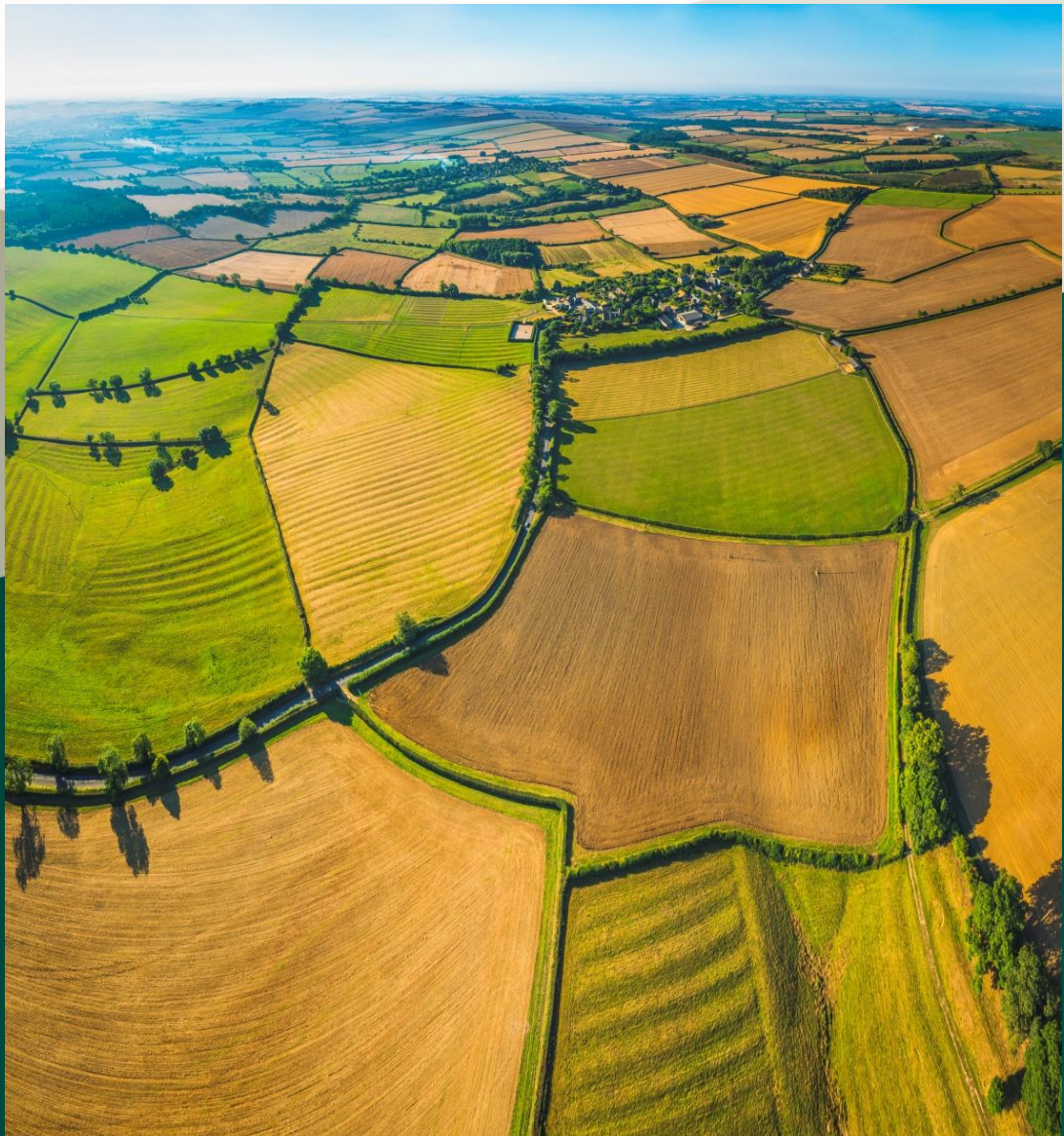




An Roinn Talmhaíochta,
Bia agus Mara
Department of Agriculture,
Food and the Marine

Ireland's CAP Strategic Plan 2023-2027

Public Consultation on Proposed Interventions



September 2021 (updated after August public consultation)

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Introduction

Ireland's CAP Strategic Plan (CSP) for the period 2023-2027 will underpin the sustainable development of Ireland's farming and food sector by supporting viable farm incomes and enhancing competitiveness, by strengthening the socio-economic fabric of rural areas, and by contributing to the achievement of environmental and climate objectives at national and EU levels.

The new CSP will represent a change in the approach to CAP planning and implementation compared to previous programming periods. Instead of the familiar compliance-based approach followed previously, a new performance-based approach will be adopted. This will be underpinned by a 'New Delivery Model', under which Member States' performance will be judged on outputs and results, and on how their CSPs contribute to CAP objectives at EU level. The CSP will also take a more holistic approach, incorporating interventions under both Pillar I (Direct Payments and Sectoral Interventions) and Pillar II (Rural Development) into one overall plan.

Plans must be aimed at supporting the economic, environmental and social sustainability of rural areas, and there is a particularly strong emphasis on the achievement of a higher level of climate and environment ambition through a new "Green Architecture" that will operate across both pillars. Ireland proposes to put the CSP at the core of the transition to sustainability of our agricultural and food systems.

