulation (EU) No 1305/2013

### **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.

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.

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 Knowledge Transfer Groups in 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. Thus, this measure will contribute to a wide range of Rural Development objectives.

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

*Description of the Operation:*

CPD for advisors will be offered to advisors who have attained a minimum of a FETAC Level 8 educational qualification (in a relevant discipline). It will be offered in the form of training courses to be provided by appropriately qualified service providers.

CPD has been designed to incorporate

- Identification of appropriate areas for skills enhancement. The identification of the areas in which courses will be provided will arise out of an ongoing stakeholder consultation process.
- Structured calls for proposals for appropriately qualified professionals/organisations to deliver the necessary training for advisors across the range of identified areas. The proposals will be open tender applications that adhere to all public procurement guidelines and will be open to both public and private bodies.
- Clear selection criteria to ensure VFM – The selection criteria will be open and transparent and will ensure that the most appropriate tender application will be successful.

Having identified a topic that qualified advisors need to be upskilled on, the Department will advertise an open tender competition and allow qualified service providers to submit tender proposals to provide this training. The tender proposals will be evaluated based on predetermined selection criteria. The successful tenderer will then provide the training to qualified advisors based on the specifications set out in the tender proposal.

*Type of support:*

Payment will be made based on the price set out in the successful tender application.

*Links to other legislation:*

N/a

*Beneficiaries:*

The beneficiaries will be the training providers who succeed in the tender competition.

#### *Eligible Costs:*

The eligible costs are the costs incurred in organising and delivering the training to the advisors. The eligible costs will include the salaries of the service providers, the service providers' travel costs, materials prepared for course delivery, associated administration costs and costs linked to hosting the training course. These eligible costs will be set out in the tender application with cost comprising part of the tender evaluation criteria.

#### *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.

Beneficiaries shall provide evidence of appropriate resources in the form of qualified staff and expertise in the area in which the advice will be provided.

#### *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 be based on clearly defined eligibility criteria that will include:

- Price,
- Ability to deliver the training specified in the form of qualified staff and expertise in the area in which the advice will be provided,
- Experience in delivery of similar courses, and
- Proposed methodology and resources available.

#### *Applicable amounts and support rates:*

Support will be based on the price set out in the tender documentation.

### **Verifiability and controllability of the measures**

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

There will be a risk that the identification of the areas in which the training courses will be provided will be inadequate.

There is a risk that the tender applications will not be evaluated accurately.

There is a risk that the successful tenderer will not provide the training as set out in the tender documentation or to the level prescribed in the tender submission.

#### *Mitigating actions*

The managing division has an appropriate control environment and payment mechanism in place.

The identification of appropriate training topics will arise from an extensive stakeholder consultation process.

The managing division will be adequately trained in Public Procurement Guidelines and will avail of the expertise in the Department's Central Procurement Unit and the Office of Government Procurement at all stages in the tender design and evaluation.

Appropriate administrative and on the spot checks will be conducted by the operating division.

*Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design. Appropriate checks have been designed to ensure controllability.

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

Support will be based on the price of the successful tender submission.

**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.

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

N/a

## **Title of the Measure**

Measure Code 2. Submeasure 2.

Targeted Advisory Service on Animal Health and Welfare

## **Legal basis**

Article 15 – Advisory Services

## **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 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.

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

### *Description of the Operation:*

The operation will involve two stages:

- The specialist training of the practitioners/veterinarians to deliver the on farm advisory service
- the delivery of specialist advice on a request basis at individual farm level.

*Type of support:*

Payment will be made to a specialist trainer (for each specified disease) for the training of up to the 350 practitioners/veterinarians.

Payment will be made to the beneficiary in respect of advice imparted by the practitioner at individual farm level based on a maximum 3 hour rate.

*Links to other legislation:*

n/a

*Beneficiaries:*

One specialist trainer will be required for each specified disease requirement, in order to train the practitioners.

Up to 350 practitioners countrywide who have undergone specialist training and approval by the entity responsible for the training.

*Eligible Costs:*

The cost of training the practitioners for each disease required, up to an annual limit.

The professional fee in respect of the 3 hours on farm training.

*Eligibility conditions:*

The beneficiaries in the first instance will be qualified veterinary surgeons who are registered with the Irish Veterinary Council. These practitioners will be required to engage in specialist training to be provided following a public procurement process to identify the most suitable trainer.

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

The on farm beneficiaries will be selected based on the risk they face in a number of core risk areas such as Johne's disease, BVD, SCC and other significant animal health issues in the pig sector.

The tender processes will set out clear criteria.

*Applicable amounts and support rates:*

The cost of the specialist training of the practitioners will be limited to a maximum rate of €66,000 per annum, and will be calculated on the basis of the number of disease training sessions required.

The amount of training of beneficiaries will equate to a 3 hour advisory session at individual farm level, for which the professional fee will be payable.

## **Verifiability and controllability of the measures**

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

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

### *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.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design

## **Methodology for the calculations of the amount of support, when relevant**

The support available to the specialist trainers is limited to €66,000 per annum, to cover the cost of the training and all associated costs of running the sessions.

The support available to beneficiaries will amount to an hourly rate for professional advice to cover 3 hours- to be provided for under public procurement rules. This will be limited to a maximum rate of €80 per hour.

## **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

## **Other important remarks relevant to understand and implement the measure**

n/a



## **Title of the Measure**

Measure Code 4 Submeasure 4.1

Bioenergy Scheme

## **Legal basis**

Article 17 Investment in Physical Assets

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

The Bioenergy Scheme provides 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 22<sup>nd</sup> 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 biomass production has 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 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 CO<sub>2</sub>. 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 CO<sub>2</sub> where the harvested crop is used for renewable heating.

The Bioenergy Scheme contributes in particular to the climate change issues emerging from the SWOT. The climate change agenda is key to the logic underlying the Bioenergy Scheme. 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<sub>2</sub>. In addition, bioenergy can play a major role in meeting national energy goals for 2020 and also in looking towards further decarbonisation of the economy post-2020. Looking towards 2030, the goal of decarbonising our energy system will require the expansion of our renewable energy portfolio to include additional forms of renewable energy, with bioenergy playing an increasingly significant role.

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

*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.

*Type of support:*

Grant aid will cover the crop establishment capital costs and will be based on an aid intensity of 40%.

*Links to other legislation:*

N/A

*Beneficiaries:*

Applications will 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.

*Eligible Costs:*

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

### *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.

### *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 CO<sub>2</sub> 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.

### *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.

## **Verifiability and controllability of the measures**

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

- i. 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.
- ii. There is a risk that applicants with no previous experience of growing energy crops will fail to adequately manage the crop thereby reducing the expected crop yields.
- iii. Non identification of end use market is a potential risk.
- iv. Risk that application is not in line with other schemes or regulations.

### *Mitigating actions*

- i. The key to mitigating the risk at i) above is to provide all the relevant information to prospective applicants. Detailed information, in an easily understood form, will 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.
- ii. The availability of Best Practice Guidelines setting out the standards for growing willow and miscanthus will increase knowledge and improve awareness of the requirements and conditions that are necessary for crop production.
- iii. Such a risk is mitigated against by including as part of the selection criteria evidence of linkages with end-users including the distance to the end user.
- iv. Cross checks with other systems (e.g.LPIS) to identify any issues arising are in place.

#### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

#### **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 indicates that the establishment cost per hectare for miscanthus is €2,605 while the establishment cost per hectare for willow is €2,709 – these costs include those costs associated with ploughing, cultivating, rolling, weed control, control of insects etc. The grant-aid paid under the Bioenergy Scheme since 2010 has been based on a crop establishment cost of €2,600 per hectare. 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.

#### **Additional information specific to the Measure concerned**

N/A

#### **Other important remarks relevant to understand and implement the measure**

N/A

## **Title of the Measure**

Measure Code 4 Sub-measure 4.1

Targeted Agricultural Modernisation Schemes II (TAMS II)

## **Legal basis**

Article 17 Investment in Physical Assets

## **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 – Grant aid will be provided for the construction of farm nutrient storage facilities on farms.

Animal housing - Grant-aid will be provided in order to support the construction of new animal housing on Irish farms. The conversion of existing buildings will not be permitted

Dairy equipment - Under the 2007-2013 RDP, grant-aid was limited to applicants who held a particular quantity of milk quota. Under this new scheme, grant-aid will be extended to farmers who do not hold milk quota at the time of application.

Low emission spreading equipment - In order to encourage the purchase by farmers of this specialised type of equipment, this scheme will not be subject to the overall investment ceiling which will be applicable under the other investment schemes introduced under TAMSII.

Animal Welfare and Farm Safety - This scheme will provide grant-aid for the purchase of a select range of items, including important safety elements such as replacement slats and safety fencing.

Pig and poultry investments in energy, water meters and medicine dispensers - This scheme will provide grant-aid for the upgrading of existing buildings in the two sectors mentioned.

Organic Capital Investment (organic farmers only) - This scheme will provide grant-aid for capital investments across a wide range of areas specifically targeted at the organic sector.

Young Farmer Capital Investment Scheme - This scheme will provide an enhanced grant-rate of 60 per cent in respect of investments by young farmers in the specific areas previously identified. In addition, grant aid support for dairy buildings will be available specifically for qualifying young farmers.

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, water-harvesting etc., as well as dedicated supports for organic farming.

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

#### *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, in most cases, be divided into tranches 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.

*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.

*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), and Council Regulation 834/2007 on organic production and labelling.

*Beneficiaries:*

Beneficiaries will be active farmers, with young farmers (as defined in in Article 2(1)(n) of the Rural Development Regulation No 1305/2013) 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.

*Eligible Costs:*

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

*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, and in the case of the Organic Scheme proof of organic status will be required. Where appropriate, specific groups of farmers may be given preference in the selection criteria laid down under each scheme.

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

Specific selection criteria will apply under each scheme, but common ones include priority ranking for young farmers who commenced more than 5 years prior to application and thus were unable to qualify for the dedicated scheme (or equivalent preceding schemes), and comparison of proposed costs with reference costs.

*Applicable amounts and support rates:*

A general 40% rate of aid is available. However, this is 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, a super ceiling for investment of €80,000 per holding over the lifetime of the RDP is in place. In order to encourage the purchase by farmers of specialised low emissions slurry-spreading equipment, however, that particular scheme is excluded from the application of the super-ceiling.

**Verifiability and controllability of the measures**

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

A number of risks can be associated with the implementation of the investment schemes proposed under the new Programme, many of which were identified during the course of the 2007-1013 RDP. These risks include –

Provision of financial ceilings to schemes:

There will be significant demand by farmers for the suite of investment schemes proposed in the RDP. 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 scheme within TAMS under the RDP.

Failure to complete investment works to correct technical specifications:

A 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 RDP is that farmers might commence the proposed investment works prior to the issue of a Department approval.



### *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 RDP:-

Provision of limited financial allocations to schemes:

In order to avoid the risk of possible financial exposure under the new investment schemes over and above the amounts allocated, steps will be taken to ensure that the value, in grant terms, of approvals issued does not exceed the amount of funding available. (Or, where appropriate, within a certain level above that amount, in order to take account of those farmers who may not proceed with the approved investment).

In the case of each investment scheme under the RDP, 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 a 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:

In conjunction with application forms, the Department is preparing new technical specifications or revising existing specifications in relation to the investment schemes in the RDP. 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, for example to ensure that foundations have been completed appropriately.

Commencement of investment works prior to issue of approval:

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

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design. Appropriate desk and field based checks have been incorporated.

## **Methodology for the calculations of the amount of support, when relevant**

A system of reference costs will be put in place under each investment scheme in order to ensure that grant-aid is payable only on costs which are considered to be reasonable. Under each scheme, applicants will be required to include their proposed costs for each investment item set out in the grant application. In some instances, it may be decided to make use of the flexibility provided under the simplified costs provisions to operate solely on a standard costs basis, while in other cases, a combination of reference costs and receipted costs will be applied.

In such cases, the grant amount will be calculated on the basis of the lowest of the following three amounts:

- The proposed costs indicated by the applicant;
- The Department's reference costs;
- 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, Bio-diversity 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.
- Quotations shall be obtained from at least three separate reputable supplier companies for each item that reference costs are being developed for. Once all of the quotations have been received, the average cost is calculated for each item. This ensures that the average obtained is reflective of the true market cost of the items.

## **Additional information specific to the Measure concerned**

N/A

## **Other important remarks relevant to understand and implement the measure**

N/A

**Title of the Measure**

Measure Code 4, sub-measure code 4.4 (Support for non-productive investments linked to the achievement of agri-environment climate objectives)

GLAS Traditional Farm Buildings Scheme

**Legal Basis**

Article 17 (1)d of 1305/2013.

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

The aim of the GLAS Traditional Farm Buildings Scheme is the continuation of the success of the Heritage Buildings Scheme which operated under REPS 4 (2007 -2013 RDP) in ensuring that traditional farm buildings and other structures, which are of significant cultural and heritage value, are restored and conserved to allow them to continue in agricultural use.

The purpose of the measure is to enhance the significant positive contribution that traditional farm buildings make to the Irish rural landscape. While changes in farming have left many old farm buildings underused, they are a valued feature in the landscape and their conservation allows these buildings to remain in active use on the farm. The measure also ensures continued knowledge and up skilling amongst the farm population of traditional building materials and techniques. In addition, these traditional buildings can be important habitats in their own right, particularly for certain protected wildlife species, such as bats and birds. Restoration of these buildings to functional use contributes to a reduction in GHG emissions, by removing the substitution outputs of new- build alternatives.

Aside from the landscape benefit the scheme will contribute to the broader rural economy. It will provide a means of employment in rural areas for professionals and local contractors and materials suppliers. Many of the older farm buildings were laid out using local tried and tested materials built to patterns and arrangements that made optimum use of resources and have harmonised over time with their settings. Their survival under the scheme will add to a culture of resourceful care and pride amongst the farming and wider community. Environmental benefits will be gained as re-using these old buildings produces fewer emissions and reduces the amount of material to be sent to landfill when compared with new build.

**Scope, level of support, and other information (broken down by sub-measures and type of operations)***Description of the operation:*

The objective of this scheme is to ensure that traditional farm buildings and other structures are restored and conserved for renewed practical use. Applicants will submit details of proposed conservation projects, including an estimate of costs, which will then be assessed by an expert selection committee. Works could include conservation of both exterior and interior of buildings and other farm structures of heritage or cultural value. As part of the conservation works, the habitat value of the buildings concerned will also be assessed and protected. The scheme will be administered on behalf of DAFM by The Heritage Council, a

statutory body whose function it is to propose policies and priorities for the identification, protection, preservation and enhancement of the national heritage

*Type of support:*

Annual grants to carry out approved conservation work to the exterior and interior of farm buildings (roof, walls, windows, doors, cobbled floors original stalls and lofts) and associated structures (historic yard surfaces, landscape features around the farmyard – walls, gate pillars, gates, millraces). Removal of invasive species where they threaten renovation of the farm building would also be addressed. All traditional buildings which are now used for agricultural purposes will be considered as part of the scheme. Works should be carried out using traditional building techniques and materials.

Grants for signage to indicate that bats and other protected species are present in conserved buildings

Skills training in dry-stone walling, lime and earthen mortars, localised slate and timber repair, bat detection, landscape appreciation, as well as cultural and heritage values.

*Links to other legislation*

National Monuments Acts 1930-2004; Habitats and Birds Directives, relevant planning and development legislation.

*Beneficiaries*

All GLAS participants will be eligible to apply under the scheme.

*Eligible costs*

As with the preceding scheme under REPS 4, the approach taken is flexible in enabling costs to be tailored to the needs of the project concerned. Maximum grant in any individual case will not exceed 75% of total costs up to a maximum grant of €25,000.

*Eligibility conditions*

This is a complementary measure to GLAS, intended to encourage a holistic approach which increases understanding and management of both the natural and built/cultural heritage present on individual farms. Accordingly, participation in GLAS is the prime eligibility condition.

*Principles with regards to the setting of selection criteria*

All applications will be reviewed by a specially convened selection committee who will make their decisions based on a previously approved matrix for scoring the value of each application with priorities of mitigating climate change, biodiversity, and landscape as well as value for money and having due regard to geographical spread.

*Applicable amounts and support rates*

Each project will be costed individually. The maximum allowable support will be 75% of total costs, up to a maximum grant of €25,000.

## **Verifiability and controllability of the measures**

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

The nature of this scheme demands a high level of annual inspection to ensure quality of works undertaken.

### *Mitigating Actions*

An annual inspection scheme has been in place for the Heritage Buildings Scheme which operated under REPS 4 and has proven to be very successful. Pre- and post-inspection of each project will be carried out and a full photographic record kept. Applicants will also be required to submit an interim report including photographs. The applicant's conservation professional will sign-off on costs being claimed, and only costs relating to the agreed works can be claimed. Following final inspection, and if the applicant has complied with all grant conditions, the Heritage Council will recommend that the Department pay the grant.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

## **Methodology for the calculations of the amount of support**

The Heritage Council will assess whether costs are appropriate to the works necessary. All applicants must submit an estimate of costs at application stage. The Heritage Council will assemble a panel of approximately 6 conservation/heritage professionals to assess shortlisted grants. If the panel considers that works are not properly costed, the Heritage Council will write to the applicant to request the submission of revised estimates on the works that can be supported.

## **Additional information specific to the Measure concerned**

NA

## **Other important remarks relevant to understand and implement the measure**

Experience from the REPS4 traditional buildings grant scheme has shown it is possible to foster the passing on of traditional skills, through empowering owners, allowing them to continue to be the curators or guardians of these buildings. These skills are then available locally for other buildings, both on- and off-farm. The project buildings serve as exemplars for the repair of others on the farm, and indeed in the rural locality. The measure seeks to get farmers to put a cultural value on their buildings, which may otherwise be neglected or demolished. It will encourage them to utilise resources at their disposal, to engage with their buildings and landscape. By connecting the owner with the buildings in this way it improves their chances of being cared for and lasting into the future, thereby 'futureproofing' them. The cross compliance with wildlife legislation will ensure the discovery and conservation of protected wildlife species roosting in these buildings thereby creating a holistic approach to the management of the built and natural environment.

## **Title of the Measure**

Measure code 10, sub measure code 10.1

G.L.A.S. (Green Low-Carbon Agri-Environment Scheme) and GLAS+

## **Legal basis**

Article 28 Agri-environment-climate

Article 30 Natura 2000 and Water Framework Directive payments

## **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.
- The Water Framework Directive, the Groundwater Directive and the Nitrates Directive
- The Habitats Directive, the Birds Directive and the European target of halting the loss of biodiversity by 2020.

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 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 Biodiversity Strategy, EU Habitats and Birds Directives, Water Framework Directives and Climate Change.

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 within 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 farming 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.

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

#### *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) An approved agricultural planner must prepare the GLAS application.
- (b) Nutrient Management Plan for whole farm must be prepared in the first year of participation.
- (c) Knowledge transfer by means of a training course for specific actions complemented by on-line 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 (see Annex 1), or
- a whole farm stocking rate exceeding 140kg Livestock Manure Nitrogen per hectare (produced on holding) or more than 30 hectares of arable crops, provided that the relevant priority environmental actions are undertaken; or
- Registered organic farm status

Applications from these farmers will be given priority entry, provided they undertake specified environmental actions.

**Tier 2:** farms with

- a key environmental asset (see Annex 1), or
- a whole farm 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. To ensure a continued balance between European Commission priorities over the period of the programme, these priorities and the order in which they are filled may be varied, for each tranche of applications.

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 actions under the Tier 1 Priority Environmental Assets and Actions as set out in Annex 1.



*Type of support:*

Support under GLAS will be by way of annual grant for a minimum contract period of five years. A maximum payment of €5,000 per annum will apply, with the scheme building up to the inclusion of some 50,000 farmers.

Within budget limits, a GLAS+ payment has been put in place for a limited number of farmers who take on particularly challenging actions which deliver an exceptional level of environmental benefit. This payment will be up to €2,000 per annum.