As part of the ongoing process of designing the new CSP, the enclosed set of proposed intervention outlines has been developed. These outlines build on the stakeholder input received to date, including through the national CAP Stakeholder Consultative Committee, as well as through ongoing preparatory work undertaken by the Department of Agriculture, Food and the Marine (in particular, the work undertaken on the SWOT analysis and Needs Assessment required under the CAP Strategic Plan Regulation), in consultation with other relevant Departments and agencies. The views of stakeholders and the wider public are now being sought on the composition of the proposed interventions.

Format of Consultation

To ensure that maximum stakeholder input is received at this stage of the CSP design process, there are two strands to the consultation, as follows:

- a) written submissions, which are invited from interested parties by the closing date of 27 August;
- b) virtual townhall meetings, which will take place on 11 and 12 August.

Written submissions should be made to CAPStrategicPlan@agriculture.gov.ie or by post to:
CAP Rural Development Division,
Agriculture House,
Kildare Street,
D02 WK12

Please mark your submissions '*draft interventions for CAP Strategic Plan*'

Virtual townhall meetings will be conducted via Webinar. Further details on these will be available at www.gov.ie/cap

The responses received through the public consultation will be reflected in a draft version of the overall CAP Strategic Plan that will be submitted to external evaluators in early September. Following completion of their work, an updated plan will be made available for further public consultation.

Update on the Public Consultation on Draft Interventions

The public consultation was extended into a fifth week, and closed on Friday 3rd September. Over 1,000 submissions were received. Three townhall webinars were also held which facilitated large-scale public participation and feedback, with over 300 attending on each of the three nights. These submissions are currently being reviewed by the Department, and will be taken on board in the development of the plan. Some interventions have been updated to reflect the latest thinking on possible approaches. Of particular note in this regard is the additional information around agricultural practices being considered under eco-schemes.

Participants at the townhall webinars answered live survey questions, which were also made available to the public through the Department's social media channels. A total of 707 responses were gathered through the online survey. Results from the online survey show that 80% of respondents indicated that Ireland should implement capping of the BISS at an effective rate of €66,000. Just over 50% stated that internal convergence should stop at 85% of the national average payment entitlement value in 2026, while 46% indicated that it should go to a higher percentage. On the redistribution of direct payments from larger to smaller or medium-sized holdings, 72% of those surveyed felt that Ireland should go beyond the minimum requirement of 10%. Over half of respondents said that Ireland should not seek to use the derogation to reduce this percentage, while almost two thirds said that this funding should be redistributed to farmers with holdings of less than 30 hectares. On the percentage of direct payments to be allocated to eco-schemes, two thirds of respondents indicated that Ireland should not go beyond the proposed allocation of 25%. These findings were reflective of the surveys from the townhall webinars.

Detailed submissions were received from all of the key stakeholders, and from wider society. Key themes that have emerged include the need for fairness within and across the different sectors, and concerns around the possible impact of the plan on the viability of certain farms and sectors due to the redistribution of direct payments through convergence, CRIS, and the funding of eco-schemes under Pillar 1. The issue of who should receive payments was also raised - it was considered by many that payments should only go to active and productive farmers, whether full or part time.

Other themes that have featured strongly include generational renewal and gender balance, with specific proposals around how to support both, which will be reflected upon further.

There was strong feedback on some elements of the proposed Pillar 2 interventions, in particular in relation to the proposed limit on suckler cow numbers under the Suckler Carbon Efficiency Programme, and the types of investments eligible for support and funding ceilings.

The issues raised will be discussed further over the coming weeks with stakeholders through the CAP Consultative Committee, and bilaterally.

A statutory consultation on the draft environmental report for the CAP Strategic Plan will be held in November, with the final plan due for submission in December in advance of the 1st January 2022 deadline.

1. Background

1.1 Regulatory framework

The European Commission launched its proposals on the reform of the Common Agricultural Policy in June 2018. In October 2020, following over two years of discussion, both the Council of Ministers and the European Parliament adopted their respective positions on the Commission's proposals.

Political agreement on the reform package was reached at the Council of Agriculture Ministers Meeting on 28 June. The legal texts have now been finalised, and are expected to be adopted by the European Parliament in the autumn. Further technical rules will be set out in secondary legislation thereafter.

1.2 Funding

The agreement by the European institutions in 2020 on the EU budget for the period 2021-2027 provides for funding of €7.4 billion for the CAP over the 5-year period 2023-2027. This is divided between Pillar I (Direct Payments and Sectoral Interventions) and Pillar II (Rural Development measures). For Ireland, Pillar I payments amount to €5.9 billion, or just under €1.2 billion per year, while Pillar II payments amount to €1.55 billion, or approximately €311 million per year.

Support for Pillar I measures will be provided via the European Agricultural Guarantee Fund (EAGF). Support for Pillar II measures will be co-funded by the European Union via the European Agricultural Fund for Rural Development (EAFRD) and by the national Exchequer. Pillar II measures include LEADER interventions to be delivered by the Department of Rural and Community Development.

[The allocation of exchequer co-funding for Pillar 2 Rural Development measures will be set out following agreement with the Department of Public Expenditure and Reform.]

Funding will be phased over the 2023-2027 period in line with the requirements of intervention design and the annual national budgetary process.

1.3 Framework for CSP Design

The new CAP Strategic Plan is structured around the achievement of three general objectives, as set out in EU legislation, namely:

- (i) to foster a smart, competitive, resilient and diversified agricultural sector ensuring long term food security;
- (ii) to support and strengthen environmental protection, including biodiversity, and climate action, and to contribute to achieving the environmental- and climate-related objectives of the Union, including its commitments under the Paris Agreement;
- (iii) to strengthen the socio-economic fabric of rural areas.

The achievement of these general objectives is in turn to be pursued through nine specific objectives, as follows:

- a) support viable farm income and resilience of the agricultural sector across the Union to enhance long-term food security and agricultural diversity as well as ensuring the economic sustainability of agricultural production in the Union;

- b) enhance market orientation and increase farm competitiveness both in the short and long term, including greater focus on research, technology and digitalisation;
- c) improve the farmers' position in the value chain;
- d) contribute to climate change mitigation and adaptation, including by reducing greenhouse gas emissions and enhancing carbon sequestration, as well as promote sustainable energy;
- e) foster sustainable development and efficient management of natural resources such as water, soil and air, including by reducing chemical dependency;
- f) contribute to halting and reversing biodiversity loss, enhance ecosystem services and preserve habitats and landscapes;
- g) attract and sustain young farmers and other new farmers and facilitate sustainable business development in rural areas;
- h) promote employment, growth, gender equality, including the participation of women in farming, social inclusion and local development in rural areas, including circular bio-economy and sustainable forestry;
- i) improve the response of Union agriculture to societal demands on food and health, including high quality, safe, and nutritious food produced in a sustainable way, the reduction of food waste, as well as improving animal welfare and combatting antimicrobial resistances.

These objectives must be complemented and interconnected with a cross-cutting objective aimed at modernising the sector through the fostering and sharing of knowledge, innovation and digitalisation in agriculture and rural areas, and encouraging their uptake, through improved access to research, innovation, knowledge exchange and training.

The two CAP Pillars will be expected to work together in a complementary way in order to achieve the nine specific objectives. The new CSP will also shift from a compliance-based structure to a performance-based structure, giving Member States greater subsidiarity and responsibility to design and implement the CSP to suit their own specific needs. The new performance framework will demonstrate the progress being made towards achieving targets, and will help to assess the impact and effectiveness of the CSP using a set of common output, result and impact indicators.

In addition to the requirement to address the nine specific objectives and the cross-cutting objective, the CAP Strategic Plan must address a number of more particular requirements as set out in the legislation. These are that:

- at least 3% of the value of the Pillar I budget must be allocated to young farmers;
- at least 25% of the Pillar I budget must be allocated to eco-schemes under Pillar I (a limited reduction on this figure is possible if Member States spend large amounts on environment and climate-related measures in Pillar II);
- at least 35% of EU funding for Pillar II must be allocated to environmental and climate measures,
- at least 5% of the EU funding for Pillar II must be allocated to LEADER, and
- a maximum of 4% can be allocated to technical assistance.

1.4 The 'Green Architecture' of the CAP Strategic Plan

In line with evolving societal needs and demands, Ireland's CAP Strategic Plan will have a particularly strong emphasis on achievement of a higher level of climate and environment ambition.

It will contain measures that will help to achieve significant improvements in the areas of biodiversity and water quality, as well as contributing to national and EU climate and

environmental targets, including through increased sequestration and carbon removal. In this regard, DAFM has been working in close collaboration with other government departments and agencies, and external actors, to maximise the achievement of climate and environmental objectives through the CSP. The obligations and objectives set down in the CSP Regulation will also play a key role, as must the agri-food industry itself.

Outside the CAP, other measures such as regulation (including an enhanced Nitrates Action Plan and revised Environmental Impact Assessment Regulations in Agriculture), the provision of national funding under the afforestation programme for alternative land use options such as woodland creation and agroforestry, the development of improved food industry standards and measures to be included in the Climate Action Plan 2021 will all combine with the measures set out in the CSP to achieve both Ireland's and the EU's environmental and climate objectives.

CAP's new "Green Architecture"

The environmental and climate ambition within the CSP will be achieved through the CAP's new "Green Architecture." This will operate across both pillars of CAP expenditure to achieve a coherent overall approach. There are three core elements within the Green Architecture - Conditionality, Pillar 1 Eco-Schemes and Pillar 2 climate/environmental and animal welfare related interventions. The proposed interventions are set out below under these respective headings.

Conditionality

Conditionality sets the base line requirements for farmers in receipt of CAP Payments. Consisting of Statutory Management Requirements (SMRs) and standards for the maintenance of land in Good Agricultural and Environmental Condition (GAECs), Ireland proposes to implement a system of enhanced conditionality through the CSP.

Certain new GAECs are being introduced, such as GAEC 2, which relates to the protection of peatland and wetland. Other GAECs are proposed to be strengthened beyond minimum legislative requirements. For example, GAEC 9 is proposed to apply to all agricultural areas rather than just arable farms. Requirements for those who choose to participate in Eco-Schemes and /or Pillar II interventions will build on conditionality requirements.

Pillar I Eco-Schemes

New voluntary annual agri-environmental schemes, known as Eco-schemes, will strengthen the environmental and climate outcomes achieved by Pillar 1 payments, by building on baseline improvements achieved through conditionality.

While allowing for some flexibility, the Regulations require at least 25% of the Pillar I CAP budget to be devoted to Eco-Schemes. Ireland proposes to introduce an Eco-Scheme "for all farmers" with the objective being to maximise farmer participation to achieve climate and environmental improvements across all farmed lands.

Pillar II Interventions.

Ambitious, environmentally-focussed Pillar II interventions will deliver significant long-term environmental improvement through participation by a significant number of farmers,¹ with each making a strong improvement on their farm. This broad range of interventions will build on, and complement, achievements under Conditionality and Eco-Schemes. The main proposed Pillar II environmental/climate interventions are outlined below.