*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 Farmland Birds and Commonages). All actions under Article 28 must go beyond the GAEC, SMR and Greening baseline for the 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.

*Beneficiaries:*

The beneficiaries will be active farmers and the scheme will be open countrywide to all categories of farmer.

*Eligible Costs:*

Eligible costs include cost of compliance, income foregone and transaction costs where applicable. The specific costings in relation to each action will respect the maximum per hectare amounts set out in Annex II to the Rural Development Regulation. The detailed costings, which have been independently verified, are set out in the following table

<u>Action</u>	€ per metre/year	€ per ha/year	€ per unit/year	€ per m3/year
<u>Arable Grass Margins</u>				
a. 3 metre margin	€0.35			
b. 4 metre margin	€0.50			
c. 6 metre margin	€0.70			
Bat Boxes			€13	
Bird Boxes			€6	
Commonages		€120		
<u>Conservation of Solitary Bees</u>				
a. Box			€6	
b. Sand			€45	
Coppicing Hedgerows	€2.20			
Environmental Management of Fallow Land		€750		
<u>Farmland Birds</u>				
a. Breeding Waders		€366		
b. Chough Farm Scheme		€365		
c. Corncrake		€364		
d. Geese and Swans		€205		
e. Grey Partridge	€2.10			
f. Hen Harrier		€370		
g. Twite A: Semi Natural/Semi Improved Grassland Field Management Option		€375		
h. Twite B: Improved Grassland Field Management Option	€1.50			
Farmland Habitat ( Private Natura Sites)		€79		
Green Cover Establishment from a Sown Crop		€155		
Laying Hedgerows	€3.70			
Low Emission Slurry Spreading (per m3 per year)				€1.20

Low Input Permanent Pasture		€314		
Minimum Tillage		€40		
Native Wild Flower Margin	€1.40			
Planting New Hedgerows	€5.00			
<u>Protection of Archaeological Sites</u>				
a. Tillage Option			€146	
b. Grassland Option			€120	
Protection of Water Courses	€1.50			
Rare Breeds (per L.U)			€200	
<u>Riparian Margins</u>				
a. 3 metre margin	€0.90			
b. 6 metre margin	€1.20			
c. 10 metre margin	€1.60			
d. 30 metre margin	€3.60			
Small Woodland Establishment			€0.90	
Traditional Hay Meadow		€315		
Traditional Orchards			€23.50	
Traditional Stone Wall Maintenance	€0.70			
Wild Bird Cover		€900		

### *Eligibility conditions:*

Any active farmer, whose holding lies within the State, will be eligible to apply to join the scheme. A set of four core requirements will apply to all applicants as a basic eligibility requirement.

### *Principles with regards to the setting of selection criteria:*

As described above, a tiered approach is being applied to entry into the scheme. The tiers are based on a consideration of priority of the various environmental assets and actions and have been set out above.

Selection of beneficiaries will be based on a scoring matrix, prioritising the environmental assets on the holding. 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. Any additional selection criteria as may be used will be included in the Scheme Terms and Conditions, which will be available at the application stage.

### *Applicable amounts and support rates:*

A maximum GLAS payment of €5,000 per annum will apply, with the scheme building up to the inclusion of some 50,000 farmers. Within budget limits, a GLAS+ payment will be put in place for a limited number of farmers who take on particularly challenging actions which deliver an exceptional level of environmental benefit. This payment will be up to €2,000 per annum.

## **Verifiability and controllability of the measures**

Risk(s) in the implementation of the measures include

- Error Rates higher than anticipated
- Double funding of actions under GLAS and other measures e.g. Organic Farming Scheme
- Imbalance in achieving of main objectives

## **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. One of the issues to emerge in the course of the previous Rural Development Programme has been the high level of error-rates encountered, particularly observed in the administration of the agri-environmental schemes. A number of factors were at the root of this, including farmer unfamiliarity with the application process and its

implications, a lack of clarity about what was required for some measures, and a certain proportion of simple non-compliance.

A key consideration in the design of the GLAS scheme has been to address these issues. One of the main means of doing this is involving qualified agricultural planners. Under GLAS, all applications must be submitted by a planner, and these planners will be trained in advance on what is required. This will ensure much greater consistency across all applications, while the planner will be able to explain to the farmer what exactly is required and work with them to develop a farm plan that responds effectively to the relevant environmental priorities, and with which the farmer is comfortable and capable of delivering. Further training/advice will be organised for all farmers admitted to the scheme to compliment the efforts of individual planners in increasing awareness of scheme requirements at farm level.

A full online application system will be in place, and will be mandatory for those seeking to join GLAS. This system will give the farmer, through his planner, full access to all datasets relating to his land, including identification of all environmental priorities, as well as species under threat and vulnerable or high quality watercourses that require protection. The system will also have mandatory fields that must be completed to address the key environmental priorities identified at individual farm level. The application will be predominantly map-based, with the planner identifying online the areas under action, or the location and extent of linear actions, and accessing the specific environmental prescriptions applying. This will ensure complete transparency as to what actions are being undertaken under GLAS, and where these actions are planned.

New controls are being implemented in relation to the subdivision of parcels which removes a major area of potential error.

Finally, some measures are being revised to reduce the potential for error. An example of this is the tree-planting measure, which under GLAS has become the establishment of small native woodland (at sub-afforestation level). By requiring that trees be planted in the form of a copse some of the difficulties encountered with individual plantings under previous schemes are avoided, while the environmental value is actually enhanced.

With regard to the second bullet point above, although there is 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 change mitigation.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design. In particular, experience from previous programming rounds has been taken into account in the form of a number of key design features which will ensure that error rates are minimised and that an appropriate control regime is in place.

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

GLAS is an action-based measure. Costings for the various actions have been finalised on the basis of cost of compliance and income foregone. Financial data and statistics from the Teagasc National Farm Survey and Management Data for Farm Planning were used in these calculations. Where appropriate, a transaction cost is also allowed. The costings have been independently verified by Teagasc, a body which is administratively independent of DAFM. The flexibility available under the simplified costs provisions may be used when calculating amounts payable in respect of capital investments.

**Additional information specific to the Measure concerned**

Please see Annex 2 and Annex 3 for detailed information in relation to agri-environmental measures and national legislation. The GLAS Scheme will be delivered as an integrated measure and payments in respect of Natura and WFD requirements will be effected under the Agri Environment and Climate heading.

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

n/a

**Annex 1**

<p><b>OBJECTIVE:</b></p> <p><b>GLAS aims to address the cross-cutting objectives of climate change, water quality and biodiversity.</b></p>		
<b>CORE</b>	<p><b>Core Management Requirements</b></p> <p>All of these requirements are compulsory:</p> <ul style="list-style-type: none"> <li>• An approved agricultural planner must prepare the GLAS application</li> <li>• Nutrient Management Planning</li> <li>• Training in environmental practices and standards</li> <li>• Record keeping of actions delivered</li> </ul>	
<b>PRIORITY</b>	<p><b>TIER 1 Priority Environmental Assets and Action</b></p> <p><b>All farmers with PEAs get first priority access to the Scheme in Year One and subsequent years.</b> It is not guaranteed that all eligible applicants in Tier 1 will get into the Scheme and a scoring matrix will apply if necessary.</p> <p>If any of these <b>Priority Assets</b> are applicable to the holding, they <b>must be chosen and the relevant actions planned.</b></p> <ul style="list-style-type: none"> <li>• Farmland Habitat (private Natura sites )</li> <li>• Farmland Birds Twite, Breeding Waders, Cough, Geese/swans, Corncrake, Grey Partridge, Hen Harrier)</li> <li>• Commonages (50% minimum participation in GLAS Commonage Plan)</li> <li>• High Status Water Area</li> <li>• Rare Breeds</li> </ul> <p>Similarly, if an applicant (whether beef, sheep or dairy) with a whole farm stocking-rate exceeding 140kg Livestock Manure Nitrogen per hectare produced on the holding, or any farmer with more than 30 ha of arable crops, wishes to be considered under Tier 1, s/he must adopt at least one of the following four mandatory actions:</p> <ul style="list-style-type: none"> <li>• Low Emission Slurry Spreading</li> <li>• Minimum Tillage</li> <li>• Green Cover Establishment from a Sown Crop</li> <li>• Wild Bird Cover (grassland farms only)</li> </ul> <p>Registered Organic farmers will qualify for priority access to the scheme under Tier 1, by selecting actions appropriate to the farm. However, if any of the assets listed in the first set of bullet-points above apply, they must be chosen first. Commitments under the Organic Farming Scheme will not qualify for payment under GLAS.</p>	<b>YEAR ONE and subsequent years</b>

<b>SECONDARY</b>	<p><b>TIER 2 Environmental Assets and Actions</b></p> <p>Farmers, who do not have Priority Environmental Assets but whose lands include a <b>Vulnerable Water Area</b>, may apply for access to the scheme under Tier 2. In such cases, the appropriate actions relevant to Vulnerable Water Areas <b>must</b> be selected.</p> <p>In the absence of a Vulnerable Water Area, an applicant may still qualify for Tier 2 access provided one of the following actions are chosen and planned for:</p> <ul style="list-style-type: none"> <li>• Low Emission Slurry Spreading</li> <li>• Minimum Tillage</li> <li>• Green Cover Establishment from a Sown Crop</li> <li>• Wild Bird Cover (grassland farms only)</li> </ul>	<b>YEAR TWO and subsequent years</b>
<b>GENERAL</b>	<p><b>TIER 3 General Actions*</b></p> <p>These actions aim to enhance the climate change, water quality and biodiversity benefits delivered and can be chosen in addition to Tier 1 and Tier 2 actions or on their own (choosing only General Actions will not guarantee entry to the Scheme):</p> <ul style="list-style-type: none"> <li>• Low Input Permanent Pasture</li> <li>• Traditional Hay Meadow</li> <li>• Riparian Margins</li> <li>• Coppicing Hedgerows</li> <li>• Laying Hedgerows</li> <li>• Planting New Hedgerows</li> <li>• Traditional Stone Wall Maintenance</li> <li>• Small Woodland Establishment</li> <li>• Environmental Management of Fallow Land</li> <li>• Arable Margins</li> <li>• Bird&amp; boxes</li> <li>• Bat boxes</li> <li>• Conservation of solitary bees</li> <li>• Native wild Flower margin</li> <li>• Wild Bird cover</li> <li>• Traditional Orchards</li> <li>• Protection of water courses (not in High Status or Vulnerable Areas)</li> <li>• Protection of archaeological sites</li> </ul> <p>*A selection process will be used to allow farmers join GLAS by means of these actions if take-up of Tier 1 and Tier 2 actions falls short.</p>	<b>YEAR TWO (possibly) or YEAR THREE depending on funding</b>



## Annex 2

### Agri-Environment Baseline Elements

#### GAEC and Cross Compliances Requirements for GLAS

Action	Type of Operation/Specified Actions	Cross-Compliance corresponding to the action
Farmland Habitat (Private Natura Sites)	<p>Conservation of private Natura Sites.</p> <p>Production of a Sustainable Management Plan by a trained ecologist/agronomist professional.</p> <p>Implement the management plan.</p>	<p>GAEC 1, 3,4,5 and 7</p> <p>SMR 1, 2 and 3.</p>
Small Woodland Establishment	Planting and maintenance of native whips in accordance with a specification, with particular emphasis on broad-leaved species.	SMR 2 & 3 relevant if in Natura area. No GAEC requirement
Traditional Hay Meadows	Enhancement of the conservation value and the continuation of traditional farming practice for traditional hay meadows.	GAEC 1, 3, 5 and 7 and SMR 1, 2 and 3 on Natura lands
Low Input Permanent Pasture	Maintaining species rich grasslands via prescribed management prescription and practices	GAEC 1, 3, 5 and 7 and SMR 1, 2 and 3 on Natura lands
Rare Breeds	Conservation of rare equine, ovine and bovine animal genetic resources.	SMR 7 and 8
Wild Bird Cover	Establish, on suitable, grassland plots a low – input arable crop to provide cover and winter food source for farmland birds.	<p>GAEC 1, 3, 4, 5, 6 and 7</p> <p>SMR 1 on Natura lands.</p>
New Hedgerow Planting	Plant new hedgerows on suitable sites	SMR 2 & 3 relevant on Natura lands. No GAEC requirement
Traditional Dry Stone wall Maintenance	Follow an annual wall maintenance programme for the farm.	There is no requirement under cross-compliance or National legislation to maintain traditional dry stonewalls.
Riparian Margins	Creation of a permanently fenced margin adjacent to identified watercourses.	GAEC 1, 3, 5 and 7

<b>Action</b>	<b>Type of Operation/Specified Actions</b>	<b>Cross-Compliance corresponding to the action</b>
	<p>This land cannot be used for agricultural production, but must be maintained annually.</p> <p>It must be fenced to prohibit animal access</p>	
Protection of Watercourses	Deny bovine access to drinking points on lands adjacent to watercourses.	GAEC 1 and 3 and SMR 1 on Natura lands
Arable Margins	Create 3, 4 or 6 metre grass margin around the periphery of arable fields.	GAEC 1, 3, 4, 5, 6 and 7 and SMR 1 on Natura lands
Green Cover Establishment from a sown crop	Establish a green cover by light tilling to a management prescription.	GAEC 1, 3, 4, 5, 6 and 7 and SMR 1 on Natura lands
Low-emission slurry spreading	Use of Trailing Shoe and injection technology to spread all slurry produced and imported on farm.	GAEC 1 and SMR 1 on Natura lands
Minimum Tillage	To encourage the use of minimum tillage practices.	GAEC 1, 3, 4, 5, 6 and 7 SMR 1 on Natura lands
Conservation of Farmland Birds	Maintaining a species specific habitat via prescribed management prescription and practices:	GAEC 1, 3, 4, 5, 6 and 7 SMR 1, 2 and 3 on Natura lands
Commonages	<p>Conservation and regeneration of commonage land through a single commonage plan.</p> <p>Production of a Sustainable Management Plan by a trained ecologist/agronomist professional for the entire commonage.</p>	GAEC 1, 3, 5 and 7 SMR 1, 2 and 3 on Natura lands

<b>Action</b>	<b>Type of Operation/Specified Actions</b>	<b>Cross-Compliance corresponding to the action</b>
	Implement the management plan.	
Coppicing Hedgerows	Rejuvenation of existing hedgerows through coppicing	SMR 2 and 3 applicable on Natura Land. No GAEC requirements
Laying Hedgerows	Rejuvenation of existing hedgerows through laying	SMR 2 and 3 applicable on Natura Lands No GAEC requirement
Environmental Management of Fallow Land	To improve soil structure, increase organic matter and minimise run off through the establishment of a grass crop	GAEC 1, 3, 4, 5, 6 and 7 and SMR 1 on Natura lands
Bird and Bat Boxes	To maintain and encourage bird and bat population around the farm by replacing habitats lost through changes in farming practice.	No GAEC or Cross Compliance Requirements
Conservation of solitary bees	Replace habitats lost through changes in farming practice.	No GAEC or Cross Compliance Requirements.
Native Wild Flower Margin	To increase biodiversity by sowing a wild flower margin.	GAEC 1, 3, 4, 5, 6 and 7 and SMR 1 on Natura lands
Protection of Archaeological sites	Protection of Monuments	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.
Traditional Orchards	Establishment of native species of fruits.	NO GAEC or Cross Compliance requirements

## **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:

- Adherence 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 brought onto the holding or exported. Records must also include area farmed, cropping regime, types and numbers of livestock, and 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 have been independently verified by Teagasc. Please see separate table.

### Annex 3

National legislation with relevance to the GLAS measure

#### National Legislation—Environment

Statutory Provision	Implementing Body	Penalties
<p>Air Pollution Act, 1987</p> <p>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.</p>	<p>Local Authorities</p>	<p>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.</p>
<p>Fisheries Acts, 1959 to 1999 and Amendment Act 2003</p> <p>These acts <i>inter-alia</i> provide for the establishment of the Central Fisheries Boards and define their functions.</p>	<p>Fisheries Boards</p>	<p>A fine, on conviction on indictment not exceeding €2,540 or 2 years imprisonment or both.</p>
<p>Local Government (Water Pollution) Act, 1977 and Amendment Act, 1990.</p> <p>Under the legislation it is an offence to pollute waters by chemicals, fertilisers, animal slurries, manures, silage effluent or other organic fertilisers.</p>	<p>Local Authorities</p>	<p>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.</p>
<p>Local Government (Water Pollution) Act, 1977 (Water Quality Standards for Phosphorus) Regulations, 1998</p> <p>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.</p>	<p>Local Authorities</p>	

<p>Local Government (Planning and Development) Acts, 1963—1999</p> <p>Under the legislation, planning permission is required for certain on-farm building and structures.</p> <p>Planning permission is not granted unless adequate waste storage facilities are provided.</p>	<p>Local Authorities</p>	<p>Contravention of the statutory requirements carries a fine, on conviction, of €1,905 to €12.7m and/or up to 2 years imprisonment.</p>
<p>Waste Management Act, 1996 and Amendment Act, 2001</p> <p>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.</p>	<p>Local Authorities</p>	<p>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.</p>
<p>Waste Management (Use of Sewage Sludge in Agriculture) Regulations, 1998—2001.</p> <p>These regulations prescribe standards for use of sewage sludge in agriculture. The Regulations give effect to Council Directive 86/278 EEC of 12 June 1986 on the protection of the environment, and in particular of the soil, when sewage sludge is used in agriculture.</p>	<p>Local Authorities</p>	<p>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,</p> <p>not exceeding €12.7m and/or imprisonment for a term not exceeding 10 years.</p>

<b>Statutory Provision</b>	<b>Implementing Body</b>	<b>Penalties</b>
<p>Litter Pollution Act, 1997</p> <p>This Act provides for the prevention and control of litter pollution and the prevention of the defacement of certain places and matters relating thereto.</p>	<p>Local Authorities</p>	<p>(1) Fine on summary conviction, not exceeding €1,905 and</p> <p>(2) on conviction €127/day for each day during which the contravention continues.</p>
<p>Environmental Protection Agency Act, 1992</p> <p>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.</p>	<p>Environmental Protection Agency</p>	<p>Fines, on conviction, from €1,270 to €12.7m</p>
<p>European Communities (Environmental Impact Assessment) Regulations, 1989—2013</p> <p>The Regulations require an Environmental Impact Assessment to be carried out in relation to intensive pig and poultry rearing installations above specified size thresholds.</p> <p>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.</p>	<p>Local Authorities</p>	<p>Fine, on conviction, from €1,905 to €12.7m.</p>
<p>European Communities (Authorisation, Placing on the Market, Use and Control of Plant Protection Products) Regulations, 1994—2001 and amendment Regulations 2004.</p> <p>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.</p>	<p>Department of Agriculture and Food.</p>	<p>A fine of up to €1,270 or up to six months imprisonment or both.</p>

<p>European Communities (prohibition of Certain Active Substances in Plant Protection Products) Regulations 1981–2007</p> <p>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.</p>	<p>Department of Agriculture and Food</p>	<p>A fine of up to €1,270 or up to six months imprisonment or both.</p>
<p>Wildlife Acts, 1976 and 2001 and amendment Act 2012</p> <p>These Acts provide for the conservation of wildlife (including game) and for the protection of certain wild creatures and flora. The 1976 Act enables <i>inter-alia</i> a body known as the Wildlife Advisory Council to be established and defines its functions and enables wildlife reserves to be established and maintained.</p>	<p>National Parks and Wildlife Service</p>	<p>On summary conviction a fine not exceeding €1,905 or 12 months imprisonment or both.</p>
<p>European Communities (Natural Habitats) Regulations, 1997 and amendment Regulations 1998 - 2013</p> <p>These Regulations give effect to Council Directive 92/43/EEC on the conservation of natural habitats and of wild flora and fauna (Habitats Directive). The Regulations empower the Minister to designate special areas of conservation (endangered species and habitats of endangered species) as a contribution to an EU Community network known as Natura—2000.</p>	<p>National Parks and Wildlife Service</p>	<p>On summary conviction a fine not exceeding €1,905 or 6 months imprisonment or both.</p>
<p>National Monuments Acts, 1930—1994 and Amendment Act, 2004</p> <p>These Acts make provision for the protection and preservation of national monuments and for the preservation of archaeological objects in Ireland.</p>	<p>National Parks and Wildlife Service</p>	<p>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</p>



## Hygiene and Animal Welfare

<i>Statutory Provision</i>	<i>Implementing Body</i>	<i>Penalties</i>
European Communities (Hygienic Production and Placing on the Market of Raw Milk, Heat—Treated Milk and Milk Based Products) Regulations 1996	Department of Agriculture and Food	A fine of up to €1,905 or up to 6 months imprisonment or both.
Animal Health and Welfare Act 2013 which provides the legislative framework for animal health and welfare matters.	Department of Agriculture, Food and the Marine	Summary conviction - a class A fine (not exceeding €5,000) or imprisonment for a term not exceeding 6 months, or to both, or (b) on conviction on indictment, to a fine not exceeding €250,000 or imprisonment for a term not exceeding 5 years, or to both.
S.I. No. 311 of 2010 EC (Welfare of farmed animals) Regulations 2010 These Regulations give effect to a series of European Directives concerning the protection of animals including broilers, laying hens, calves and pigs.	Department of Agriculture, Food and the Marine	A fine on conviction not exceeding €5,000 or to a term of imprisonment not exceeding 6 months or both, or a fine on conviction on indictment not exceeding €100,000 or a term of imprisonment not exceeding 3 years or both
S.I. No. 292 of 2013 EU (Protection of animals at time of killing) Regulations 2013.  These Regulations give effect to Council Regulation (EC) No. 1099/2009 on the protection of animals at the time of killing.	Department of Agriculture, Food and the Marine	On summary conviction to a Class A fine (not exceeding €5,000) or a term of imprisonment not exceeding 6 months or both, or (b) on conviction of indictment to a fine of not more than €100,000 or a term of imprisonment not exceeding 2 years or both.  The Minister may prosecute an offence under these Regulations in a summary manner.

<i>Statutory Provision</i>	<i>Implementing Body</i>	<i>Penalties</i>
<p>European Communities Act, 2007 and amendment Act 2012</p> <p>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.</p>	Inter-departmental	As set down by the regulations
<p>European Communities (Good Agricultural Practice for Protection of Waters) Regulations, 2006 - 2011</p> <p>These Regulations give effect to Council Directives Nos. 75/442EEC, 76/464/EEC, 80/68/EEC, 91/676/EEC, 2000/60/EC And 2003/35EC. They provide statutory support for good agricultural practice to protect waters against pollution from agricultural sources.</p>	Inter-departmental	As set down by the regulations
<p>European Communities (Environmental Impact Assessment) (Agriculture) Regulations 2011</p> <p>These Regulations provide for a screening decision and consent before carrying out certain agricultural activities.</p>	Dept. Agriculture, Food & the Marine	As set down by the regulations
<p>European Union (Good Agricultural Practice for Protection of Waters) Regulations 2014</p> <p>These Regulations give effect to Ireland's Nitrates Action Programme for the protection of waters against pollution caused by agricultural sources.</p>	Environmental Protection Agency	As set down by the regulations

## **Title of the Measure**

Measure Code 11 Submeasure 11.1 and 11.2

Organic Farming Scheme

## **Legal basis**

Article 29 – Organic Farming

## **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 societal demand for the use of environmentally friendly farming practices. Organic production thus responds to consumer demand for organic production and also contributes to environmental, animal welfare and rural development issues.

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 Utilisable Agricultural Area (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, Food Harvest 2020 recommended that the Department should continue to directly support the sector through the Organic Farming Scheme 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 Organic Farming Scheme 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 is not convincing 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 the Organic Farming Scheme since 2010,

highlights the necessity for a more incentivised and targeted scheme in the new programming period.

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, but with increased payment per hectare and a reduced differential between the conversion and maintenance rates, along with some targeted incentives aimed at areas that are in deficit.

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

#### *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 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 takes 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 is increased focus within the new Organic Farming Scheme on ensuring continuity of commitment to organic production. This new focus is reflected also in the payment structure.

The measure design process has also taken into account the need to target supports to areas that are in deficit. Specifically, cultivation of red clover is now incentivised both for its value as a source of high-protein, high dry-matter organic fodder, as well as for its environmental benefits as a natural nitrogen-fixer.

The lack of specialised training in the current iteration of the Organic Farming Scheme was identified as an issue in the needs analysis. The new scheme incorporates the completion of a training course as a mandatory eligibility requirement.

#### *Type of support:*

The principal support will be an annual area-based payment per hectare of UAA over a 5 year contract period. This rate is comprised of a higher payment for farmers converting organic land for the first time payable 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, the option may be taken now to annualise the total payment, to standardise the rate across the five years of the contract, and in this way to support ongoing participation in the sector. Higher rates are payable for horticultural operations and for tillage operations, both of which are strongly in deficit. A top-up payment of €30/ha is provided to incentivise the growing of red clover.

*Links to other legislation:*

- GAEC and cross compliance requirements: Organic farmers are subject, where applicable, to the full suite of GAEC and Cross Compliance Requirements (SMRs).
- Greening requirement: Organic farmers may meet the Greening requirement by virtue of a high proportion of permanent grassland or by any other of the various options available, including their organic status.
- Relevant minimum requirements for fertilisers and plant protection products use, and relevant mandatory requirements established by national law.

*Beneficiaries:*

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

*Eligible Costs:*

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

*Eligibility conditions:*

As in the previous Organic Farming Scheme, a series of core requirements defines basic eligibility. Key conditions include:

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

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

With regard to selection, the key selection tools are designed to incentivise whole farm conversions, a mixed farming approach and sectoral balance. Applicants will be selected according to criteria which will include:

- Prioritisation of total conversion over partial
- Prioritisation of mixed farms
- Achieving sectoral balance across grassland, horticulture and tillage

- Encouraging conversion by young farmers.

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.

*Applicable amounts and support rates:*

Organic Farming Scheme payments in Ireland are considerably lower than in other Member States and it is recognised that these need to be increased. Payment rates are calculated on the basis of conversion for a period of two years with a maintenance payment thereafter. However, these rates may be annualised over the course of the contract period as a whole to provide a single annual rate, thereby avoiding the sharp drop-off in support currently experienced once the conversion period is complete. 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. The standard rate of payment is €220/ha for conversion with a maintenance rate of €170/ha, with higher rates of €300 and €200 applying for horticulture operations, and €260 and €170 for tillage operations. In addition, a top-up of €30/ha for red-clover is included. The higher horticultural rates will apply to the first six hectares only; thereafter the standard rate applies. For tillage farmers, the higher rate ceiling is €20 per ha.

**Verifiability and controllability of the measures**

*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 agri-environment 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.

*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.

#### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design. In particular, issue in relation to possible double funding have been addressed in line with the relevant Commission guidance and appropriate systems for control are in place.

#### **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:

- Council Regulation (EC) No 834/2007 of 28 June 2007 on organic production and labelling of organic products and repealing Regulation (EEC) No 2092/91;
- Commission Regulation (EC) No 889/2008 of 5 September 2008 laying down detailed rules for the implementation of Council Regulation (EC) No 834/2007 on organic production and labelling of organic products with regard to organic production, labelling and control;
- 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 cost 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 UAA.

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.

#### **Additional information specific to the Measure concerned**

Baseline elements:

- GAEC and cross compliance requirement. Organic farmers are subject, where applicable, to the full suite of GAEC and Cross Compliance Requirements (SMRs).
- Greening requirement. Organic farmers may meet the Greening requirement by virtue of a high proportion of permanent grassland or by any other of the various options available, including their organic status. 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. See Annexes 2 and 3 of the GLAS section for further information.

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.

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

N/A



## **Title of the Measure**

Measure 13, Submeasure 13.2 and 13.3

Areas of Natural Constraint (ANC) incorporating support for island farming.

## **Legal basis**

Articles 31 to 33 of Regulation (EU) 1305/2013

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

The measure will continue to be based on the previous existing Less Favoured Areas Scheme pending the delineation of Areas of Natural Constraint in accordance with Article 32 of Regulation (EC) No 1305/2013. The delineation exercise has commenced with the finalisation of the national soil analysis survey (ISIS) by the relevant State Agency – Teagasc. In view of the impending introduction of the new scheme and taking into account the need for legal certainty, it has been decided to retain as much of the existing provisions as is possible.

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.

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

### *Description of the Operation:*

Payments will only be in respect of agricultural land, with different rates of aid applicable, based on the following land designations:

- More severely handicapped (Lowland);
- Less severely handicapped (lowland);
- Mountain type land.

This is likely to change following the completion of the delineation of areas with significant constraint and completion of the fine-tuning exercise. 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.

*Type of support:*

Payment to be made annually.

*Links to other legislation:*

n/a

*Beneficiaries:*

In the order of 95,000 eligible 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:

- Comply with the description of ‘active farmer’ in Article 9 of Regulation (EU) No 1307/2013;
- 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 under Article 92 of Regulation (EU) No 1306/2013.
- Have a holding that meets the minimum stocking levels (grazing requirement);
- Applicants who are partners in a partnership, registered under Irish National Regulations, can continue to benefit individually under the Scheme, based on the area of ANC land they contribute to the partnership.

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

The approach to selection criteria is linked to the categories of disadvantage as set out above.

*Applicable amounts and support rates:*

The 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, a specific top-up is included for such farmers, as follows.

- Island land, where the farmer is resident on the island: an additional €150.00 per forage hectare, subject to the maximum payment of €250 per hectare up to a maximum of 34 hectares;
- Island land, where the farmer is not resident on the island: an additional €75.00 per forage hectare, up to a maximum of 34 hectares.

### **Verifiability and controllability of the measures**

#### *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.

#### *Mitigating actions*

In order to address these risks, a dual system of administrative checks and on farm inspections is in place

#### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design. A structured control process is in place which builds on the experience of implementing the LFA scheme in previous programming periods.

### **Methodology for the calculations of the amount of support, when relevant**

Payment rates are based on an examination of standard output data from the Central Statistics Office Census of Agriculture and data from DAFM databases. This facilitated a comparison at district electoral division (DED) level of DEDs containing designated land with DEDs containing no designated land.

### **Additional information specific to the Measure concerned**

n/a

### **Other important remarks relevant to understand and implement the measure**

Target area: The scheme will continue to apply to all the less favoured areas in Ireland, as first listed in Council Directive 75/272/EEC with subsequent reviews and amendments of the list contained in the Annexes to Directives 85/350/EEC, Directive 91/466/EEC and Directive

/96/52 EEC as last amended by Commission Decision 709 of 23 March 1999. This designation will apply pending the delineation of Areas of Natural Constraint in accordance with Article 32 of Regulation (EC) No 1305/2013.

## **Title of the Measure**

Measure Code 16 Submeasure 16.2  
European Innovation Partnerships (EIP)

## **Legal basis**

Article 55-57 of Regulation (EU) No 1305/2013  
Article 35 of Regulation (EU) No 1305/2013  
Article 17 of Regulation (EU) No 1305/2013

## **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 EIP operational groups.

Greater linkages between research and on farm implementation need to be established, and this theme emerged both during the public consultation process and the SWOT analysis. Support under the EIP has been highlighted as a vehicle to address this. A further element of such linkage will be the need to disseminate best practice widely. The structure of EIP operational groups will incorporate such dissemination, for example through the National Rural Network and the European EIP. 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,
- improving processes to preserve the environment, adapt to climate change and mitigate it, and
- creating added value by better linking research and farming practice and encouraging the wider use of available innovative practices.

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

*Description of the Operation:*

Support for EIP operational groups will be channelled towards the setting up of new operational groups structured around a competitive fund. This will 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, will draw on the relevant expertise, experience and where applicable, existing research.

Priority issues will be identified through an extensive consultation process and once these areas/issues are identified a call for proposals and selection of project proposals will follow based on well-established public procurement principles.

The goal of the measure is to close the innovation gap between research and practice using an interactive innovation model linking actors via an EIP Network fostering communication, partnering and dissemination of knowledge and ideas. Utilising existing Rural Development and knowledge transfer networks to raise awareness among potential operational group actors, the measure will foster the submission of innovative concepts and ideas from among farmers, advisors, researchers, NGOs and Agri-businesses. Once selected, an operational group will be established to examine, evaluate, develop or trial the selected concept with the goal of developing, adapting or testing an innovative practice, process or product. Support will be provided to cover feasibility studies, animation costs, installation costs, research costs, running costs, and promotion activities. Once completed the findings or outcome of the operational group will be disseminated via the EIP Network and the National Rural Network

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.

*Type of support:*

Support in the form of grants will be provided to operational groups based on a combination of price set out in tender documentation and receipts submitted.

*Links to other legislation:*

N/A

*Beneficiaries:*

Operational groups will be clearly targeted at the involvement of a wide range of actors including farmers, advisors, researchers, NGOs and agri-businesses, in order to encourage the cross fertilisation of approaches, ideas and experience.

*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 detailed 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.

As per Article 17 of the Rural Development Regulation, the eligible costs will include:

- Investment costs incurred as a result of participation in an operational group that seek to improve the overall performance and/or sustainability of an agricultural holding.
- Infrastructure costs related to the development, modernisation or adaptation of agriculture or forestry including farm access, land consolidation and improvement and the supply and saving of energy or water.

*Eligibility conditions:*

Following on from the consultation process, support will be channelled towards the setting up of new operational groups structured around a competitive fund. This will 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 will necessarily draw on the relevant expertise and existing research. Any proposed operational group must develop or examine an innovative approach, process, practice or product that contributes to Rural Development priorities.

*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
- Relevance and Impact: Proposal must develop or examine an innovative approach, practice, process or product that contributes to Rural Development priorities.
- 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.
- Implementation and Costs: The overall cost of the proposal and the likelihood of success.

*Applicable amounts and support rates:*

Support will be provided for feasibility studies, animation costs, running costs and promotion activities in accordance with Article 35. Investment and infrastructure costs are supported in accordance with Article 17. Amounts and rates will be based on returns/receipts received from operational groups.

**Verifiability and controllability of the measures**

*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.

*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.

Initial proposals will be evaluated against existing practices, products and processes or previous evaluations of similar proposals. The merit, scientific or otherwise of the proposal will be evaluated against the overall cost of the proposal and its potential contribution to rural development priorities and established Departmental objectives.

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.

This will comprise of ongoing administrative checks on the financial management of the operational group.

*Overall assessment*



The relevant risks associated with this measure have been identified and addressed as part of the measure design

**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, installation costs, research costs, running costs, and promotion activities. The call for proposals will include costs as one of the selection criteria. All costs will be based on returns/receipts from the operational group.

**Additional information specific to the Measure concerned**

N/a

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

N/a

## **Title of the Measure**

Measure Code 16 Submeasure 16.3  
Support for Collaborative Farming

## **Legal basis**

Article 35 Co-operation

## **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 corresponds 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 smart, green 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. While this measure will initially focus on support for newly formed farm partnerships, these supports will extend to share farming arrangements and contract rearing arrangements once the necessary control mechanisms, including registers, have been established. These additional support mechanisms will be introduced in late 2017.

The benefits accruing from supporting collaborative farming (most notably farm partnerships at present) include:

- 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 other countries. Today there are approximately 700 Milk Production Partnerships (MPPs) in existence in Ireland, and of this total, roughly 580 are family farm partnerships.

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

#### *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 be eligible to 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. Similarly once the Registers for share farming and contract rearing have been introduced and appropriate control mechanisms have been finalised these arrangements will benefit from this measure.

#### *Type of support:*

50% contribution to vouched expenses up to €2,500

#### *Links to other legislation:*

Proposed Statutory Instrument on the Register of Farm Partnerships (due mid/late 2014)

#### *Beneficiaries:*

Farmers establishing new approved forms of collaborative farming.

#### *Eligible Costs:*

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

#### *Eligibility conditions:*

Currently all applicants must be a new farm partnership and be on the Register of Farm Partnerships. Share farming and contract rearing collaborative arrangements must be on the relevant Registers (when introduced) to receive the support.

#### *Principles with regards to the setting of selection criteria:*

Selection criteria will be linked to the criteria for entry to the new Register of Farm Partnerships.

#### *Applicable amounts and support rates:*

50% of costs up to €2,500.

## **Verifiability and controllability of the measures**

### *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.

### *Mitigating actions*

In order to address the above, a minimum time for duration of approved collaborative approaches will be set (5 years). The processing of claims will include standard checks in relation to supporting documentation. Partnerships on the Register will be subject to random selection for departmental inspection.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

## **Methodology for the calculations of the amount of support, when relevant**

Partnerships are, for the most part, organised through agricultural consultants who provide the necessary legal and financial advice and draw up a Farm Partnership Agreement. The following are the activities and associated maximum costs involved in establishing a farm partnership:

Meet the potential partners individually and collectively; acquire background information regarding accounts, Department payments, livestock numbers, machinery, buildings, land, farm layout etc., as well as farm usage of electricity and water use and farm vehicle costs .	€500
Visits to each farm, assess adequateness of existing buildings and facilities and how much capital investment is required, and produce rough drafts of physical and financial plans., meet both parties and finalise the plans	€1500
Draw up, agree and sign off on Business Plan (including physical and financial plans)	€500
Draw up Farm Partnership Agreement (or Share Farming or Contract Rearing Agreement as appropriate) and send to the partners' respective solicitors and accountants	€1500
Complete the Farm Partnership Agreement (or Share Farming or Contract Rearing Agreement as appropriate) and sign-off	€500
Assist the partners to gather the necessary application documentation for registration and assist with the completion and submission of that documentation.	€500

The costs detailed above are the maximum amount payable under the Farm Partnerships scheme. The costs associated with share farming and contract rearing agreements are likely to differ from those associated with farm partnerships.

**Additional information specific to the Measure concerned**

This measure will not apply to existing Milk Production Partnerships who move across to the new Register.

The overall numbers and expenditure targets will incorporate the other arrangements which will be introduced in 2017 but the period up to then will focus principally on farm partnerships.

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

**Title of the Measure**

Measure Code 16, sub-measure 16.5  
Locally led agri environment schemes

**Legal basis**

Article 35 Co-operation

**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.

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 locally led schemes 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 Analysis 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 will encourage innovative solutions to particular environmental challenges.

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

*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.

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.

*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.

*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.

*Beneficiaries:*

Farmers / groups undertaking approved projects.

*Eligible Costs:*

Because these are bespoke schemes, designed to meet very specific environmental needs, the actions undertaken and the associated costs will vary from project to project. For the two core projects, however, the intervention plans will be designed in consultation with the National Parks and Wildlife Service, drawing upon the best professional advice available. When the framework of what is required has been laid down, the projects will be rolled out for implementation at local level, with participants drawing upon a range of predetermined actions with predetermined costs. For the recruited projects, we would expect to see proposals accompanied by detailed estimate of costs, which will then be assessed for effectiveness and cost-efficiency by an experienced selection committee.

*Eligibility conditions:*

These may vary from project to project but 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. Participants must be active farmers.

*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.

*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.

### **Verifiability and controllability of the measures**

*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 can place another layer of administration onto 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 another risk.

*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, the Department 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 targeted schemes to protect against double payment for the same commitment.



*Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

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

As noted already, each project will be costed individually, based on the inputs required to achieve the outputs targeted. The methods for calculating support will depend on the exact projects and actions being funded.

**Additional information specific to the Measure concerned**

Please see Annexes 2 and 3 of the GLAS measure description for general baseline information.

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

**Title of Measure**

Measure Code 10, Submeasure 10.1  
Beef Data and Genomics Programme (BDGP)

**Legal basis**

Article 28 Environment and Climate Change measures

**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. 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 agricultural emissions across the EU is approx 9%. The high level of agricultural emissions in Ireland is mainly associated with our large ruminant herd. Within this, excluding dairy production, other cattle (i.e. 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.

The 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, and reduced emissions intensity in the national suckler herd.