¹ **Note:** or a significant proportion of total agricultural area/the most appropriate agricultural area

A new flagship agri-environment and climate scheme (AECM) and a range of other locally led environmental schemes will contribute significantly to the achievement of improved biodiversity and water quality outcomes, with farmers rewarded for delivering enhanced environmental performance, in particular through participation in cooperation projects designed to achieve improvements at landscape and river catchment levels. The AECM will also contribute to the achievement of national climate targets through a particular focus on tree planting and rewetting. The AECM scheme will essentially replace the current GLAS scheme, and will achieve increased environmental ambition.

There will be increased support for organic farming, in line with the Programme for Government Commitment and EU Farm to Fork ambitions. This will also help to achieve national climate targets. The proposed new Suckler Carbon Efficiency Programme is designed to reduce absolute emissions by improving the environmental sustainability and genetic merit of the suckler herd. The Dairy Beef Welfare Scheme will facilitate better integration of the dairy and beef sectors by addressing welfare concerns regarding male dairy calves. The new On-Farm Investment Scheme will address key environmental objectives through the provision of grant aid for new capital investments that contribute to environmental, farm safety or animal health and welfare objectives.

Environmental and climate training will also be a key focus within the CSP. Participation in tailored specific training will be a core requirement for farmers participating in a number of the aforementioned schemes. In addition, a Knowledge Transfer Programme will build on the previous discussion group model to further support peer-to-peer learning between farmers, advisors and relevant experts across a range of environmental and climate topics. There will also be a focus on Continuous Professional Development (CPD) for Agricultural Advisors, given that they will play a central role in communicating with farmers and facilitating them to address key challenges facing the agri-food sector as well as in assisting in the implementation of the range of interventions that will be rolled out under the CSP.

2. Development of CAP Strategic Plan

2.1 Key Elements of the Plan

The CSP includes the preparation of a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, a Needs Assessment, the design of interventions, and the completion of an ex-ante evaluation and a Strategic Environmental Assessment/Appropriate Assessment (SEA/AA).

SWOT analysis: The SWOT analysis is a comprehensive document assessing the current situation in the Irish agriculture sector. It details the Strengths, Weaknesses, Opportunities and Threats that currently prevail for the sector, drawing on empirical analysis from a range of sources as well as feedback from stakeholders. It forms the basis of the Needs Assessment. It is available at the following link: <https://assets.gov.ie/137581/ebffd032-b2f1-4831-a47f-261a17456cd0.pdf>

Needs Assessment: The Needs Assessment identifies and prioritises the high-level needs of the agricultural sector and rural areas, based on evidence from the SWOT analysis, feedback from stakeholders through the CAP Consultative Committee and recommendations made by the European Commission. The Needs Assessment includes needs across all nine objectives of the CAP, the cross-cutting modernisation and digitalisation objective, and general needs related to all objectives. The Needs Assessment should provide the basis for intervention design. It is available at the following link: <https://assets.gov.ie/137582/1640bd23-22ce-45d4-ae32-09e7ed6d7a0a.pdf>

Design of interventions: Interventions are essentially the individual measures, or schemes, that are included in the CSP. All interventions must demonstrate a direct and clear link to at least one of the needs identified in the Needs Assessment. Intervention progress must be measurable using one output indicator and at least one result indicator.

Ex-ante Assessment/Strategic Environmental Assessment/Appropriate Assessment: The CAP Strategic Plan Regulation requires that each Member State must undertake an ex ante evaluation, a Strategic Environmental Assessment (SEA) and Appropriate Assessment (AA) on the draft CSP before submitting to the Commission. The ex-ante assessment will assess the contribution of the CSP to the CAP specific objectives, taking into account the national needs identified in the SWOT analysis, as well as lessons drawn from previous programming periods. The SEA will assess and identify any potential environmental effects of the CSP, while the Appropriate Assessment will assess the potential for the CSP to adversely affect European Sites, and the habitats and species for which they have been designated.

A consortium of RSM Ireland, Fitzpatrick Associates Economic Consultants, Ruth Minogue Associates and Doherty Environmental has been selected to undertake these assessments. The consultants have recently prepared the draft SEA scoping report, which has just completed a period of public and statutory consultation. The consultants have also completed the screening phase, and will now proceed with a full Appropriate Assessment of the CSP. The Department will also need to undertake a public consultation on the draft CSP and Environment Report (encompassing the SEA/AA). Further details can be found on the Department's section of the gov.ie website at <https://www.gov.ie/en/consultation/7f250-public-consultation-on-the-draft-scoping-report>

2.2 Timelines for the development of the CSP

The following key milestones have been set out by the Department:

- Revised SWOT - January 2021
- Revised Needs Assessment - February 2021
- Public Consultation on draft/outline of all interventions - August/September 2021
- Draft CSP –September/October 2021
- Ex-ante evaluation and SEA/AA - October 2021
- Public Consultation on the Draft CSP and Environmental Report - Nov 2021 (draft scoping report was out for Public Consultation in February-April 2021)
- Final changes and Government approval - December 2021
- Submission to the Commission - 1 January 2022
- Commission approval in 2022 (Commission has 6/8 months to approve)
- Start of new programming period - 1 January 2023.

3. Coherence with National Policy

One of the challenges in designing a CAP Strategic Plan is to ensure that the final agreed list of interventions is clearly linked with national policies in the agricultural sector. These include the National Action Plans on air, biodiversity, climate, energy, environment, soils and water, and, in the wider rural area, in particular, Ireland's Our Rural Future 2021-2025. The new CSP will help with meeting emissions limits under the Clean Air for Europe framework, with achieving good ecological status under the Water Framework Directive, and with the protection of species and habitats. The CSP interventions will also support biodiversity and ecological protection and restoration more generally, including by reducing inorganic fertiliser inputs, by protecting riparian zones, and by supporting biodiversity actions identified at farm and local levels.