The BDGP will incorporate the application of research and innovation to improve the sustainability of the herd. Research has developed genetic and related technologies for the cattle sector that if transferred in a proactive, 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. Given the very low margins in the beef sector, similar investment on a sufficiently wide scale will not be undertaken without financial support.

Research by Teagasc<sup>[1]</sup> for the development of Ireland's climate change programme concluded that the three most cost-efficient climate mitigation measures that can be 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 underpin the selection of higher quality animals that will be suited to Ireland's grass based system.

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 Food Harvest 2020 strategy as the relevant target for the beef sector is value based rather than volume based. The scheme will underpin increasingly resource efficient stock utilising grass as a key source of fodder and develop resilience of the beef herd to climate change.

The BDGP will also underpin the linking of research findings and innovative technique to on farm practices. 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.

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<sup>[1]</sup> *A Marginal Abatement Cost Curve for Irish Agriculture: Teagasc Submission to the National Climate Policy Development Consultation. April 2012.*

The objective of the BDGP is to lower GHG emissions by improving the quality and efficiency of the national beef herd. This will be done by identifying maternal traits which will lead to a more efficient cow population, producing better quality and more efficient animals.

Margins in the sector are extremely low or negative, and many suckler operate on marginal land. The level of aid under this scheme is modest and is not considered to be sufficient to encourage expansion of the national herd. Average herd size is 17 suckler cows, and these farms operate on poorer marginal land types where expansion is not possible due to poor soil carrying capacity and lack of winter housing.

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

#### *Description of the Operation*

The scheme will have a number of integrated sections and actions which are clearly linked to the delivery of environmental benefits. The actions can be grouped as follows.

#### Animal data recording

Participating farmers will be obliged to record specific animal events data, in particular focusing on elements with clear links to environmental benefits which will drive cumulative gains in the quality of the herd through improvements in the overall breeding strategy.

The 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.

Participating farmers will 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;

There will also be 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

Each participant must complete the Carbon Navigator with an approved adviser in Year 1 of the scheme.

#### Animal replacement programme

The measure will oblige and incentivise a move towards 4 and 5 star rated sires to improve the environmental performance and 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.

#### *Type of Support*

An annual payment will be made to each farmer who meets the requirements of the scheme. Each scheme participant will sign up to a six-year contract to cover the lifetime of the scheme.

#### *Links to other legislation*

n/a

#### *Beneficiaries*

The scheme will target active suckler farmers.

#### *Eligible costs*

The costs have been calculated based on the time and cost involved in undertaking the eligible actions underlying the scheme. Costs are measured in units of time required to complete the actions.

#### *Eligibility conditions*

All applicants must have a herd number and possess registered beef breed animals.

#### *Principles with regard to the setting of selection criteria*

The scheme will be open to all registered beef farmers who commit to completing in full the mandatory actions under the scheme. Priority will be given both to applicants who are also members of the proposed beef knowledge transfer groups to be established from 2015 and to young farmers to encourage their participation.

#### *Applicable amounts and support rates*

The specific amount of support payable to a beneficiary is linked to the actions undertaken, as follows. Payment will be calculated on an income foregone/costs incurred basis.

<b>Action</b>	<b>Cost (€)</b>
Animal events: the farmer must record animal birth details to a central database such as sire, calving	10
Record keeping: the farmer must record animal performance traits such as: <ul style="list-style-type: none"> <li>- Calves: calf quality, docility, scour, pneumonia, genetic defects</li> <li>- Cows: cow quality, milk ability, docility, size, mastitis, lameness</li> <li>- Stock bulls: docility, fertility, lameness.</li> </ul>	15
Tissue sample: extraction of genotyping sample includes bring herd together and handling of animals for extraction.	5
Genomic test: farmer submits and pays for laboratory test	10
Stock bull: the farmer must purchase a quality bull (4/5 star only)	5
Replacement heifers: the farmer must only uses 4/5 star replacement heifers in herd	10
Climate change: the farmer must complete carbon navigator with approved advisor	0
Animal health: the farmer must remove all PIs from herd	5
Training: the farmer must attend relevant training course as prescribed over course of programme.	5
Transaction costs	15
<b>Total</b>	<b>€80</b>

This payment will issue in respect of each full set of actions carried out.

### **Verifiability and controllability of the measures**

*Risk(s) in the implementation of the measure.*

The risks related to the scheme could be that the quality of record keeping does not meet the required standards and or that animals used as part of the future replacement breeding do not meet the 4 and 5 star quality standard.

#### *Mitigating actions*

In order to mitigate the risks under the data recording aspects of the scheme 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 will be checked against this system,
- Also online, the requirement to remove all PI infected animals will be verified using the AHCS system;
- 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.

#### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

#### **Methodology for the calculations of the amount of support, when relevant**

The costing for the Beef Data and Genomics Programme (BDGP) are based on the actions undertaken by the farmer based on income foregone/costs incurred.

The costs detailed above represent the cost of a set of actions for one animal. A distinct set of actions will be carried out for each animal to form the basis of a total payment,

#### **Additional information specific to the Measure concerned**

##### Article 28 additional baseline information required:

##### Baseline elements

- GAEC and Cross Compliance Requirements: Suckler farmers are subject where applicable to the full suite of GAEC and Cross Compliance requirements (SMRs).
- DAFM is working to quantify current GHG emissions from the national beef herd in order to calculate the ex-ante baseline before the commencement of the scheme. This work is underway with Teagasc and will be presented as part of the detailed scheme design in Q3 2014.
- To complement the aggregate baseline above, each scheme participant will be required to calculate his or her on-farm GHG emissions using the Carbon Navigator.

## **Title of the Measure**

LEADER

## **Legal basis**

Article 42-44 of Regulation (EU) 1305/2013 of the European Parliament and of the Council (EAFRD)

Article 32-35 of Regulation (EU) 1303/2013 of the European Parliament and of the Council (CPR)

## **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 the Certifying Body has indicated a series of on-going 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 (LAG) 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**

### **Sub Regional Areas**

Local Development Strategies (LDS) for the LEADER element of the RDP 2014-2020 will be formulated in the context of county based sub regional areas. With the aim of maximising the impact on rural areas in particular, ‘census towns’ as defined for the 2011 Census of Population, with a population of over 15,000 thousand will be excluded. This ensures that smaller towns and urban centres in the heart of rural Ireland can remain part of the RDP for local development purposes. In this context the number of LAGS that will deliver the LEADER element of the RDP 2014-2020 for Ireland is expected to be 28.

There are 31 Local Authority administrative areas in the Republic of Ireland and when the exclusions above are applied the remaining population in 23 of those areas are below the upper limit defined in Article 33(6) 1303/2013 and therefore a single LAG area will apply. This approach also proposes the exclusion of a number of very densely populated areas within the greater Dublin region which includes Dublin city and the administrative areas of South Dublin, Dún Laoghaire Rathdown and Fingal. As indicated in the 2011 census small areas of each of these counties are considered rural however their individual rural populations are small with both Dun Laoghaire and South Dublin registering rural populations of below 10,000. However in order to be as inclusive as possible for the purposes of the development of an LDS, Co Dublin while divided for administrative purposes will be considered a geographic/territorially cohesive area and Ireland proposes to combine the rural populations of each of the Dublin administrative areas for LDS development purposes. This would result in one LDS for this rural Dublin population of 61,171.

The population remaining in three counties – Cork 399,802; Galway 173,875 and Meath 155,576 are in excess of the upper limit of 150,000. Ireland intends to define single LAG areas in both Galway and Meath as the remaining population are not significantly in excess of the upper limit. Ireland recognises however that the population of County Cork remains significantly above the 150,000 limit outlined in Article 33(6) 1303/2013. In this context Ireland proposes to define three LAG areas in Cork in order to support the development of the rural communities in this county.

## **Partnership Approach**

Ireland is proposing to support the implementation of rural development interventions through the LEADER element of the RDP 2014-2020 at the sub-regional levels outlined above using a partnership approach. This 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 provide the basis for programme-specific priorities in each sub-regional area. This will lead to 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.

In the context of the RDP this approach would see community representatives, local/development agencies working in partnership with local authorities to design and implement LDSs at sub-regional level, based on the strategic priorities already identified. These strategic and programme-specific priorities will 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.

New six year Local Economic and Community Plans will be developed for each of the 31 City/County Council areas as part of the local government reform process. These plans will come into effect early in 2015. They will establish a framework for a more integrated approach, to the delivery of public-funded economic, local and community development supports, at local authority level, including those funded under the Rural Development Programme. They will take their lead from the economic and community development objectives contained in the relevant County Development Plans and the new Regional Spatial and Economic Strategies (also introduced as part of the local government reform process) Accordingly, as part of a more co-ordinated and joined-up planning approach, each LDS must be consistent with the new Local Economic and Community Plans as well as relevant EU, national and regional policies.

The LDS selection process will be open and transparent and will comprise two separate stages providing the opportunity to develop the partnership approach incrementally and with full and comprehensive consultation to maintain the integrity of the CLLD approach.

A pre-qualification/expression of interest stage will assess the capacity and eligibility of entities who express an interest in submitting an LDS. The criteria for this initial step will involve assessing each entity's financial capacity as well as their capacity to deliver development interventions. Given the financial and solvency issues experienced during the current round which were highlighted by the Certifying Body and Commission auditors, it is proposed that all entities whether a partnership or a legal entity must demonstrate that they

have the financial capacity, either through their own resources or with third party assistance, to finance programme commitments.

The second stage will invite those entities that succeed in stage 1 to develop and submit a LDS. Should more than one entity for an area be successful in stage 1 all efforts will be made to facilitate collaboration/cooperation with the view to the submission of a single strategy for that area. Where that is not possible it is proposed that competing strategies will be evaluated and one selected. The LDS will be selected by a committee set up specifically for that purpose. It is envisaged that this process will take a minimum of 6 months and Ireland hopes to begin the operation of successful LDS in early 2015. 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.

Each LAG will be required to work within the partnership framework described above in order to ensure that the overall county development priorities that are identified are complemented by the LDSs for the RDP. The aim of this process is to ensure that the all development planning processes are working in tandem to maximise the impact of all funding, national and European, allocated to any particular sub regional area to support local and rural development.

The LDS selection process will be open and transparent and will allow any LAG that has the required capacity to develop an LDS for a defined sub regional area. The new LAGs will be required to work within the partnership framework described above in order to ensure that the priorities which are identified for the county are complemented by the LDS. The aim of this process is to ensure that the all development planning processes are working in tandem to maximise the impact of all funding, national and European, allocated to any particular sub regional area to support local and rural development.

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 LAG in both composition and ethos.

Funding provided under the LEADER measure will support members of rural communities to participate fully in their communities from an economic, social and cultural perspective. The specific challenges of particular communities and in this context the solutions to these challenges will be very much based on the needs identified in the LDSs. With the integrated approach to local development proposed by Ireland for the 2014-2020 period, the development of the LDS for the LEADER element of the RDP will be closely aligned with a broader economic and social development planning process at local level, thus ensuring complementarity and demarcation when it comes to support for social inclusion and other initiatives funded by the EAFRD.

Similar to the consideration of support for social inclusion outlined above the integrated planning processes at local level will ensure coherence and complementarity with regard to enterprise functions. The LCDC is charged with the coordination of the social and community aspects of the overall county planning process and will have representation from the Local Enterprise Office (LEO) on the decision making element of the LCDC to ensure coherence with the economic aspects of that plan. More detailed implementation systems will be developed and relevant protocols put in place in order to ensure that there is full coordination between enterprise support available under the LEADER element of the RDP and other enterprise supports available at a local level. The Managing Authority will also ensure that appropriate capacity building initiatives will be available to any entity delivering such supports for the 2014-2020 period.

### **LEADER Themes**

The objectives of the LEADER measure is to fund initiatives emerging from a community led local development approach at local level that aim to address the needs of individual sub regional areas. These local objectives will be specific to each individual area but will contribute to both the aims and objectives of each individual LDS as well as addressing social inclusion, poverty reduction and economic development of rural areas as outlined in the programme priority.

The guidance documentation to accompany the LDS 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 (CEDRA) 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 LDSs. 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 LAGs 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.

As LEADER will be programmed under priority 6 of the RDP, it will aim to promote social inclusion, poverty reduction and the economic development of rural areas. As LEADER interventions are supported through the framework of a LDS that is specific to the sub-regional area it is addressing, the specific objectives to be addressed by each strategy will be different. The primary measure of eligibility for projects funded through the LEADER approach will be to contribute to the aims and objectives of the LDS (LDS). However each LDS will be required to outline and demonstrate the linkages between the aims and objectives

of the strategy and the overall objective of priority 6 which is the promotion of social inclusion, poverty reduction and economic development in rural areas.

## **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.

- Support for food producers, incorporating
  - Support for artisan food producers, including a focus on collaborative proposals aimed at production quality and market issues,
  - Support for regional product development, including a focus on marketing of distinctive local foodstuffs, and
  - Marketing and processing support for strategically identified sectors, including honey and apple processors.<sup>57</sup>
- Renewable Energies
- Marine
- Social Enterprise
- Creative Industries

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<sup>57</sup> An allocation of €15m has been set aside for these three sub-themes

### **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 other 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;

- i. Basic Services targeted at hard to reach communities
- ii. 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 the 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 LDS 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 these 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

*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.

*Type of support:*

Grant aid to support the development of LDSs at sub-regional level.

*Links to other legislation:*

Article 32-35 of Regulation (EU) 1303/2013 of the European Parliament and of the Council (CPR)

*Beneficiaries:*

Qualifying LAGs that have expressed an interest in the design and development of a LDS for a defined sub-regional area.

*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.

*a) Eligibility conditions:*

As outlined above, Ireland will conduct a two-step process for LDS selection with the initial step designed to determine the LAGs 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 LAGs chosen through this initial process will be eligible for preparatory support to develop their LDS.

*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 LAG 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.

*Applicable amounts and support rates:*

Preparatory support will be grant aided up to 100% with a maximum ceiling.

**Verifiability and controllability of the measures**

*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.

*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 LAGs 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.

*Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

**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))

**Additional information specific to the Measure concerned**

N/A

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

N/A

**Measure:** LEADER

**Sub Measure:** Implementation of operations under the CLLD strategy

*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. LDSs 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.

*Type of support:*

The support provided to achieve the aims and objectives of the LDS will be in the form of grant aid.

*Links to other legislation:*

Article 32-35 and 65-71 of Regulation (EU) 1303/2013 of the European Parliament and of the Council (CPR)

*Beneficiaries:*

LAGs and other local actors including private investors and State Agencies. Detailed systems of demarcation will be in place to avoid overlap and double funding.

*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 LDS 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 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.

*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. For the 2014-2020 programming period, and in line with a more concerted effort to promote a more integrated approach to rural development at a local level, it is proposed to support integrated LEADER projects by facilitating systems that allow for co-funding with other public bodies as well as private and community co-funding. The systems implemented will be outlined in detail in the LEADER operating rules and integrated projects will be fully monitored to ensure compliance with relevant regulatory requirements including double funding.

*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 LAG.

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.

*Applicable amounts and support rates:*

LAGs 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.

## **Verifiability and controllability of the measures**

### *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 LAGs 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.

### *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 LAGs 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 LAGs and improve the capacity of the system as a whole to address issues of regulatory and financial compliance.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

## **Methodology for the calculations of the amount of support, when relevant**

### **Additional information specific to the Measure concerned**

Support for operations funded through LDSs 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.

### **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 LAGs

*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 LAG.

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 the Republic of Ireland. All other cooperation activities will be carried out by LAGs as outlined in the regulatory framework.

*Type of support:*

The support provided for cooperation activities will be in the form of grant aid.

*Links to other legislation:*

Article 32-35 and 65-71 of Regulation (EU) 1303/2013 of the European Parliament and of the Council (CPR)

*Beneficiaries:*

LAGs and other local actors.

*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).

*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.

*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.

*Applicable amounts and support rates:*

LAGs 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.

**Verifiability and controllability of the measures**

*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 LAGs 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.

*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 LAGs 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 LAGs and improve the capacity of the system as a whole to address issues of regulatory and financial compliance.

*Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

**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 Managing Authority will outline the criteria for the calculation of support amounts with regard to cooperation activity relating to cooperation between Northern Ireland and the Republic of Ireland.

**Additional information specific to the measure concerned**

As per Article 34 (5) of Regulation (EU) 1303/2013 Ireland intends to retain the allocation for this measure at a national level and allow LAGs to apply for this funding on a project by project basis. This funding will be additional to their LDS allocation. This is to encourage activity under the measure and to ensure that projects are in line with the spirit of the LEADER ethos.

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

N/A



**Measure:** LEADER

**Sub Measure:** Running Costs and Animation

*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 LAGs charged with the design and implementation of the LDS.

*Type of support:*

The support provided for running costs and animation will be in the form of grant aid.

*Links to other legislation:*

Article 32-35 and 65-71 of Regulation (EU) 1303/2013 of the European Parliament and of the Council (CPR)

*Beneficiaries:*

LAGs.

*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.

*Eligibility conditions:*

N/A

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

N/A

*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.

## **Verifiability and controllability of the measures**

### *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 LAGs 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 LAGs and improve the capacity of the system as a whole to address issues of regulatory and financial compliance.

### *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 LAGs 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.

### *Overall assessment*

The relevant risks associated with this measure have been identified and addressed as part of the measure design.

## **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.

## **Additional information specific to the measure concerned**

N/A

## **Other important remarks relevant to understand and implement the measure**

N/A

## **9. Evaluation Plan**

### *9.1 Objectives and purpose*

In overall terms, the purpose of this Evaluation Plan is to help to ensure the effective expenditure of EU and national exchequer funding on Ireland's Rural Development Programme (RDP) over the period 2014-2020, and in doing so, to ensure that the RDP contributes to the achievement of CAP objectives, the objectives of the Europe 2020 strategy and the ambitions set out at national level as set out in, for example, the smart, green growth message of the Food Harvest 2020 strategy.

The achievement of maximum value for money is particularly important at a time of scarce financial resources. The formulation of an Evaluation Plan is an integral part of programme development and will help to identify, in advance, the key information and resources required to ensure effective implementation and, in turn, help to ensure the achievement of EU and national objectives in the most cost effective way possible.

In more detail, the objectives of this Evaluation Plan are to:

- clearly set out the arrangements necessary to carry out effective monitoring and evaluation of Ireland's RDP activities, in accordance with the detailed requirements set out by the European Commission,
- outline how sufficient and appropriate evaluation activities will be undertaken,
- outline how the commensurate resources will be assigned to these activities, and
- demonstrate how the evaluation activities undertaken will ensure the availability of the information at the time and in the format required to effectively manage and monitor the progress of the programme.

It is expected that the formulation of this Evaluation Plan will also give rise to beneficial effects in areas such as:

- the supporting of a more rigorous monitoring and evaluation process,
- the generation of added value in a policy-making context through the incorporation of evaluation into RDP implementation from the outset, which will help to provide ongoing, valuable information on the performance of the programme and facilitate more meaningful review.

Finally, it is intended that the rigorous and systematic approach to be taken to evaluation under the RDP over the 2014-2020 period, and particularly the planning of evaluation activities at the early stages of policy design and implementation, will generate legacy benefits for DAFM.

### *9.2 Governance and Coordination*

DAFM is Ireland's primary RDP Managing Authority and Paying Agency, and will have primary responsibility for the implementation of Ireland's RDP monitoring and evaluation arrangements.

DECLG, as the delegated Paying Agency for LEADER, will have primary responsibility for monitoring and evaluating the LEADER elements of the RDP, and will consult with DAFM on progress in relation to same on an ongoing basis. The monitoring and evaluation of LEADER will, however, be integrated with the overall monitoring and evaluation for the RDP.

As set out in the Rural Development and Common Provisions Regulations, the Monitoring Committee will have a role in relation to the monitoring of the performance of the RDP. The Committee's functions in this regard are set out in the Regulation, and include the consideration and approval of annual implementation reports and the reviewing the implementation of the RDP and progress made towards achieving its objectives.