3.1 Food Vision 2030 Strategy

For some twenty years, the Irish agri-food sector has benefited from having a coherent, stakeholder-led vision and strategy to underpin the sector's continued development. The Government has endorsed and approved the publication of a new strategy for the agri-food sector, "Food Vision 2030 – A World Leader in Sustainable Food Systems". This was developed by a Committee of agri-food stakeholders and envisages a transformational pathway to a position of world leadership in Sustainable Food Systems by 2030. Its implementation process will be consistent with the ambition set out for agriculture in the Programme for Government and the Climate Action Plan 2021, as well as the sectoral targets to be adopted under the Climate Bill. National and international policy developments will also be important, and the Strategy should be seen, in that context, as the beginning of the pathway to the vision of a more sustainable food system. The Strategy acknowledges that Ag Climatise (the National Climate & Air Roadmap for the Agriculture Sector) needs to be updated on an ongoing basis, as required, to ensure consistency with new targets agreed nationally and internationally for the agri-food sector. Food Vision 2030 sets out four high-level missions to be achieved:

1. A Climate Smart, Environmentally Sustainable Agri-Food Sector

The seven Goals in this Mission aim to deliver a climate-neutral food system by 2050, with verifiable progress achieved by 2030, encompassing emissions reductions, carbon sequestration, improvements in air quality, restoration and enhancement of biodiversity, improvements in water quality, development of diverse forests, enhanced seafood sustainability, exploring the bioeconomy and strengthening Origin Green.

The proposed new National Agri-Environment Scheme, Eco-Scheme, Suckler Carbon Efficiency Programme, and Organic Farming Scheme will directly assist in meeting the targets outlined for a climate-neutral food system by 2050, by reducing biogenic methane levels, reducing ammonia emission levels, reducing nutrient losses to water, prioritising biodiversity on farmed area and increasing the area of agricultural land farmed organically.

In addition, continuing support for European Innovation Partnership AGRI Operational Groups, which look to develop innovative solutions to particular challenges (including challenges linked to climate change, the environment and biodiversity), will contribute towards the achievement of the targets outlined in Agri Vision 2030.

As per the current Programme for Government, it is also important to better align the CAP initiatives with those under our National Forestry Programme in order to help meet our environmental ambitions. With this in mind, significant tree-planting measures are proposed under the new Agri-Environment Climate Measure in particular, as well as in the Eco-schemes.

2. Viable and Resilient Primary Producers with Enhanced Wellbeing

There are four Goals in this Mission which involve improving the competitiveness and productivity of primary producers, increasing the creation of value and distributing it fairly, introducing greater diversification in production systems and incomes, and improving the social sustainability of primary producers across areas such as generational renewal, gender balance, health and safety, mental health and wellbeing, and rural development.

The Basic Income Support for Sustainability (BISS) and support for Areas Facing Natural Constraints (ANCs) will assist in providing a basic income for primary producers. The Protein Aid Scheme, Sectoral Intervention in the Fruit and Vegetables Sector, the development of Producer Organisations in the Beef and Sheep Sectors (and potentially other sectors) and support for the National Apiculture Programme will all directly assist producers to focus on the premiumisation of output, increased integration of certain sectors, and diversification of activity and income streams. These schemes will also assist in improving farmers' position in the value chain.

In addition, the proposed On-farm Capital Investment scheme (with a higher grant rate for Young Farmers, and which prioritises investments in Farm Safety Equipment), the Complimentary Income Support for Young Farmers (CIS-YF) and the LEADER Programme will all contribute to ensuring enhanced social sustainability in rural areas, encompassing wellbeing, generational renewal and diversity. All CSP interventions will also be developed with due consideration of gender equality issues and the need to ensure greater participation of women in agriculture.

3. Food that is Safe, Nutritious and Appealing, Trusted and Valued at Home and Abroad

There are four Goals in this Mission that aim to prioritise coherent food and health policies for better health outcomes, to enhance consumer trust in our food system, to create value-added through insight, innovation and product differentiation, and to develop market and trade opportunities both at home and abroad.

The new Dairy Beef Welfare Scheme, the Sheep Improvement Scheme, the Eco-scheme and the Organic Farming Scheme will all directly assist in enhancing consumer trust in our food production system by ensuring high animal welfare standards in all sectors and by increasing organic production in line with societal demands.

4. An Innovative, Competitive and Resilient Sector, driven by Technology and Talent

There are seven Goals in this Mission which are relevant to all other Missions and will act as key enablers. They include moving to a challenge-focused innovation system, having a strategic approach to funding R&D, developing dynamic knowledge exchange practices, enhancing the use of technology and data, improving competitiveness and resilience, and attracting and nurturing diverse and inclusive talent.

The new Knowledge Transfer Scheme and Continuous Professional Development for Advisors Scheme will assist in ensuring that the agricultural sector is driven by innovation and knowledge. The proposed On-farm Capital Investment scheme, which supports investments in digital infrastructure and the uptake of new technologies, will also assist in driving innovation. In addition, continuing support for European Innovation Partnership Operational Groups will increase innovation, and improve the competitiveness and resilience of the agri-food sector.