Within DAFM, in general terms, a number of line divisions will be responsible for different aspects of the RDP monitoring and evaluation arrangements. These are:

- Rural Development Division:
  - will be the central coordinating division for the monitoring and evaluation of the RDP,
  - will coordinate the measure design input from line divisions,
  - will coordinate the process of the identification, capture, and management of the appropriate amount of data required for efficient monitoring and evaluation at the earliest possible juncture by line divisions, i.e. during application processing,
  - will identify, with the assistance of line divisions, the data requirements that are likely to be satisfied using external sources of information,
  - will engage external technical assistance to assist with evaluations as required, including through the compilation of the more qualitative data associated with the enhanced Annual Implementation Reports
  - will coordinate the RDP input into the overall CAP evaluation to be undertaken in conjunction with Pillar 1 schemes.
- Line divisions (for example, Agri-Environment and Structures, Nitrates Bio-diversity and Engineering Division, Climate Change and Bio-Energy Division etc):
  - will ensure that the requirements in relation to statistical information and monitoring and evaluation data are addressed to the maximum possible extent during the design of individual measures, including where this involves consultation with/implementation by external bodies,
  - will implement systems of collection and reporting of monitoring and evaluation data over the RDP period.
- IMT (Information Management and Technology) Division:
  - will be responsible for the development of the IMT systems necessary to support the implementation of the RDP,
  - will ensure the capture and interrogation of statistical information and monitoring and evaluation data from both internal (DAFM) and external sources, including data that may be obtained by alternative means such as surveys.
- Economics and Planning Division (EPD):
  - as DAFM's central evaluation unit, this division will contribute to the optimum design and targeting of measures under the new RDP,

- will continue to incorporate RDP measures into DAFM's Value For Money Review process, as has been done under the 2007-2013 RDP,
- will incorporate RDP measures into plans to undertake Focused Policy Assessments in line with the Public Spending Code published by the Department of Public Expenditure and Reform,
- as a member of the Irish Government Economic and Evaluation Service, will provide ongoing expert advice and input into evaluation issues that arise over the lifetime of the RDP.
- As a member of the Public Service Evaluation Network, EPD will feed back learning from the wider public sector evaluation context into the RDP monitoring and evaluation process.

In addition, a new DAFM Business Co-ordinator, who will plan and monitor the implementation of CAP reform across Pillar 1 and Pillar 2, will help to coordinate the activities of these divisions in the implementation of the RDP monitoring and evaluation arrangements.

### **RDP Monitoring and Evaluation Steering Group**

The critical need for effective evaluation of the expenditure of Rural Development funds, and the comprehensive nature of the evaluation requirements set out by the Rural Development Regulation, requires a specific focus on the part of DAFM. For example, in addition to the challenge of ensuring that data is captured as part of measure design, there is also the considerable challenge of ensuring that IMT systems are able to manage and interrogate this data efficiently, regardless of whether it comes from internal or external sources.

As part of the process of designing the RDP, a Coordinating Committee has been put in place to ensure a common approach among all divisions inputting in the process. This Committee will remain in place following the formal agreement of the RDP and will then focus on ensuring a coordinated approach to the implementation of the RDP. Given the central importance of monitoring and evaluation in the RDP, a sub group of this Coordinating Committee will be focused on monitoring and evaluation requirements. This sub group will be comprised of:

- Rural Development Division
- Finance Division
- IMT Division (Direct Payments Section)
- Economics and Planning Division
- The Department of the Environment, Community and Local Government
- Agri-Environment and Structures & Nitrates Bio-diversity and Engineering Division (given the focus in the RDP on environmental issues)
- It is expected that the input of other actors may be required in relation to specific issues as they arise. For example, the monitoring and evaluation of the Locally Led Agri-Environment Schemes may require input from the National Parks and Wildlife Service.

This sub group will feed back into the main coordinating Committee and ensure that monitoring and evaluation issues remain at the centre of the implementation process and are dealt with in a systematic manner.

The Department's evaluation activities will be augmented by the engagement of external evaluation assistance on tasks such as the measurement of progress against result indicators and the preparation of the enhanced Annual Implementation Reports in 2017 and 2019, and will be reviewed by the Monitoring Committee as required under the Rural Development Regulation. In all cases, the work of such evaluators will be overseen by steering committees comprised of representatives from relevant line divisions.

### *9.3 Evaluation topics and activities*

The evaluation topics to be covered by DAFM's monitoring and evaluation arrangements reflect the need for the RDP to address both EU and national requirements. From an EU perspective, this means ensuring that the three objectives for rural development are pursued through an effective targeting of RDP measures at the Union priorities set out in the Rural Development Regulation. From a national perspective, the evaluation topics will focus on the way in which RDP implementation is consistent with the programme's intervention logic, which is linked to the need to support the achievement of the Smart, Green, Growth objectives set out in the Food Harvest 2020 strategy. The set of measures contained in this RDP have been designed as an integrated response to this range of policy prerogatives.

Evaluation activities will be planned across what is essentially a two-step process. The first step is the preparation phase, during which DAFM has set the basis for the evaluation that will take place over the RDP programming period. Work undertaken here includes linkage of common evaluation questions and indicators to focus areas and measures, identification of data needs and sources, and the areas in which external evaluators or other technical assistance will be required. This step has been integrated into the RDP design process.

The second step is the programme implementation phase, during which substantive evaluation will be carried out. Work to be undertaken here will include ongoing assessment of progress towards the achievement stated objectives, via the submission of Annual and Enhanced Annual Implementation Reports and other evaluative activities.

#### **Evaluation Topics**

The following evaluation topics have been undertaken as part of the RDP design and associated ex ante evaluation:

- an assessment of whether the range of RDP measures are adequately addressing the Rural Development Priorities and their associated focus areas
- an assessment of the contribution of RDP measures to the cross-cutting objectives of innovation, environment, and climate change mitigation and adaptation, and
- an assessment of the extent to which effective complementarity with Pillar I of the CAP and with other ESI funds is being achieved.

Further evaluation topics will also focus on the extent to which the RDP is contributing to the achievement stated EU and national objectives. The focus here will be on addressing the key issue of whether the expenditure undertaken as part of the RDP is achieving value for money. This work will be ongoing over the course of the RDP, and will involve the monitoring and evaluation requirements set out in the Rural Development Regulation as well as DAFM's own evaluative work via Value for Money Reviews, Focused Policy Assessments etc.

## **Evaluation Activities**

The first tranche of evaluation activities has been undertaken during the preparation phase. DAFM has engaged with its ex-ante evaluators in order to establish a robust evaluation plan and an efficient structure to support the plan's implementation. Activities here include:

- early identification of the data requirements for the assessment of progress against output, result and other indicators,
- early identification of the anticipated sources of data and the means by which data gaps will be addressed,
- an early assessment of the linkages between common evaluation questions and common indicators (given the particular requirements of the enhanced AIRs in 2017 and 2019),
- identifying possible areas which may require the engagement of external evaluators and the use of technical assistance at key stages of RDP implementation.

The second tranche of evaluation activities will be those associated with programme implementation. It is in this phase that the contribution of the various measures towards stated objectives will be evaluated. Key activities during this phase will include:

- the adoption of suitable evaluation methodologies and the application of these to the assessment of the achievement of value for money in RDP spending,
- planning and execution of AIRs, and enhanced AIRs, in accordance with Commission requirements.

### *9.4 Data and information*

The provision of efficient data management systems to record, maintain, manage and report statistical information on the RDP, and to provide monitoring data for evaluation purposes, requires action at four levels:

- identification and capture of the appropriate statistical and monitoring data at the earliest opportunity, i.e. during measure design and implementation (application processing, control and payment processing),
- enhancement/re-design of existing internal IT systems to enable processing of measure-based statistical and monitoring data - including through compatibility and/or efficient communication with external sources of information in the case of some measures and indicators,
- identification of other potential methods to collect statistical and monitoring data in accordance with evaluation requirements and
- the efficient incorporation of these additional methods/sources into DAFM's data management systems.

Each of these activities will also be informed by the range of requirements in relation to:

- the recording of context indicators,
- the measurement of outputs and results in accordance with the range of other indicators detailed in the Implementing Act (output, result and target indicators),
- the linkage of indicators to focus areas and measures as set out in the Indicator Plan,
- Annual Implementation Reports (AIRs), including in relation to outputs, progress towards targets and achievement of the Performance Framework indicators,

- the focus area-related common evaluation questions that will be addressed in the enhanced AIRs in 2017 and 2019.

At this stage, it is envisaged that DAFM's overall data management system for statistical information and monitoring data is likely to be comprised of three elements:

- capture and processing of application/measure data, including monitoring data (in respect of output indicators, and some result and Performance Framework indicators, as required in particular for the completion of AIRs) through existing, internal IT systems and data sources, primarily:
  - the Generic Claims Processing System (GCPS) and the Ranking and Selection System (RASS), which will process application data,
  - the Land Parcel Identification System (LPIS) and the (Agriculture Field Inspection and Testing (AFIT) system, which will facilitate control and inspection, and
  - the SAP financial system
- capture and processing of application/measure data, including monitoring and evaluation data from external sources, including:
  - Department of the Environment, Community and Local Government
  - Department of Arts, Heritage and the Gaeltacht
  - Teagasc
  - The Environmental Protection Agency
  - Bord Bia
  - agricultural planners and advisors,
  - EIP Operational Groups
  - ICBF
  - Central Statistics Office,
  - National Biodiversity Centre

and

- capture of other, more qualitative, monitoring data (primarily in respect of the common evaluation questions to be addressed in the enhanced AIRs in 2017 and 2019) through alternative means or from other external sources, such as may be provided via the use of external expertise.

While much of the statistical and monitoring data will be generated internally in DAFM via the systems established to support the implementation of individual measures, there will also be a need to link to a number of external sources of data. In addition, a range of additional indicator and monitoring data will have to be generated, stored and reported upon given the requirements in relation to the drafting of an Indicator Plan, and the compilation of the AIRs and enhanced AIRs. Further needs in this area are likely to arise depending on whether evaluation topics and activities anticipated by DAFM change over time.

The satisfaction of all of these requirements - in addition to requiring a particular focus from Line Divisions during measure design - will require the establishment of a separate evaluation project within DAFM's IMT Division. Among other issues, the question of whether the management and generation of additional, or large volumes of, statistical



information and monitoring data will require the use of a data warehousing facility will have to be addressed.

In addressing issues relating to monitoring and evaluation, and data requirements in particular, the Department has been particularly cognisant of the need to take into account the experience gained in monitoring and evaluation in previous programming period. Thus, a number of issues have been specifically addressed in the RDP design process and in the formulation of this evaluation plan, including

- the clear identification of responsibilities in divisions across the department and the identification of the required resources to support monitoring and evaluation
- the need to put in place an efficient and coordinated approach to the collation of data for reporting requirements across the department, and
- the benefits to be derived from designing at an early stage of RDP design a common electronic system for identification and recording required data.

### 9.5 Timeline

The table below outlines the major evaluation milestones over the programming period. It is intended that as many as possible of the data requirements and indicators will be satisfied/agreed, and the development of the IMT data management systems will be complete, in advance of programme commencement.

<b>Milestone</b>	<b>Timing</b>	<b>Key Information</b>
1. Commencement of RDP	Draft RDP submitted Q2 2014. Schemes coming on line following negotiation with Commission.	
2. First Annual Implementation Report (2016)	Submission 30 June 2016  Work on collation etc commencing March 2016	Information as set out in Annex VII, paragraphs 1-5, and paragraph 10, of Commission Working Document of 19.02.2014.
3. First Enhanced Annual Implementation Report (2017)	Submission 30 June 2017  Work on collation etc commencing March 2017	Information as set out in Annex VII, paragraphs 1-10, of Commission Working Document of 19.02.2014, including: <ul style="list-style-type: none"> <li>• an assessment of the</li> </ul>

Milestone	Timing	Key Information
		<p>achievement of the performance framework indicators,</p> <ul style="list-style-type: none"> <li>• actions taken to fulfil ex-ante conditionalities, and</li> <li>• additional 'Enhanced AIR' reporting requirements, especially assessment of complementary result indicators and common evaluation questions.</li> </ul>
4. Third Annual Implementation Report (2017)	<p>Submission 30 June 2018</p> <p>Work on collation etc commencing March 2018</p>	<p>Information as set out in Annex VII, paragraphs 1-5, and paragraph 10, of Commission Working Document of 19.02.2014, including:</p> <ul style="list-style-type: none"> <li>• an assessment of the achievement of the performance framework indicators, and</li> <li>• actions taken to fulfil ex-ante conditionalities.</li> </ul>
5. Second Enhanced Annual Implementation Report (2018)	<p>Submission 30 June 2019</p> <p>Work on collation etc commencing March 2019</p>	<p>Information as set out in Annex VII, paragraphs 1-10, of Commission Working Document of 19.02.2014, including:</p> <ul style="list-style-type: none"> <li>• an assessment of the achievement of the performance framework indicators, and</li> <li>• additional 'Enhanced AIR' reporting requirements, especially assessment of complementary result indicators and common evaluation questions, and</li> <li>• an assessment of the progress made in ensuring</li> </ul>

Milestone	Timing	Key Information
		an integrated approach to the use of EAFRD and other EU funds.
6. Fifth Annual Implementation Report (2019)	Submission 30 June 2020  Work on collation etc commencing March 2020	Information as set out in Annex VII, paragraphs 1-5, and paragraph 10, of Commission Working Document of 19.02.2014, including: <ul style="list-style-type: none"> <li>• an assessment of the achievement of the performance framework indicators.</li> </ul>
7. Sixth Annual Implementation Report	Submission 30 June 2021  Work on collation etc commencing March 2021	Information as set out in Annex VII, paragraphs 1-5, and paragraph 10, of Commission Working Document of 19.02.2014, including: <ul style="list-style-type: none"> <li>• assessment of achievement of the performance framework indicators.</li> </ul>
8. Ex-post Evaluation Report	Submission 31 December 2024	Information demonstrating the impact and effectiveness of RDP measures over the period from 2014, and their contribution to EU common policy and programme-specific objectives.

### 9.6 Communication

Evaluation findings will be disseminated to a range of recipients on an ongoing basis. The subgroup of the RDP Coordination Committee will oversee this process.

From an outward-looking perspective, it is intended that communication and follow-up activities will mainly revolve around the submission of the Annual Implementation Reports (including enhanced reports) to the European Commission and the Monitoring Committee.

From an internal perspective, the subgroup of the RDP Coordination Committee will facilitate discussion and application of monitoring and evaluation results across the range of measures in the RDP. Again, this is likely to revolve around the production, submission and follow-up of the AIRs, but may also take place as a result of other evaluations carried out.

More generally, it is intended that the Annual Implementation Reports, and any other evaluations conducted by, for example, DAFM's Economics and Planning Division, will be published as they become available. In addition, it is intended to make use of other fora such as the National Rural Network and the Public Sector Evaluation Network as possible further channels of communication.

The Department's Annual Report is a further communication channel which can be used to report on progress across RDP schemes to a wide audience.

### *9.7 Resources*

The successful implementation of this Evaluation Plan depends upon the allocation of sufficient administrative, financial and technological resources to the various activities outlined, and at the appropriate times. For example, the availability of sufficient resources is likely to be a more critical issue for DAFM's Line Divisions and IMT Division in the early stages of RDP development, which focus on measure design and the establishment of data management systems, than when the programme is in operational mode. Similarly, and although adequate resources are required to coordinate the early evaluation planning activities, it is likely that significant, adequately trained resources will be required by DAFM's Rural Development Division during programme implementation, given that this Division will have overall responsibility for the monitoring and evaluation of the RDP on an ongoing basis.

The following is an initial description of the resources needed and foreseen in this regard:

#### **Measure Design**

Line Divisions - at least one staff member with clearly assigned responsibility for evaluation/indicator setting under each proposed measure. The relevant line divisions are those identified by the Department's senior management as the lead divisions in relation to the design of individual measures. Thus, this is a clear assignation of responsibility for each measure.

Rural Development Division - at least one staff member assigned to coordinate input from Line Divisions in relation to evaluation data identification and capture, and to ensure the establishment of the appropriate linkages between measures and focus areas and the range of common output, result and target indicators.

IMT Division – at least one additional staff member and one or more external contractors will be required to support the provision of a data analytics system specifically for the RDP (and Pillar 1 Schemes).

The design and construction of a RDP Data Analytics service to support evaluation reporting is envisaged. This service will also address cross cutting operational reporting as required,

Economics and Planning Division - at least one staff member with responsibility for assisting Rural Development Division in the establishment of the RDP evaluation and monitoring arrangements, and in the coordination of RDP evaluation activities with other evaluation activities likely to be undertaken by EPD over the period of the programme. These evaluative activities will be in addition to those required under the relevant EU Regulations.

### **Programme Implementation**

Line Divisions – one staff member responsible for coordinating the response to issues arising from, for example, Annual Implementation Reports.

Rural Development Division – at least one staff member with responsibility for monitoring progress, managing the production of Annual Implementation Reports and coordinating any necessary follow-up.

IMT Division - technical and administrative resources will be available as necessary to ensure efficient processing of RDP measure data and generation of the information required to fulfil evaluation requirements.

Economics and Planning Division - ongoing availability of advice and assistance in the implementation of the monitoring and evaluation arrangements, and to ensure complementarity with the existing RDP evaluation activities of EPD.

### **Financial Resources**

The implementation of the RDP Data Analytics system for evaluation reporting will entail financial burden over and above the systems to support the operation of the schemes. There will be costs involved in the provision of the necessary hardware (possibly), software (data collection/storage and data analytics reporting) and development/support. This expense may be partially recoverable from the technical assistance budget.

## **10. Financing Plan**

*The Financial Plan as it appears in the Official Version of the Programme is included in Appendix 1 of this document.*

## **11. Indicator Plan**

*The Indicator Plan as it appears in the Official Version of the Programme is included in Appendix 2 of this document.*

## 12. Additional National Financing

**For measures and operations falling within the scope of Article 42 of the Treaty**, a table on additional national financing per measure in accordance with Article 89, and indication of compliance with the criteria under RD regulation.

Measure	Additional National Financing during the period 2014-2020 (EUR)	Indication of compliance of the operations with the criteria under Rural development regulation
No additional national financing will be programmed.		
Total		

**Table 1: Additional National Financing**



### **13. Elements needed for state aid assessment**

*The State Aid chapter as it appears in the Official Version of the Programme is included in Appendix 3 of this document.*

## **14. Information on complementarity**

*14.1 Description of means for the complementarity/coherence with other Union instruments and, in particular, with ESI funds and Pillar 1 and other instruments of the Common Agricultural Policy.*

### **Complementarity/coherence with other ESI funds**

The basis for the complementarity/coherence of the EAFRD with other ESI funds (namely the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Maritime and Fisheries Fund (EMFF) lies in the contribution of the EAFRD across a range of the eleven thematic objectives set out in Annex I of the Common Provisions Regulation, including

- strengthening research, technological development and innovation
- improving the competitiveness of the agriculture sector
- supporting the shift to a low-carbon economy, promoting climate change adaptation, risk prevention and management, and preserving and protecting the environment and promoting resource efficiency
- promoting social inclusion, combating poverty and any discrimination

Ireland's Partnership Agreement sets out the various ways in which RDP measures will contribute to these thematic objectives. It is also clear from the Partnership Agreement that other ESI Funds in Ireland will also make contributions to the thematic objectives which the RDP contributes to.

Thus, the clear challenge is to ensure that, in each of these areas, the interventions supported through the EAFRD will be implemented in a coordinated manner so as to avoid duplication of funding and create synergies with the other ESI funds and to ensure an integrated use of the funds. This challenge is being addressed in a number of ways.

The National Coordination Committee for the Funds (NCCF) - at national level, the NCCF was established in order to ensure coordination of and complementarity between the ESI funds. DAFM participates in this Committee with representatives from

- the Department of Public Expenditure and Reform,
- the Department of Education and Skills,
- the Department of Environment, Community and Local Government,
- the Department of Jobs, Enterprise and Innovation,
- the Department of Communications, Energy and Natural Resources,
- the Border Midlands and West Regional Authority
- the Southern and Eastern Regional Authority, and
- the Special EU Programme Body.

A sub-group of the NCCF, involving relevant Government Departments and representatives of the regional authorities (the Managing Authorities for all the ESI Operational Programmes), meets on a regular basis in order to coordinate input from the various agencies to the development of Ireland's national Partnership Agreement, which was submitted to the European Commission in April 2014. This mechanism allowed DAFM's work on the consultation/design phase of Ireland's Rural Development Programme for the

period 2014-2020 to be embedded in an overarching process designed to ensure an integrated use of the ESI funds.

The NCCF will continue this work during the finalisation of Operational Programmes, and will also work to ensure the necessary cooperation between all of the relevant bodies in addressing issues that arise in the course of programme implementation and in exploiting ongoing opportunities for greater synergies across the ESI funds. Examples of how this structure has and can facilitate increased complementarity include:

- ERDF co-financed investment in next generation broadband in rural areas that have not been provided with such services by commercial operators will help to achieve the RDP objectives of improving agricultural competitiveness, and achieving balanced territorial development of rural economies and communities. It will also help to achieve a further thematic objective, namely, the achievement of more efficient public administration, through the wider availability of online services and the encouragement of farmers to use web-based application/payment facilities. The issue of broadband in rural areas is also a theme which emerged from the RDP consultation process, and in particular the LEADER consultation process. As a complement to ERDF investment in this area, the issue of broadband has been identified within the emerging LEADER themes and it is intended that support here will be focused on training and capacity building issues.
- ERDF co-financing of energy efficiency and renewable energy initiatives will complement efforts under the RDP to increase the on-farm focus on resource efficiency, and the need to contribute to climate change mitigation and adaptation.
- investments in research, technological development and innovation under the ERDF and ESF will focus on the areas identified in the recent national research prioritisation exercise, which include several that are of relevance to the agri-food sector (DAFM will play a lead role in respect of two of the fourteen priority areas, namely, Sustainable Food Production and Processing, and Food for Health). The NCCF will help to ensure that these investments complement EAFRD co-financed investments in innovation at farm level.
- ‘Cross-Membership’ of Monitoring Committees - although the precise membership of the Monitoring Committee for Ireland’s Rural Development Programme for the period 2014-2020 is still to be decided, it is intended that complementarity with the other ESI funds will be facilitated through DAFM being represented on the Monitoring Committees of the other Operational Programmes. Similarly, representatives of the other Operational Programme’s Managing Authorities will participate in the RDP Monitoring Committee. This cross membership will further ensure that issues of complementarity and coherence of funding will continue to be addressed as Operational Programmes are finalised and implemented. In addition, all the Managing Authorities will be members of the Partnership Agreement Monitoring Committee, providing a further channel to facilitate complementarity and coordination.

The NCCF has also established linkages to the network of Cabinet Sub Committees and Senior Officials Groups chaired by the Department of An Taoiseach. Thus, issues relating to ESI Funds have been considered by this high level central coordination structure, adding a further level of integration and complementarity.

### **Complementarity/coherence with Pillar 1 and other instruments of the CAP**

The 2014-2020 RDP, by focusing on the sustainable development of a competitive agriculture sector and the maintenance of economically viable rural areas, will actively complement the role of direct payments and the market support measures available to farmers under Pillar 1 of the CAP. In order to maximise potential synergies and the added value of Union support across both pillars, Ireland has adopted a two-pronged approach.

The first element has been the selection of complementary policy options and measures. For example, the consultation processes under Pillars 1 and 2 highlighted the importance of generational renewal in agriculture. Ireland has therefore chosen to combine implementation of a young farmers scheme under Pillar 1 with targeted supports for young farmers and new entrants under Pillar 2. The former will assist young farmers in the initial stages of establishing a farming enterprise in their own names by providing a top-up to their direct payment, while the latter, through measures such as increased capital investment aid rates and support for collaborative farming arrangements, will provide young people with alternative pathways into agriculture as well as the means to adopt the most up-to-date technology from the start-up stage. Similar approaches have or will be adopted, for example, in the selection and specification of environment measures under Pillar 2 that go beyond the baseline established by the greening measures to be implemented under Pillar 1.

The second element is the administration of all measures in a coherent and consistent manner across both pillars. DAFM will achieve this through an integrated governance structure that will:

- coordinate more effectively the business and IT dimensions of measure design and implementation under each of Pillars 1 and 2, and
- ensure complementarity between the two pillars through the participation of key personnel, including a new high-level business coordinator for the implementation of CAP reform, in the activities under each pillar.

This will ensure that activities such as the implementation of the common monitoring and evaluation framework under both pillars will be undertaken as effectively as possible. It will also help to identify potential synergies or efficiencies that might be exploited in the delivery of new measures under the reformed CAP.

#### *14.2 Information on complementarity with other Union financial instruments.*

Other Union financial instruments of particular relevance from an EAFRD perspective are the Environment and Climate Action (LIFE+) fund and the Research and Innovation (Horizon 2020) fund.

Ireland's Rural Development Programme for the period 2014-2020 places particular emphasis on the sustainable development of the agriculture sector. In doing so it aims to

contribute to the EU cross-cutting objectives of environment, innovation, and climate change mitigation and adaptation. DAFM will therefore seek to ensure that investments made under the RDP will complement, and build on, activities supported under each of these other financial instruments.

In relation to the LIFE Programme, DAFM will maintain close contact with the Department of the Environment, Community and Local Government in order to monitor environmental and climate action projects that will either complement similar initiatives, or provide the basis for future investments, under the RDP. The Burren LIFE project provided the basis for the Burren Farming for Conservation Programme, which is to be extended under the 2014-2020 RDP, and it is intended that similar opportunities arising from the LIFE programme will be exploited where possible and appropriate. LIFE 2014-2020 will incorporate a specific sub-programme for Climate Action and the creation of a new type of ‘integrated project.’ In the event that new ‘integrated projects’ of the type foreseen in the LIFE programme are considered in Ireland, and particularly where these relate to Natura 2000 network management or climate change mitigation and adaptation activities, DAFM will work closely with DECLG to ensure that they complement similar measures under the RDP.

The coupling of research and innovation under Horizon 2020 in order to tackle societal challenges and improve economic competitiveness mirrors efforts already undertaken by DAFM in recent years to link agricultural research more closely to on-farm practice. For example, support for technology adoption in the dairy, beef and sheep sectors, which has been available since 2010, will be built upon through output-focused investment in Knowledge Transfer Groups under the 2014-2020 RDP. In addition, support for EIP operational groups will help to establish closer links between farmers, private sector bodies and research institutions in order to ensure the outputs of research are clearly focused on end user needs. In order to ensure that these activities complement the activities being financed under Horizon 2020’s ‘Societal Challenge pillar (under the heading ‘Food security, sustainable agriculture and forestry, marine and maritime research and inland water research and the bioeconomy’), communication within DAFM between its Research Divisions and the line division implementing the Knowledge Transfer and Innovation measures will continue on from the measure design phase into the implementation and roll out phase.

## **15. Implementing arrangements**

### *15.1 Designation of all relevant authorities*

Authority Type [Management Authority; Certifying authority...]	Name of the authority/body, and department or unit, where appropriate [255 characters - Mandatory]	Head of the authority/body (position or post) [255 characters - Optional]	Address [255 characters - Optional]	Telephone [255 characters - Optional]	Email [255 characters - Mandatory]
Managing Authority	<b>Department of Agriculture, Food and the Marine, Rural Development Division</b>	<b>Mr. Fintan O'Brien Head of Rural Development Division</b>	<b>Rural Development Division, Dept. of Agriculture, Agriculture House, Kildare Street, Dublin 2, Ireland</b>	<b>00 353 1 607 2508</b>	<b><u>Fintan.OBrien@agriculture.gov.ie;</u> <u>RuralDevelopment@agriculture.gov.ie</u></b>
Paying Agency	<b>Department of Agriculture, Food and the Marine, Finance Division</b>	<b>Mr. Heber McMahon Head of Finance Division</b>	<b>Finance Division, Dept. of Agriculture, Agriculture House, Kildare Street, Dublin 2, Ireland</b>	<b>00 353 1 607 2517</b>	<b><u>Heber.McMahon@agriculture.gov.ie</u></b>
Delegated Paying Agency (LEADER)	<b>Department of Environment, Community and Local Government</b>	<b>Ms. Finola Moylette Head of EU Rural Development Section</b>	<b>EU Rural Development, Dept. of Environment, Community Division, Government Buildings, Ballina, Co. Mayo</b>	<b>00 353 96 24322</b>	<b><u>Finola.Moylette@environ.ie;</u> <u>rdp@environ.ie</u></b>
Certifying Authority	<b>Deloitte &amp; Touche are contracted for year 2014. The contract for 2015 will be award mid-2014 &amp; may be extended beyond 2015.</b>	<b>Ailbhe Moynihan Senior Manager, Internal Audit, Enterprise Risk Services</b>	<b>Deloitte &amp; Touche, Earlsfort Terrace, Dublin 2, Ireland</b>	<b>00 353 1 417 2200</b>	<b><u>amoynihan@deloitte.ie</u></b>

### 15.1.1 Summary description of the management and control structure.

The Department of Agriculture, Fisheries and Food (DAFM) is the lead Ministry for the Rural Development Programme (RDP) 2014-2020. Rural Development Division within DAFM will act as the RDP's Managing Authority and Finance Division will act as the RDP's Paying Agency.

In addition to the above, EU Rural Development Section within DECLG will act as the Delegated Paying Agency for LEADER payments. DECLG will also administer and oversee all aspects of LEADER activities. A memo of understanding is signed by both DAFM and DECLG which formalises this arrangement. The Departments will liaise on a continuous basis regarding ongoing issues and funding priorities and a coordination committee will be set up to ensure regular structured communication.

Deloitte & Touche have been appointed as the certifying body to DAFM for the year 2014. The contract for 2015 will be awarded by mid-2014 and may be extended beyond the year 2015. The certifying body is an independent overseer of the truthfulness, completeness and accuracy of the paying agency's accounts and will be appointed by open tender.

### 15.1.2 Arrangements for independent examination and resolution of complaints

#### Department of Agriculture Food and the Marine – Appeals Procedures

While there has been a longstanding system of internal reviews within the Department, where requested by applicants under RDP schemes in this Department, the first independent examination is facilitated by the Agricultural Appeals Office.

The Agriculture Appeals Office is an independent agency established to provide an appeals service to farmers who are unhappy with the Department's decisions regarding their entitlements under certain schemes. The Agriculture Appeals Act 2001 (as subsequently amended), along with the Agriculture Appeals Regulations 2002, sets down the functions of the Director and the Appeals Officers, the decisions that may be appealed and the procedures to be followed in respect of agriculture appeals. Under Section 14(1) of the Agriculture Appeals Regulations 2002, the decision of an Appeals Officer shall have regard to the principles of natural justice and comply with any relevant legislation and terms, conditions and guidelines of the Minister governing or relating to the scheme in question.

When a final decision issues from the Department (i.e. after internal Department review), the applicant will be notified of their option to appeal. The scheme applicant (appellant), dissatisfied with the decision, may appeal in writing or by completing a 'Notice of Appeal' form and submitting it to the Agriculture Appeals Office. The Appeals Office requests from the Department the relevant file and a statement regarding the appellant's grounds of appeal. On receipt of the file and statement, the Director assigns the case to an Appeals Officer. Appellants are entitled to request an oral hearing as part of their appeal. The Agriculture Appeals Office contacts the appellant to arrange an oral hearing if required, or if deemed necessary by the Appeals Officer. It is the policy of the office to discuss each case with the appellant, where possible. The Appeals Officer considers all the evidence in full (including any evidence presented at an oral hearing if there was one). The Appeals Officer makes a



determination on the appeal and notifies the appellant of the decision in writing, setting out the reasons for that decision. The Department will also be notified of the decision.

The decision of an Appeals Officer is final and conclusive. Further options available to an appellant include:

- An Appeals Officer may change a decision where there is new evidence, new facts or a relevant change in circumstances.
- On request, from either party, The Director of Agriculture Appeals may revise a decision where there has been a mistake made in relation to the law or the facts of the case.
- An appellant may wish to raise any issues arising with the Office of the Ombudsman, 18 Lower Leeson Street, Dublin 2 (01 6395600).
- A point of law may be raised with the High Court.

Further information is available on <http://www.agriappeals.gov.ie/>

In the context of the LEADER elements of the RDP similar appeals systems to those in place in DAFM will be implemented in order to ensure that all beneficiaries have access to a fully transparent and fair appeals mechanism. There will be separate appeals mechanisms required at LAG level and at Managing Authority/Paying Agency level that will follow a logical and fully outlined process. The appeals systems will be fully detailed in the operating rules for the LEADER elements of the RDP.

#### *15.2 Envisaged composition of the Monitoring Committee*

The Monitoring Committee will be set up within three months of EU approval of this programme. It will be chaired by DAFM and is likely to include representation from:

- Farming and rural bodies
- Regional/local government
- Environmental and equality interests
- Relevant Government Departments and bodies.
- The Managing Authorities of the ESIF funds

The EU Commission will participate in its work in an advisory capacity.

The Monitoring Committee will meet at least once a year and will review implementation of the programme and progress made towards achieving its objectives by means of financial, output/target indicators, ex-ante conditionalities and performance reviews.

The Monitoring Committee may make observations to the Managing Authority regarding implementation and evaluation of the programme and will examine all evaluations before they are sent to the Commission. The Committee will be consulted by Managing Authority, and shall issue an opinion within 4 months of the decision approving the RDP, on the selection criteria for financed operations, and will issue an opinion on any amendment of the Programme. The Monitoring Committee will also form part of the National Rural Network (NRN)

### *15.3 Publicity arrangements for the Programme*

Over the period of the programme the Managing Authority will disseminate comprehensive information on the RDP using all suitable media facilities. The role of and financial contributions from the EAFRD will be referenced in the appropriate information measures made available to interested applicants.

The communication plan will involve using a number of media channels to communicate to the primary and secondary audiences that will be both constant and in phases over the seven year period. These channels are:

1. Advertising campaign	-	Phases
2. Website	-	Constant
3. Print material	-	Constant
4. PR	-	Constant
5. Media relationship management	-	Constant
6. Seminars / Road shows/ Conferences	-	Phases
7. NRN/ENRD/EIP	-	Constant

The advertising campaign is planned to run over a number of concentrated phases to achieve maximum impact and awareness of the programme. The timing of each phase will be tailored to achieve and deliver on the aims. Media planning will be based on using all available market research tools.

The initial phases in 2014/2015 will involve extensive advertisement in the national newspapers, farming press, development of website information and distribution to the target groups of print material on the Programme. This is the key launch phase for announcing the commencement of the programme and making both primary and secondary audiences aware of the Programme and the positive impact this will have.

To build on the momentum that the launch phase will deliver, the focus of the next phase, over the period of the Programme, is to further roll-out the Programme information by way of further public advertisement, seminars, information centres at major rural/agricultural shows and updates on the website. Progress reports will be made available to beneficiaries and the general public using the appropriate media tools during the programming period.

The timing of each phase is tailored to achieve and deliver on the aims set out above, more specifically as follows:

#### **Phase 1 On approval of the programme**

This is the key launch phase for announcing the commencement of the RDP and making both potential beneficiaries and the general public aware of the Programme and the positive impact this will have. The media selection of Department press releases and website, national

press, farming press, national and regional radio will be relied upon to deliver this phase. There will also be “Roadshows” on some new scheme and the Department will promote the new RDP at the National Ploughing Championships and other large Agricultural shows.

### **Phase 2 On the launch of the first schemes**

Building on the momentum that the launch phase will deliver, the focus of this phase is to further roll-out the programme information and updates. The media selection is as per phase 1.

### **Phase 3 2016**

This phase is designed to act as both a reminder and an updater of the progress of the RDP.

### **Phase 4 2018**

This is the final planned phase and will be used to further update the beneficiaries on the RDP and to highlight the progress from 2014. Again, the media selection is based on phase 1.

The information measures will focus on the following objectives:

- Information for potential applicants and beneficiaries
- Promoting greater general public understanding of the objectives and achievements of the programme in Ireland
- Ensuring recognition of the role of, and financial contribution from, the EAFRD.

To achieve these objectives the managing authority will undertake the following communication functions:

- Co-ordinate the communication plan for the Programme
- Assist the Monitoring committee in the review, update and dissemination of the communication plan
- Publish and circulate the approved Programme and a summary booklet for potential beneficiaries and other interested parties
- Make the programme and the summary booklet available throughout the implementing Departments’ national and local office networks
- Develop and use information tools including leaflets/posters, advertisements, display stands, advertisements and the Department’s website to promote a greater understanding of the Programme.
- Ensure the role of, and contributions from, the EAFRD are referenced on the websites of the implementing Departments, information leaflets and in their periodic publications
- Publish information leaflets/forms/guidance documents on each of the support measures in print and electronic form
- Participate in seminar, conferences, information days, rural/agricultural shows to promote a greater understanding of the Programme and the implementation and monitoring arrangements in Ireland

- Make reference in the information measures to the responsibility of beneficiaries to display an explanatory plaque if in receipt of programme support for an investment greater than €50,000 and a billboard if greater than €500,000
- Provide updates on Departments' websites on the programme and specific support measures

In addition, the Managing Authority will perform a support role for the implementing Divisions and the DECLG by the provision of advice on implementing the publicity and information regulation and assistance in the implementation of the communication plan.

### **Administrative Department/Bodies responsible for implementation of Communication Plan**

Rural Development Division of the DAFM is the Managing Authority under the RDP and has responsibility for the preparation and implementation of the communication plan. This task is shared with DECLG. As DECLG has responsibility for the measures under the LEADER element of the programme, it will have a pivotal role in ensuring implementation of the communication plan in relation to this particular measure.

The Managing Authority has the responsibility to lead the overall RDP communication process and to involve the NRN in ensuring publicity for the programme. The NRN is obliged to implement a communication plan, as a part of its action plan.

The information and publicity strategy as defined by the Managing Authority should form the basis for the NRN's communication plan.

#### *15.4 Coherence of measures Articles 20 and 35*

The Irish RDP will not specifically implement measures as outlined in Article 20 (Basic Services and Village Renewal in rural areas). However, it is envisaged that projects funded under the LEADER measure will support basic services and village renewal in rural areas. With regards to any interventions funded under the LEADER element of the RDP including those activities outlined in Article 35 the implementation system will ensure that full consideration is given during the design process to funding from other EU and national funds. The more integrated approach proposed for the delivery of local development interventions at a local level will facilitate full consideration of all funding mechanisms when designing interventions within the context of a LDS. This will ensure coherence with other funding mechanisms, including EU funds. In this context Ireland will also support capacity building initiatives in the preparatory phase of LDS development that will support LAGS to ensure coherence.

### *15.5 Administrative burden reduction*

As part of the design process for RDP measures, the issue of administrative burden has been addressed. The development of a coherent approach to this issue across measures has been facilitated by the work of the RDP Coordinating Committee set up to oversee the RDP design and implementation process. This coordinated approach has facilitated the inclusion of a number of factors which will alleviate the administrative burden for applicants, including

- The facilitation of a common approach to the development and issuing of measure application forms. Ensuring a consistent approach to application form lay outs, language, and definitions will be of benefit to applicants applying to multiple measures.
- A common approach has been taken to the delivery of online electronic applications to measures where possible. The increased use of online applications on its own will lead to a significant reduction in the administrative burden for applicants, and ensuring that online application processes for separate measures are developed in a consistent manner will further simplify the process for beneficiaries. It will also lead to the more effective and efficient processing of applications by administrations resulting in the timely issuing of payments under the various measures.
- The shared experience of previous programming periods has facilitated the identification of best practices which can be utilised for other measures. For example, the approach taken to information dissemination in relation to the launch of measures and the requirements of beneficiaries in particular measures has led to the identification of best practices which can be used across measures in the current programming period. Such practices include the provision of road show / information seminars for applicants to outline the main provisions of measures, the publication of clear terms and conditions documents at Departmental locations and on the Departmental website, and the briefing of agricultural and other support agents in relation to the main provisions of measures.
- As part of the scheme design process, the potential to use simplified cost methods where appropriate has been examined. Simplified cost option will lead to efficiencies for the administration of schemes, but will also simplify requirements for applicants.
- In the context of the LEADER measure, streamlined processes will also be implemented that will ensure the administrative burden is minimised for beneficiaries. The new implementation system proposed to address issues around audit compliance will place the burden for ensuring such compliance on a competent body who will work constructively with the LAGS and beneficiaries to ensure the simplest application and payment processes possible.