3.2 Our Rural Future 2021-2025

Interventions are also clearly linked to the recently published Rural Development Policy, *Our Rural Future 2021-2025*, which focuses on the following thematic objectives:

- Optimising the opportunities for rural communities from high-speed broadband.
- Supporting improved quality employment and career opportunities in rural areas.

- Assisting the regeneration, repopulation and development of rural towns and villages.
- Enhancing the participation, leadership and resilience of rural communities.
- Enhancing public services in rural areas.
- Supporting a Just Transition to a climate neutral economy.
- Supporting the sustainability of Agriculture, the Marine and Forestry.
- Supporting the sustainability of our island and coastal communities.
- Nurturing our culture and heritage.

The LEADER programme will assist in meeting many of the objectives listed above by assisting communities in developing local areas through enhanced community participation. The support provided under this programme is intended to allow for the economic and sustainable development of rural communities through job creation, improved rural infrastructure, greater social inclusion and climate mitigation.

In addition, support provided under the BISS, ANC, and CIS-YF will ensure the continued viability of the agri-food sector. The proposed new National Agri-Environment Scheme, Eco-Scheme, Suckler Carbon Efficiency Programme and Organic Farming Scheme will all support a Just Transition to a climate neutral economy by supporting farmers in meeting environmental/climate change challenges.

4. Stakeholder Consultation

Consultation with stakeholders has been a key element in the process of designing the new CSP to date, and that will continue. The first phase of consultations began in 2018 and involved a series of six townhall meetings as well as a stakeholder workshop on the draft regulations proposed by the Commission. An average of two hundred attended each of these meetings. Members of the public were also invited to make written submissions, with over one hundred and sixty submissions received. The objective of the consultation was to allow members of the public to outline their views on the issue, having regard to the challenges facing the sector.

In 2019, the Department conducted a further series of well-attended townhall meetings, including a public consultation on the draft SWOT analysis. Over 115 submissions were received and informed the initial work on the development of the SWOT analysis. Full details of these consultations can be found on <https://www.gov.ie/en/publication/76026-common-agricultural-policy-cap-post-2020/#public-consultations>

There has been ongoing consultation with stakeholders via the specially established national CAP Stakeholder Consultative Committee, which comprises representatives of the main stakeholders including farm bodies, environmental groups, industry representatives and academia. It also includes representatives from the relevant Government Departments and Agencies. The Committee has met on 19 occasions to date, with further meetings planned to continue throughout 2021. Further details on the CAP Consultative Committee are available at: <https://www.gov.ie/en/collection/ab894-cap-post-2020-consultative-committee/>

In addition to these formal processes, the Department has also had various bilateral meetings and discussions with interested stakeholders, including farming representative bodies, environmental organisations and other Government departments.

The design of the proposed interventions outlined in this document has taken account of the stakeholder input received to date. This current phase of public consultation will build on this, and will provide a valuable opportunity for the wider public to engage in the development of the CAP Strategic Plan.

4.1 Targeting/Distribution of Direct Payments

One of the key objectives that has informed the CAP reform discussions at EU level is the need to ensure a fairer and more targeted distribution of direct payments. Member States have been given a good degree of flexibility to achieve this, through mechanisms such as:

- Capping and reduction of payments - payments may be capped at €100,000, with the possibility to reduce payments exceeding €60,000 by up to 85%. Additional tranches and percentage reductions may be defined. Full application of an 85% reduction above €60,000 would result in an effective limit of €66,000.
- Continuing convergence of payments - the value of each payment entitlement must reach a minimum level of 85% of the national average payment entitlement value by 2026.
- A new Complementary Redistributive Income Support for Sustainability (CRISS) - this provides for the redistribution of at least 10% of a Member State's direct payments ceiling from larger to smaller or medium-sized holdings, unless Member States can demonstrate that their redistribution needs are being addressed through other Pillar 1 measures.

- Eco-scheme – at least 25% of the Pillar I budget must be allocated to eco-schemes under Pillar I (a limited reduction on this figure is possible if Member States spend large amounts on environment and climate-related measures in Pillar II);

The key questions to be addressed in respect of direct payments are:

- Should Ireland implement capping at an effective rate of €66,000 or €100,000, or at a rate in between?
- Should internal convergence stop at 85% of the national average payment entitlement value in 2026, or should it go to a higher percentage?
- Should Ireland go beyond the 10% of direct payments to redistribute from larger to smaller or medium-sized holdings? Or should Ireland seek to use the derogation to reduce the percentage? Should this funding be redistributed to farmers with holdings of less than 30 hectares?
- Should Ireland go beyond the 25% of direct payments to be allocated to eco-schemes? Or should Ireland use the flexibility in the regulation to reduce the percentage allocated to eco-schemes?
- What aspects of the current system do you consider unfair, and what is the best combination of all of the above mechanisms in order to bring about a fairer distribution of direct payments?
- Should there be a specific intervention to incentivise gender equality?

These are complex matters, with many inter-linked elements. The Department has therefore carried out extensive further modelling of the potential impacts of these mechanisms in order to allow stakeholders to more fully assess the potential implications of the different policy choices available. This modelling is being made available separately, and will inform discussions with farmers and others both over the immediate four-week period of the consultation and on an ongoing basis thereafter.

NOTE: Given that the purpose of this document is to form the basis of stakeholder input into intervention design, details of proposed interventions are intended as strictly indicative at this stage. The nature and scope of interventions may change in the light of feedback from the independent evaluators and the ongoing consultation process, and wider developments related to environmental, climate and other objectives to which the CAP Strategic Plan will be required to contribute.