### *15.6 Technical Assistance*

The Technical assistance for EAFRD will fund:

- the independent mid-term and ex-post evaluations of the Programme;

- the National Rural Network (NRN);
- the Communication Plan on information and publicity;
- expenses incurred in the operation of the National Monitoring Committee;
- expenses relating to the ongoing evaluation of the Programme in accordance the evaluation plan referred to in Article 56 of Regulation (EU) No 1303/2013.

It is clear that the Technical Assistance measure will provide valuable support to underpin the effective implementation of the RDP. In particular, funding can be made available to ensure rigorous evaluation of the Programme. In addition the funding of the NRN provides a clear opportunity to ensure that the Action Plan for the NRN feeds into strategic policy issues in the sector.

#### 15.6.1 National Rural Network

The purpose of the National Rural Network is to assist the efficient and effective implementation of the Rural Development Programme and to promote synergies across measures.

Since there is a significant degree of experience at local level in delivery of rural programming both on and off-farm, a significant focus of the network will be to secure and co-ordinate the flow of information, including performance indicators, between local beneficiaries, intermediate bodies and the Managing Authority.

A tender document for the network will be prepared on foot of these recommendations in 2015 and will issue following consultation with the European Commission. It is envisaged that a NRN will be in place by the end of 2015.

The network infrastructure will be provided by an external body selected by a public competitive tendering process. Further details in relation to the work of the NRN are set out in Section 17.

## **16. Actions taken to involve partners**

### *Action A*

The Consultative Committee on the CAP towards 2020 was chaired by the Department between 2010 and 2013.

### *Subject of Consultation and Partners Involved*

An initial consultation process was launched with stakeholders in July 2009 to obtain views on what EU agriculture policies would serve Ireland and the EU best in the years to come. Over 60 submissions were received under this process and these submissions related to general CAP issues. The responses received helped to inform Ireland's position in the negotiations on the future of the CAP after 2013.

In 2010, a Consultative Committee on the CAP after 2013 was set up by the Department with a view to obtaining the views of all stakeholders on the CAP reform proposals. The Committee comprised all the major farming and agriculture related representative organisations involved in Social Partnership as well as a number of academics and environmental interests. The Committee met on several occasions throughout the CAP negotiations. It also participated in the Stakeholder events organised during the visits of Commissioner Ciolos in 2010 and again in January 2012.

### *Summary of the Results*

The responses received and the expert input to the Consultative Committee helped to inform Ireland's position in the negotiations on the future of the CAP after 2013.

### *Action B*

In April 2010, members of the Coordination Committee for the European Network for Rural Development were invited to launch a debate on CAP, specific to Pillar II.

### *Subject of Consultation and Partners Involved*

In response to this ENRD debate, members of the Monitoring Committee of Ireland's RDP, members of the Coordination Committee for Ireland's National Rural Network and all those who had made submissions to Ireland's earlier general consultation process, were invited to make submissions specific to the Rural Development aspects of CAP. Invitations for submissions were also extended to attendees at CAP consultative committees and other RD communication events.

In respect of the Pillar II specific consultation a total of 14 submissions were received from a variety of organisations including farming organisations, professional representative bodies, and research institutions amongst others.

This pre-dated the publication of the draft rural development regulation so this meant that submissions received were of a quite general nature.

### *Summary of the Results*

The main broad themes emerging from the consultation process were:

- A strong rural development policy into the future
- Eliminate rigidity in spending requirements
- Rural development policy should have a fixed budget and not depend on modulation
- Administration of Rural development policy/measures needs to be simplified
- There is across the board support for environmental measures
- Emphasis should be placed on investment, restructuring and innovation
- Employment in rural areas should be prioritised
- Bottom up localised delivery under LEADER measures should be enhanced
- Animal welfare measures should be promoted

### *Action C*

In Autumn 2012, a comprehensive list of partners and stakeholders was compiled by the Managing Authority. In December 2012, written submissions were invited from these Stakeholders and also from the general public.

### *Subject of Consultation and Partners Involved*

The list of stakeholders was based on Article 5 of the draft Common Provisions regulation concerning Partnership at the time. Therefore the following partners were involved:

- competent regional, local, urban and other public authorities;
- economic and social partners; and
- bodies representing civil society, including environmental partners, nongovernmental organisations, and bodies responsible for promoting equality and non-discrimination

### *Summary of the Results*

Some 90 written submissions were received from interested stakeholders and members of the public.<sup>58</sup> These submissions were from a broad mix of interested parties including farming organisations, environmental and social interest groups, business representatives, local and regional authorities and LEADER groups and individuals.

These submissions were very important in terms of identifying areas where investment might be targeted and thus informing the development of the SWOT analysis and the Needs assessment that were being completed simultaneously. All submissions were carefully

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<sup>58</sup> Although deadlines were set for the receipt of submissions, this was for the purposes of planning and it is important to note that late submissions were all accepted, considered and also fed into the process. This was the case for both stages of written consultation.



analysed by the Managing Authority and provided to the ex ante evaluators and the results fed into the RDP design process.

The areas suggested by stakeholders for investment under the RDP were:

Priority One

- Training – general and bespoke/niche training
- Knowledge Transfer Groups
- European Innovation Partnerships (EIP)

Priority Two

- On farm capital investments including non productive investments
- Young farmers/early retirement
- Farm Partnerships
- Investments in food projects

Priority Three

- Co-operation projects
- Importance of local food
- Producer organisations
- Quality Assurance Schemes

Priority Four

- Agri environment climate
- Natura 2000
- Areas of Natural Constraints
- Other including water quality/uplands/ organics

Priority Five

- Renewable energy/biomass
- Afforestation
- Agro-forestry

Priority Six

- Enterprise and jobs
- Rural tourism
- Broadband
- Food

All submissions were subsequently placed on the website of the Department.

*Action D*

In mid July 2013, a one day Stakeholder workshop was held in Portlaoise for some 90 participants including many of those that had provided submissions under the first phase.

#### *Subject of Consultation and Partners Involved*

The stakeholder workshop was hosted by the National Rural Network in close co-operation with the Managing Authority. The NRN, having agreed a potential representative attendance list with the Managing Authority, invited participants to take part and arranged for six different independent Chairmen, with expertise in the level of each priority.

To begin there was a plenary session in which partners were informed about the state of play in relation to the rural development regulation at the end of the Irish Presidency of the EU. There were also presentations setting out an overview of the initial results of the SWOT analysis and the needs assessment and the results of the initial phase of consultation.

At that point in time the SWOT had been developed taking into account internal expertise, a wide range of research reports and publications by the Department, Teagasc and others, the results of the initial stakeholder consultation and feedback from the NRN and the ex ante evaluators.

In advance of the workshop, participants had been split into six different break- out groups to discuss both the SWOT analysis and the needs assessment at the level of each priority. These groups took place after the plenary session had ended. Each group had an independent chairman to convene the discussion and the groups were limited to a maximum number of 18 participants. These small groups enabled a productive level of engagement, and a rapporteur fed back the results from each of the individual groups to the plenary session at the end. There followed a short general questions and answers session and conclusions, chaired by the Managing Authority.

#### *Summary of the Results*

As a result of the very practical and constructive feedback received from stakeholders on the draft overview of the SWOT analysis and the needs assessment, various amendments were made to these documents.

Some of the main changes to the SWOT included the addition of text relating to for example:

- Beef and sheep farmers in relation to non-economically viable farms.
- The ending of milk quotas in 2015
- Rising input costs as a threat to competitiveness
- Traceability – Ireland’s place in food production
- Distance from market and business transport costs; Seasonal cash flow problems
- Potential for Knowledge Transfer Groups to encompass higher overall numbers and also to expand to other areas
- Issues with addressing biodiversity loss and water quality in sensitive areas

- Specific reference to trailing shoe technology
- Rising fossil fuel and energy costs
- The use of networks and targeted training to make information available re LEADER

As can be seen these additions were across the range of priorities and these also covered strengths, weaknesses, opportunities and threats.

In relation to the needs assessment a range of additional needs were identified or the existing needs were further developed/elaborated, for example:

- Greater participation in knowledge transfer groups
- Supporting collaboration to improve competitiveness
- Monitoring the contribution of the measures in meeting Ireland's objectives under environmental policies/strategies
- Insulation techniques and improvements in efficiency of heating systems and techniques
- Importance of specifically targeted training

As can be seen, these needs covered the broad range of priorities and focus areas. Stakeholder feedback along these lines thus directly impacted on the development of the SWOT and needs analyses at the time.

#### *Action E*

In July 2013, the Minister initiated a process of consultation with all relevant stakeholders and the farming community to ascertain their views on the most appropriate application of the Direct Payment Regulation in light of Ireland's unique agricultural profile and circumstances

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#### *Subject of Consultation and Partners Involved*

Although this was not specifically related to the RDP, there are clear links given the integrated nature of Ireland's approach to implementing CAP supports across Pillar 1 and Pillar 2. For example, various issues were raised, such as young farmers and collaborative farming arrangements, that are appropriate to both pillars. This process also resulted in various additional submissions being received in relation to Pillar 2.

A total of 47 submissions were received from a wide range of interested parties prior to the closing date in September 2013. These submissions answered the set of 44 questions that had been asked in the consultation document.

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<http://www.agriculture.gov.ie/farmerschemespayments/methodsofpayments/commonagriculturalpolicycap/cappublicconsultationprocess/>

### *Summary of the Results*

The submissions were divided into the following groups and the main themes emerging can be summarised as follows:

Farming Organisations - the main farming organisations generally wished to maintain the status quo and preferred the basic model of convergence. There were some different views as to whether coupled support should be implemented and, if so, what form it should take.

Specialist Representative Groups - groups representing the processing of agricultural products wished to target payments at active farmers/producers. They preferred the basic model of convergence and the application of mandatory schemes only. On the other hand, the environmental groups wished to use environmental and ecological criteria as the basis for distributing funds. These groups favoured less intensive small farmers and looked for the implementation of significant convergence and of those schemes which would move funds to smaller farmers in disadvantaged areas

Groups for Specific Geographical Areas (primarily based in western and northern counties) - looked for a significant redistribution of funds through high convergence thresholds and capping of payments per hectare as well as the implementation of those schemes which would favour these counties including Areas of Natural Constraints and Small Farmers Schemes.

Private Individuals - related primarily to their individual circumstances. The issue of those who, for a variety of reasons, held very low value entitlements arising from the reference period but who subsequently increased production also featured.

### *Action F*

In mid January 2014, another stage of consultation was launched in the form of the draft RDP 2014-2020 Consultation document.

### *Subject of Consultation and Partners Involved*

By this stage a wide range of preparatory work had been completed by the Department on CAP as a whole taking into account the previous stages of consultation. In mid January 2014 the Taoiseach and the Minister for Agriculture made major announcements in relation to overall CAP funding concerning both Pillar 1 and Pillar 2.<sup>60</sup>

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<http://www.agriculture.gov.ie/media/migration/ruralenvironment/ruraldevelopment/ruraldevelopmentprogramme2014-2020/ConsultationDocumentRDP24Jan2014.pdf>

<http://www.agriculture.gov.ie/press/pressreleases/2014/january/title,73336,en.html>

The announcements were accompanied by significant press coverage across various media.

In terms of the RDP, the overall expected level of funding was announced at some €4 billion. 7% of the EU allocation was confirmed for LEADER and matching National Exchequer funding to supplement the €2.037 billion Department of Agriculture EU allocation was confirmed.

The RDP 2014-2020 consultation document was simultaneously published on the website of the Department. The consultation paper itself set out the primary areas envisaged for funding in the RDP and a broad outline of these proposed measures. The potential measures were grouped as follows:

1. Agri-environment climate measures
2. Areas of Natural Constraints
3. On Farm Capital Investments
4. Knowledge Transfer measures
5. Support for collaborative and quality focussed measures
6. Targeted support
7. LEADER

At the same time advertisements were placed in the national press, the main Farming newspaper and also on the website of the Department.

Written submissions were sought from interested stakeholders and the public on the draft consultation document at this stage. A period of 4 weeks was provided for the receipt of written submissions, although late submissions were also accepted.

#### *Summary of the Results*

In the ten week period following the publication of the consultation document on the website it had been accessed approximately 1,000 times.

Over 130 written submissions were received from interested stakeholders and members of the public. All submissions were carefully analysed and summarised by the Managing Authority. They were also provided to the ex ante evaluators for their consideration.

The findings emerging from the process were circulated to relevant implementing divisions in the Department and a selection of relevant submissions were provided to other staff in the Department as appropriate and requested.

The results of this work fed into the RDP design process, with a particular focus on any technical suggestions such as rates of pay, structure of schemes and suggested focus for measures. In this regard the second phase of written submissions (during 2014) was quite different to the initial phase (during 2013). The second phase was more specific, particularly

as stakeholders had a consultation document on which to focus, compared to the first phase, which was more general in nature. Both phases informed the overall process.

All submissions were subsequently placed on the website of the Department

#### *Action G*

Two weeks after the launch of the consultation document, a consultation event was held for stakeholders in the Department's Backweston campus.

#### *Subject of Consultation and Partners Involved*

The RDP 2014-2020 consultation document referred to above was the main subject of this consultation event.

The Managing Authority gave a detailed presentation outlining the:

- The new Rural Development Regulation and the policy framework
- Steps taken to date in designing the new RDP
- Proposed measure outlines
- Next steps

A detailed Questions and Answers session followed, focused on the areas of proposed support.

#### *Summary of the Results*

This event came at a very practical time at the end of January 2014 between the launch of the consultation document and the deadline for the receipt of written submissions. Broadly speaking the RDP consultation document was well received by stakeholders.

Around 100 participants including, for example, representatives from farming organisations, environmental groups, Government bodies, local and regional authorities and LEADER groups were in attendance.

A wide range of participants from the Department, in particular staff responsible for measure design, were present. A range of suggestions for measure design emerged from this process and fed into the ongoing RDP preparation process.

#### *Action H*

In January 2014, a focussed one day Stakeholder workshop on the LEADER element of the Rural Development Programme 2014-2020 was held in the Custom House Dublin for 30 participants.

#### *Subject of Consultation and Partners Involved*

The stakeholder workshop was hosted by DECLG.

The aim of this consultation exercise was to receive feedback on the potential content of the LEADER element of the RDP 2014-20 from individuals and organisations that are actively involved in areas that have a direct impact on the development of rural Ireland.

There were presentations given and a series of questions posed to initiate the workshops. The themes of the workshops were “Enterprise Support and Job Creation” and “Local Development”.

#### *Summary of the Results*

General ideas emerged around which the LDS development process can be focused. A number of strong themes emerged where participants felt LEADER interventions should focus including;

- Rural Economic Development/Enterprise Support and Job Creation including in areas such as Rural Tourism
- Social Inclusion through building community capacity, training and animation
- Rural Environment

These themes were used to feed into the design of the new Rural Development Programme.

#### *Action I*

In February 2014, a one day public consultation event on the LEADER element of the Rural Development Programme 2014-2020 was held in Tullamore.

#### *Subject of Consultation and Partners Involved*

The open consultation was hosted by DECLG. Notice of the event was published on the DECLG website and stakeholders were encouraged to publicise the consultation. There were approximately 200 attendees.

The aim of this consultation exercise was to receive feedback on the potential content of the LEADER element of the RDP 2014-2020 from individuals and organisations that are actively involved in areas that have a direct impact on the development of rural Ireland.

Presentations were given by DECLG, Teagasc and CORE (Community enterprise in the craft sector.)

There was an open discussion and also an invitation to send LEADER specific written submissions to the DECLG for consideration.

#### *Summary of the Results*

Approximately 20 written submissions were received from interested stakeholders and members of the public.

These submissions were from a broad mix of interested parties including representative farm associations, environmental and social interest groups, LEADER groups and community groups.

The themes in the submissions were used to feed into the design of the new programme and will be used to inform the LDS development process. As a follow up to this, DECLG also intends to invite submissions on the LEADER element of the RDP in early July, 2014.

#### *Action J*

Over the course of 2013 and 2014 there were ongoing bilateral meetings with a wide range of stakeholder groups including farming bodies, environmental groups, professional representative bodies, government departments and public bodies.

#### *Subject of Consultation and Partners Involved*

To the greatest extent possible the Managing Authority has facilitated any requests for meetings in relation to the preparation of the RDP. Implementing divisions and those responsible for measure design also have had their own specific meetings with relevant organisations and partners, and these will continue into the RDP implementation phase.

Although all meetings tended to cover a wide range of issues and cross cutting themes, the main subject of these meetings was dependent on the organisation involved and the agenda for any specific meetings. A selection of topics addressed at meetings is highlighted below:

- Agri-environment climate measures
- Knowledge transfer issues
- Dairy, EIP and innovation
- Monitoring, indicators and Evaluation Plan
- Potential for Article 35 measure on co-operation
- On farm capital investments
- Investments and agri-environment issues
- Issues relating to island farming
- LEADER, co-operation and CLLD
- Young farmers
- Heritage issues within agri-environment schemes
- Agri-environment climate measures, biodiversity, habitats and species
- Potential for an uplands scheme

#### *Summary of the Results*



This series of meetings has proved to be very productive. As noted already different groups had different levels of expertise in various areas. However, all stakeholders showed a high level of interest in the RDP and were keen to put forward their views and proposals on a range of topics. The meetings enabled partners and stakeholders to get updates in relation to the state of play in terms of RDP preparation, and provided the opportunity to engage with the Managing Authority and other staff from the Department.

These meetings were most useful to the Managing Authority. Detailed and specific expertise from the various partners concerned was vital in terms of informing the development of specific measures. Although it is not possible to summarise all the input received some key examples are highlighted below.

- A number of bodies were able to assist in terms of identifying the main priorities for on-farm capital investments.
- Representative organisations were able to assist in the identification of practical issues with implementation of a range of measures including agri-environment and knowledge transfer measures
- Various environment groups (both governmental and non-governmental) provided technical expertise in relation to the agri-environment climate measures. This includes, but is not limited to, identification of species and habitats that should be targeted in specific parts of the GLAS scheme and specific details in relation to locally led agri- environment schemes.

#### *Action K*

##### Miscellaneous Actions

#### *Subject of Consultation and Partners Involved*

Miscellaneous actions including: presentations at conferences, parliamentary engagement, updates to the farming press and direct dealings with members of the public.

#### *Summary of the Results*

During 2013 and 2014 there has been a wide range of various actions to involve partners at different stages of the RDP preparation process.

- The Managing Authority and/or other department staff have given presentations on the RDP preparations to various conferences and events.
- A large number of parliamentary questions have been answered in relation to the preparation of the RDP.
- The Department has updated the Joint Oireachtas Committee on Agriculture Food and the Marine on the state of play in relation to the RDP on various occasions.
- A large number of Ministerial representations have been answered in relation to the preparation of the RDP.

*Action L*

Strategic Environmental Assessment (SEA) Consultation

*Subject of Consultation and Partners Involved*

In line with the National legislation (S.I. No 453 of 2004) in relation to Strategic Environmental Assessment (SEA), a four week period was provided for public consultation on the draft environmental report and a number of draft chapters of Ireland's RDP. Following on from a press launch, there was significant press coverage across various media and the relevant documents were placed on the Department's website and written submissions were invited.