5. Proposed Intervention Outlines

The outline material for each proposed intervention is set out below. Information on the definitions to be included in the CAP Strategic Plan and on Conditionality, which is replacing cross-compliance, are also included.

Pillar I:

- 1) Definitions
- 2) Conditionality
- 3) Basic Income Support for Sustainability (BISS)
- 4) Complimentary Income Support for Young Farmers (CIS-YF)
- 5) Eco-scheme
- 6) Apiculture Programme
- 7) Sectoral Intervention in the Fruit and Vegetable Sector
- 8) Coupled Income Support for Protein Aid
- 9) Complementary Redistributive Income Support for Sustainability

Pillar II:

- 1) Agri-environment Scheme
- 2) Agri-environment Training
- 3) Organic Farming Scheme
- 4) Areas Facing Natural Constraints (ANC)
- 5) Producer Organisations in the Beef and Sheep Sector
- 6) Suckler Carbon Efficiency Programme
- 7) Dairy Beef Welfare Scheme
- 8) Sheep Improvement Scheme
- 9) European Innovation Partnership Operational Groups
- 10) On-farm Capital Investment Scheme
- 11) Continuous Professional Development for Advisors
- 12) Knowledge Transfer Programme
- 13) LEADER Programme

5.1 Pillar I

(1) Definitions

There are a number of definitions, as per Article 4 of the Draft CSP regulation, which are to be formulated in the CAP Strategic Plan. The below outlines those proposed in respect of 'Agricultural Activity', 'Agricultural Area', 'Eligible Hectare', 'Young Farmer' and 'Active Farmer'. The parameters for these final definitions will be set out in the final legal texts.

Agricultural Activity: It is proposed that there must be an agricultural activity on a parcel for it to be considered eligible, and the agricultural activity must result in the maintenance of the agricultural area. This is the same provision as applies in the current CAP.

Agricultural Area sub-divides into "arable land", "permanent crops" and "permanent grassland". One proposed change from the definition in the previous CAP is that Ireland proposes to specifically include "rushes" within the "permanent grassland" definition.

Eligible Hectare: It is proposed that an eligible hectare shall consist of any **Agricultural Area** which, during the year for which support is requested, is used for an **Agricultural Activity** or, where the area is also used for non-agricultural activities, is predominantly used for agricultural activities, and which is at the farmer's disposal.

From 1 January 2023, it is proposed to allow up to 30% of a parcel consisting of features that may be beneficial to water protection, climate or biodiversity to be considered eligible. This would ensure that for areas of certain non-agricultural features, a farmer would not have to remove them to allow them to draw down a BISS payment, Eco Scheme, or any Pillar II area-based payments. DAFM estimates that implementation of the "up to 30% features that may be beneficial to water protection, climate and biodiversity" may bring approximately an additional 55,000 hectares into eligible hectares.

Young Farmer: It is proposed that Ireland will define as *Aged no more than 40 years of age* at any time during the calendar year in which s/he, (i) first submits an application under Pillar I measures or (ii) submits an application under Pillar II measures, for young farmer support.

Active Farmer: It is envisaged that Member States will be required to include in their CSP a definition of an Active Farmer that will:

- Describe an Active Farmer in terms of a minimum level of agricultural activity; and/or
- Comprise a negative list, i.e. exclusions from the definition.

(2) Conditionality

Conditionality lays down the legislative requirements and minimum standards that farmers in receipt of CAP payments must comply with. This replaces the “Cross Compliance” requirements in the current CAP. Conditionality relates to the following specific areas:

- (a) the climate and the environment;
- (b) public health, animal health and plant health;
- (c) animal welfare.

The conditionality requirements in the CSP are implemented using two mechanisms:

Statutory Management Requirements (SMRs) - these refer to the legislative requirements concerning the environment, food safety, animal and plant health, and animal welfare. These requirements are laid down in legislation and are thus applicable to all farmers and not just those participating in CAP interventions. There are eleven SMRs in the draft CSP Regulations as per the political agreement reached at the end of June.

Good Agricultural and Environmental Condition (GAEC) - these refer to a range of standards concerning soil, climate change mitigation, habitats and water. There are nine GAECs in the draft agreement on the CSP Regulations. All EU Member States are to specify applicable standards for each GAEC based on farm size, farm structures and the specific characteristics of the areas concerned, including soil and climatic condition, existing farming systems and land use (Article 12 draft CSP Regulation).

| GAEC | Main objective of the standard | DAFM's comments and possible implementation |
|--------|---|---|
| GAEC 1 | Maintenance of permanent grassland. General safeguard against conversion to other agricultural uses to preserve carbon stock. | New GAEC - already implemented in the current CAP under Article 45 (2) of 1307/2013. Managed at national level. |
| GAEC 2 | Protection of wetland and peatland <u>at the latest by 2025.</u> | DAFM is considering appropriate definitions of peatlands and wetlands. |
| GAEC 3 | Ban on burning arable stubble, except for plant health reasons. | Existing GAEC - no change. |
| GAEC 4 | Establishment of buffer strips along water courses. | GAEC 1 of cross compliance. |
| GAEC 5 | Use of Farm Sustainability Tool for Nutrients | New GAEC - deleted from text by amendments from Council and European Parliament. |
| GAEC 6 | Tillage management or other appropriate cultivation techniques to limit the risk of soil degradation, taking into account the slope gradient. | GAEC 5 of cross compliance (also covered in SMR 1 of cross compliance). |
| GAEC 7 | Minimum soil cover to avoid bare soil in period(s) and areas that are most | GAEC 4 of cross compliance (also covered in SMR 1 of cross compliance – ploughing). |