*Summary of the results*

Some 40 submissions were received, focusing on the environmental assessment of the draft RDP. The findings from this process fed back into the SEA work undertaken by the independent consultants. In addition, where relevant, submissions were fed back into the measure design process.

## **17. National Rural Network Action Plan**

### *17.1 The procedure and the timetable for establishing the national rural network (hereinafter NRN)*

The NRN has a very important role in improving the quality of rural development programmes by increasing the involvement of stakeholders in the governance of rural development as well as informing the broader public of its benefits. The Irish Managing Authority's goal is to have a NRN operational as soon as possible after approval of the RDP, but at the latest before the end of 2015.

The Irish NRN will be supported by a Network Support Unit (NSU), which will be established outside of but will be managed by the Managing Authority (MA). The NRN will be selected by a competitive tendering process. Respecting both EU and national Public Procurement rules, a tender document will be prepared and issued. All selection procedures will be open and transparent.

The tender document will include reference to all requirements cited in the relevant regulations. In addition, the tender will outline particular tasks for the NRN which take cognisance of the key themes from the preparatory analysis for the RDP and which draw on the experience of the previous programming period.

### *17.2. The planned organisational structure of the network and of the way organisations and administrations, including the partners, as referred to in the RD Regulation will be involved and how the networking activities will be facilitated.*

The NRN will have the following structure: -

- The Managing Authority will have overall management responsibility for the NRN and NSU
- A steering Group will be set up to oversee the delivery of the Network Action Plan and will consist of DAFM, DECLG and the NSU. It is envisaged that the Group will meet quarterly in the first year of operation and thereafter as necessary.
- The NSU is the permanent secretariat set up to manage the network and will be responsible for establishing the structures needed to run the network.
- Thematic Groups or subcommittees will be formed in order to address specific issues. It is intended that these issues will be reflective of the themes and challenges which emerged in the design of the RDP and also of issues which may arise over the course of the programming period.
- A LEADER sub-committee will be chaired by DECLG as the delegated Paying Agency for LEADER. This committee will be tasked with providing support in relation to LEADER-specific issues and the dissemination of best practice
- It is also envisaged that the NRN will provide a networking outlet for EIP operational groups.

The NRN Action Plan will be based on the aims of the NRN as set out in the relevant regulations. To ensure that the activities of the NRN are strategically focused, the drafting of the Action Plan will take cognisance of the preparatory analyses underlying the development of this RDP. It is also important that the NRN is sufficiently flexible to address and adapt to new issues and challenges which may emerge over the lifetime of the RDP. Accordingly, the Action Plan for the NRN will be based on one year cycles.

### NRN Membership

Effective networking is based on inclusiveness, openness, active engagement by the NSU and continuity of actions. Membership of Ireland's network will be based on partnership principles and will be member driven. It will be open to all organisations and administrations involved in rural development. There will not be a formal process to gain membership, however, in accordance with the regulations, some groups, such as those involved in the Partnership Agreement and the Monitoring Committee will be invited to join. A wide membership of the NRN will be encouraged through promotion and publicising of the network through various social and more traditional media.

### NSU requirements

In order to efficiently facilitate the networking processes, particular skills, qualifications and other requirements will be elaborated in the tender document. Any organisation tendering will be required to demonstrate that they will be sufficiently resourced to provide the required standard of service. While these requirements will be developed more fully as part of the tendering process, some of the key requirements for the NSU will include:

- technical resources to deliver fully functional and efficient network
- information technology expertise
- contacts with the European Network for Rural Development, other rural development networks, research institutes, resource centres, and political spheres to enable to develop a horizontal approach to the network
- a wide range of competencies in order to establish, maintain and promote the NRN.

### *17.3 A summary description of the main categories of activity to be undertaken by the NRN in accordance with the objectives of the programme*

All regulatory obligations will be laid down in the Action Plan, which must ensure continuity of the activities and at the same time flexibility to respond to changing needs throughout the whole programming period. It is envisaged that the Action Plan will include the following activities:

- Collation and dissemination of examples of best practice projects covering all priorities of the RDP to help in identifying and analysing good transferable practices.
- Facilitation of thematic and analytical exchanges between stakeholders to support the sharing and dissemination of findings.
- Training and networking for LAGs and in particular technical assistance for inter-territorial and transnational co-operation, facilitating co-operation among LAGs and the search of partners for certain measures

- Networking for advisors and innovation support services
- Sharing and disseminating of monitoring and evaluation findings
- Drawing up a communication plan including publicity and information concerning the RDP in agreement with the Managing Authority.
- Cooperating with the ENRD and EIP by participating at meetings and exchanges at EU level.

#### *17.4 The resources available for establishing and operating the NRN*

The setting up and operation of the NRN will be financed from the technical assistance budget. Appropriate budgetary resources will be available to the NRN, in line with the requirements in the regulations, split between running, administrative and capital costs; the exact amount will be formulated as part of the tender process.

Other resource requirements include a strong ICT capacity in order to ensure the development and operation of a suitable website and online project database. It is important for the NSU to have sufficient permanent staff complemented with non-permanent experts to be able to perform the tasks set for the network. They must have capacity for international liaison and flexibility to adjust to arising needs and ongoing developments during the implementation of the RDP.

## **18. Ex ante assessment of verifiability, controllability and error risk**

*Ex ante assessment of verifiability and controllability as referred to in Article 62 of 1305/2013.*

The need to ensure verifiability and controllability of measures has been integrated into the measure design process. At individual scheme level, the appropriate administrative and technical expertise has been utilised to address this issue. A particular issue is that experience of previous programming rounds has been utilised to ensure that control and verification procedures have been central to the process. In addition, this is an issue that has been coordinated via the Central Coordinating Group which oversaw the development of this RDP.

In addition, the Managing Authority and Paying Agency separately assessed the verifiability and controllability and control procedures in place for each scheme. The results of this assessment are outlined in the relevant table in each measure description in chapter 8. The result of this assessment is that the Managing Authority and Paying Agency are satisfied with the procedures in place.

### **b) Independent Verification of Costings**

#### **1. Independent Role and Expertise**

Teagasc carried out the independent verification of costings for the following schemes

- GLAS
- Areas of Natural Constraint
- Support for Collaborative Farming
- Organics
- Beef Genomics Scheme
- Knowledge Transfer Groups
- Bio Energy Schem

Teagasc is the semi-state body with responsibility for providing agricultural research, advice and training in Ireland. In these roles it carries out a significant research programme in the areas of Agriculture, Environment, Food, Rural Economy and Development to support the development of the agriculture and food industries and rural communities. It also supports the development needs of a high proportion of the farming community through its advisory and training services. Teagasc is functionally independent from the Department of Agriculture, Food and the Marine, which calculated the costings at issue here.

Teagasc has considerable expertise and experience in relation to assessing the financial impact of policy measures at farm level. From a research perspective two key long term research projects provide much of the basis for this expertise, namely:

- The National Farm Survey, completed annually to meet the needs of the Farm Accountancy Data Network (FADN) and the national requirements of policy makers and those involved in the industry to have a comprehensive assessment of the financial and technical performance on Irish farms.
- FAPRI-Ireland – This project provides detailed independent assessment of the impact of policy interventions on Irish (and European) agriculture.

Teagasc also has in place a CAP RDP Working Group. This working group brings together expertise within Teagasc across all areas of policy and activity of relevance.

The Teagasc Advisory service has considerable experience in supporting farmers in their decisions through the provision of detailed financial assessment and advice. It also produces detailed financial guidelines on an annual basis for farmers and those working on their behalf.

### **Qualifications and Expertise of the Reviewer**

The assessment of costs was carried out by the Head of the Rural Economy and Development Programme, who chairs the organisation's CAP Rural Development Programme Working Group. He holds the following qualifications: BSc (Mathematics and Statistics, NUI), MSc (Applied Statistics, Oxford), MA (Economics, NUI), PhD (Economics of Public Policy, LSE), MBA.

He has over 20 years professional experience in the area of policy evaluation, including 9 years experience of strategic oversight of a programme area within Teagasc.

### **Examination of Calculations**

In carrying out this assessment, the reviewer, together with members of the CAP RDP Working Group examined the documentation provided and, where necessary, sought clarification from responsible officials in the Department of Agriculture, Food and Marine on the measures involved. He and colleagues also sought and received detailed background costings on the measures so as to have a better understanding of the specific actions specified under the measure and the economic justification of the proposed payments. They discussed and sought clarification on many of the issues with research and advisory colleagues with specific expertise in the enterprises/issues so as to arrive at a conclusion as to the accuracy and adequacy of the calculations involved.

## 19. Transitional arrangements

### *Description of the transitional conditions by measure.*

Ireland's Rural Development Programme 2007-2013 featured three highly successful and popular measures, namely; M121 the Less Favoured Areas Scheme (LFAs), M214 the Rural Environment Protection scheme (REPS) and M213 Natura 2000 linked to the REPS scheme.

Following on from the Health Check of the CAP in 2009, two further schemes were launched in 2010 in order to address the so-called "new challenges" of renewable energy, biodiversity, water management, climate change mitigation, dairy restructuring and broadband. The schemes launched were a further Agri Environment scheme known as the Agri-Environment Options Scheme (AEOS) and a second Natura 2000 scheme linked to AEOS.

Funding for the Measures 121, 213 and 214 was exhausted by 1<sup>st</sup> January 2014 and the schemes were subsequently funded under Article 2 of the Transitional Regulation 1310/2013.

Once the Rural Development Programme 2014-2020 is approved, commitments under the multi-annual schemes (M213 and M214) will continue to be paid for REPS and REPS Natura and for AEOS and AEOS Natura until the end of 2015. The total transitional expenditure is detailed in the table below.

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### 5.1. Indicative carry over-table

Measures	Total Union Contribution planned 2014-2020 (EUR)
M121 Less Favoured Areas	€103m
M213 Natura (linked to REPS)	€22m
M213 Natura (linked to Natura)	€11m
M214 REPS	€103m
M214 AEOS	€65m
M216 Investments linked to AEOS	€7m
Total	€311m

**Table 2: Indicative carry over-table (in EUR total period 2014-2020)**



## **20. Thematic sub programmes**

N/A

# Appendices

## **Appendix 1**

**Indicator Plan (separate pdf document)**

## **Appendix 2**

### **Financial Plan (as it appears in the official SFC version of the RDP)**

# Financing Plan

## *Annual EAFRD contributions in (€)*

<b>Types of regions and additional allocations</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Total</b>
59(3)(d) - Other regions	213,000,000.00	313,000,000.00	313,000,000.00	313,000,000.00	313,000,000.00	313,000,000.00	312,000,000.00	<b>2,090,000,000.00</b>
59(4)(f) - Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016, when the application of this provision shall be reassessed	100,000,000.00							<b>100,000,000.00</b>
<b>Total</b>	<b>313,000,000.00</b>	<b>313,000,000.00</b>	<b>313,000,000.00</b>	<b>313,000,000.00</b>	<b>313,000,000.00</b>	<b>313,000,000.00</b>	<b>313,000,000.00</b>	<b>2,191,000,000.00</b>
<b>(Out of which) Performance reserve article 20 of Regulation (EU) No 1303/2013</b>	<b>18,780,000.00</b>	<b>18,780,000.00</b>	<b>18,780,000.00</b>	<b>18,780,000.00</b>	<b>18,780,000.00</b>	<b>18,780,000.00</b>	<b>18,720,000.00</b>	<b>131,400,000.00</b>

***Single EAFRD contribution rate for all measures broken down by type of region as referred to in Article 59(3) of Regulation (EU) No 1305/2013***

Article establishing the maximum contribution rate.	Applicable EAFRD Contribution Rate	Min applicable EAFRD cont. rate 2014-2020 (%)	Max applicable EAFRD cont. rate 2014-2020 (%)
Other regions	53%	20%	53%

**Breakdown by measure and type of operation with different EAFRD contribution rate (in € total period 2014-2020)**

**M01 - Knowledge transfer and information actions (art 14)**

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					13,250,000.00 (2A) 13,250,000.00 (3B) 13,250,000.00 (5D) 13,250,000.00 (P4)
		59(4)(a)	Measures referred to in Articles 14, 27 and 35, for the LEADER local development referred to in Article 32 of Regulation (EU) No 1303/2013 and for operations under Article 19(1)(a)(i)					
		59(4)(f)	Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until					

Types of regions and additional allocations				Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
			2016, when the application of this provision shall be reassessed						
Total								0.00	53,000,000.00



## M02 - Advisory services, farm management and farm relief services (art 15)

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					265,000.00 (2A) 3,180,000.00 (3B) 265,000.00 (5D) 530,000.00 (P4)
		59(4)(f)	Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016, when the application of this provision shall be reassessed					
Total							0.00	4,240,000.00

## M04 - Investments in physical assets (art 17)

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%				84,270,000.00 (2A) 84,800,000.00 (2B) 5,300,000.00 (3B) 530,000.00 (5B) 6,360,000.00 (5C) 2,120,000.00 (5D) 32,330,000.00 (P4)	
		59(4)(f)						
Total							0.00	215,710,000.00

## M10 - Agri-environment-climate (art 28)

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					302,229,000.00 (5D) 37,392,000.00 (5E) 527,019,000.00 (P4)
		59(4)(f)	100%					100,000,000.00 (P4)
Total							0.00	966,640,000.00

## M11 - Organic farming (art 29)

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					23,320,000.00 (P4)
		59(4)(f)	Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016, when the application of this provision shall be reassessed					
Total							0.00	23,320,000.00

### M13 - Payments to areas facing natural or other specific constraints (art 31)

Types of regions and additional allocations				Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main		53%					726,100,000.00 (P4)
		59(4)(f)	Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016, when the application of this provision shall be reassessed						
Total								0.00	726,100,000.00

## M16 - Co-operation (art 35)

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					927,500.00 (2A) 1,192,500.00 (2B) 530,000.00 (5D) 38,160,000.00 (P4)
		59(4)(a)	Measures referred to in Articles 14, 27 and 35, for the LEADER local development referred to in Article 32 of Regulation (EU) No 1303/2013 and for operations under Article 19(1)(a)(i)					
		59(4)(f)	Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016, when the application of this provision shall be reassessed					

Types of regions and additional allocations	Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
Total					0.00	40,810,000.00

**M19 - Support for LEADER local development (CLLD – community-led local development) (art 35 Regulation (EU) No 1303/2013)**

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					
		59(4)(a)	Measures referred to in Articles 14, 27 and 35, for the LEADER local development referred to in Article 32 of Regulation (EU) No 1303/2013 and for operations under Article 19(1)(a)(i)	63%				157,000,000.00 (6B)
		59(4)(f)	Additional allocation for Portugal and Cyprus on condition that those Member States are receiving financial assistance in accordance with articles 136 and 143 TFEU on 1 January 2014 or thereafter, until 2016, when the application of this provision shall be reassessed					0.00 (6B)
Total							0.00	157,000,000.00



## M20 - Technical assistance Member States (art 51-54)

Types of regions and additional allocations			Applicable EAFRD Contribution rate 2014-2020 (%)	Applicable EAFRD Contribution rate with art 59(4)(g) 2014-2020 (%)	Rate applicable to financial instruments under MA responsibility 2014-2020 (%)	Rate applicable to financial instrument under MA responsibility with art 59(4)(g) 2014-2020 (%)	Financial Instruments Indicative EAFRD amount 2014-2020 (€)	Total Union Contribution planned 2014-2020 (€)
59(3)(d)	Other regions	Main	53%					3,180,000.00
Total							0.00	3,180,000.00

**Appendix 3**

**State Aid Chapter (as it appears in the official SFC version of the RDP)**

## Elements needed for state aid assesment

For the measures and operations which fall outside the scope of Article 42 of the Treaty the table of aid schemes falling under Article 88(1) to be used for the implementation of the programmes, including the title of the aid scheme, as well as the EAFRD contribution, national cofinancing and additional national financing. Compatibility with state aid must be ensured over the entire life cycle of the programme.

Measure	Title of the aid scheme	EAFRD (€)	National Cofinancing (€)	Additional National Funding (€)	Total (€)
M01 - Knowledge transfer and information actions (art 14)	Knowledge Transfer Groups	53,000,000.00	47,000,000.00		100,000,000.00
M02 - Advisory services, farm management and farm relief services (art 15)		4,240,000.00	3,760,000.00		8,000,000.00
M04 - Investments in physical assets (art 17)		215,710,000.00	191,290,000.00		407,000,000.00
M10 - Agri-environment-climate (art 28)	GLAS & Beef Data and Genomics	966,640,000.00	778,360,000.00		1,745,000,000.00
M11 - Organic farming (art 29)		23,320,000.00	20,680,000.00		44,000,000.00
M13 - Payments to areas facing natural or other specific constraints (art 31)		726,100,000.00	643,900,000.00		1,370,000,000.00
M16 - Co-operation (art 35)	EIPs & Collaborative Farming & Locally led AECM	40,810,000.00	36,190,000.00		77,000,000.00
M19 - Support for LEADER local development (CLLD – community-led local development) (art 35 Regulation (EU) No 1303/2013)	LEADER	157,000,000.00	93,000,000.00		250,000,000.00

### ***M01 - Knowledge transfer and information actions (art 14)***

Title of the aid scheme: Knowledge Transfer Groups

EAFRD (€): 53,000,000.00

National Cofinancing (€): 47,000,000.00

Additional National Funding (€):

Total (€): 100,000,000.00

#### **Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

### ***M02 - Advisory services, farm management and farm relief services (art 15)***

Title of the aid scheme:

EAFRD (€): 4,240,000.00

National Cofinancing (€): 3,760,000.00

Additional National Funding (€):

Total (€): 8,000,000.00

#### **Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

### ***M04 - Investments in physical assets (art 17)***

Title of the aid scheme:

EAFRD (€): 215,710,000.00

National Cofinancing (€): 191,290,000.00

Additional National Funding (€):

Total (€): 407,000,000.00

**Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

***M10 - Agri-environment-climate (art 28)***

Title of the aid scheme: GLAS & Beef Data and Genomics

EAFRD (€): 966,640,000.00

National Cofinancing (€): 778,360,000.00

Additional National Funding (€):

Total (€): 1,745,000,000.00

**Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

***M11 - Organic farming (art 29)***

Title of the aid scheme:

EAFRD (€): 23,320,000.00

National Cofinancing (€): 20,680,000.00

Additional National Funding (€):

Total (€): 44,000,000.00

**Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

***M13 - Payments to areas facing natural or other specific constraints (art 31)***

Title of the aid scheme:

EAFRD (€): 726,100,000.00

National Cofinancing (€): 643,900,000.00

Additional National Funding (€):

Total (€): 1,370,000,000.00

**Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

***M16 - Co-operation (art 35)***

Title of the aid scheme: EIPs & Collaborative Farming & Locally led AECM

EAFRD (€): 40,810,000.00

National Cofinancing (€): 36,190,000.00

Additional National Funding (€):

Total (€): 77,000,000.00

**Indication\*:**

As no additional national funding is to be provided, this measure falls within the scope of Article 42 of the Treaty.

***M19 - Support for LEADER local development (CLLD – community-led local development) (art 35 Regulation (EU) No 1303/2013)***

Title of the aid scheme: LEADER

EAFRD (€): 157,000,000.00

National Cofinancing (€): 93,000,000.00

Additional National Funding (€):

Total (€): 250,000,000.00

**Indication\*:**

For measures which fall outside of the scope of Article 42 of the Treaty, which in the case of Ireland will primarily be LEADER operations under Articles 42-44 of Regulation 1305/2013 and Articles 32-35 of Regulation 1303/2013, these operations will be compliant with Commission Regulation (EU) No 1407/2013 of 18th December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid. In this context, financial support up to €200,000 will be granted in accordance with the de minimis regulation. Financial support higher than €200,000 will be granted to beneficiaries who are not undertaking to carry out an economic activity and thus do not constitute state aid in the meaning of Article 107(1) of the TFEU. The newly established exemption for aid for culture and heritage conservation as outlined in the GBER of 2014 will also apply in this context.