| GAEC | Main objective of the standard | DAFM's comments and possible implementation |
|---------|--|---|
| | sensitive. | |
| GAEC 8 | Crop rotation in arable land, except for crops growing under water | New GAEC (but crop diversification is currently part of Greening). |
| GAEC 9 | <p>Minimum share of agricultural area devoted to non-productive areas or</p> <p>Minimum share of at least 4% of arable land at farm level devoted to non-productive areas and features, including land lying fallow.</p> <p>Where a farmer commits to devote at least 7% of his/her arable land to non-productive areas and features, including land lying fallow, under an enhanced eco-scheme in accordance with Article 28(5a), the share to be attributed to compliance with this GAEC shall be limited to 3%.</p> <p>Minimum share of at least 7% of arable land at farm level if include also catch crops or nitrogen fixing crops, cultivated without the use of plant protection products, of which 3% shall be land lying fallow or non-productive features. Member States should use the weighting factor of 0,3 for catch crops.</p> <p>Retention of landscape features.</p> <p>Ban on cutting hedges and trees during the bird breeding and rearing season.</p> <p>As an option, measures for avoiding invasive plant species.</p> | <p>Existing and partially new GAEC (currently part of Greening).</p> <p>Minimum share (5%) of agricultural land devoted to: non-productive features or; catch crops or nitrogen fixing crops, cultivated without plant protection products.</p> <p>Non-productive features' include: land lying fallow, nitrogen-fixing crops, catch crops, eligible forestry, short rotation coppice, field copse, hedgerows, drains, buffer strips. This list will be subject to on-going review.</p> |
| GAEC 10 | Ban on converting or ploughing permanent grassland in Natura 2000 sites designated as environmentally sensitive permanent grasslands in Natura 2000 sites. | New GAEC (but currently part of Greening). |

(3) Basic Income Support for Sustainability (BISS)

Purpose

This intervention is designed to provide a direct income support to Irish farmers to underpin their continued sustainability and viability. By supporting viable farm incomes, this intervention supports farmers in the continuation of a secure food supply.

The vital role that direct payments play in supporting viable farm incomes and resilience is evidenced by Teagasc National Farm Survey data. For example, the 2019 National Farm Survey shows that, on average, direct payments make up 78% of Family Farm Income. Similarly, the SWOT analysis identifies low income levels in the agri-food sector compared to other sectors of the economy and highlights the role of direct payments in supporting viability.

This intervention builds on the similar support provided by its predecessor, the Basic Payment Scheme (BPS).

Structure

Applications for BISS will be submitted via an online system that builds on the BPS structures currently used. BISS payments will be paid on payment entitlements for which an eligible hectare is held by the applicant. The level of convergence and capping applied will depend on how Ireland chooses to implement the flexibilities provided in the final agreement on the legal texts. See page 16 for specific questions relating to these provisions.

Proposed Eligibility Conditions/Selection Criteria

Eligible beneficiaries are required to:

- submit a BISS application each year via the online application system, declaring their farmland located within the jurisdiction of Ireland;
- meet the minimum requirements to receive a direct payment as will be defined under Article 15 (a) of the CSP Regulations;
- meet the definition of an “active farmer”;
- hold one BISS payment entitlement for each eligible hectare claimed.

Proposed Support rates/financial allocation

Support is allocated based on the size of a holding (the number of eligible hectares) and the number and value of entitlements held. The financial allocation for BISS will make up the majority of the financial allocation for interventions in the form of direct payments granted pursuant to Chapter II of Title III of the CSP Regulations. The other interventions paid in the form of direct payments, along with the establishment of the National Reserve, will affect the overall financial allocation for BISS. However it is likely to amount to €700-800m annually. The indicative annual financial allocation for the direct payments ceiling is approximately €1.2 billion, amounting to a total allocation of approximately €5.9 billion for the period 2023-2027. The potential impacts on farmers' BISS payments of mechanisms such as capping and reduction of payments, internal convergence and the Complementary Redistributive Income Support for Sustainability are addressed by the modelling paper accompanying this consultation document.

(4) Complementary Income Support for Young Farmers (CIS-YF)

Purpose

As noted in the SWOT analysis and Needs Assessment, there is an opportunity to build on the current suite of supports for educated young farmers to enhance the future competitiveness of the agri-food sector and help guarantee food supplies and rural sustainability into the future. Attracting young farmers into the sector also helps to address the issue of an ageing farming population.

The intervention is designed to provide support to educated young farmers entering the agriculture sector in the years immediately following the young farmer setting up as head of the holding, solely or jointly. The intervention will also provide certainty in terms of the level of income support for eligible applicants for up to 5 years, which is an important factor in financial planning. Support under CIS-YF builds on the support available under the Young Farmers Scheme from 2015 to 2022. In line with the requirements under the CSP regulation for the operation of the CIS-YF, eligible applicants must first be entitled to a payment under the Basic Income Support for Sustainability (BISS).

Proposed Structure

Farmers meeting the eligibility conditions may apply to this intervention on an annual basis. All eligible hectares declared by the applicants up to a ceiling of 50 hectares per applicant can receive support under this intervention. Support is not based on the number of entitlements held by the applicant.

Proposed Eligibility Conditions/Selection Criteria

Eligible Beneficiaries will be any farmers meeting the following conditions:

- Aged no more than 40 years of age at any time during the calendar year in which s/he first submits an application under CIS-YF;
- Is setting up a holding as head of the holding, solely or jointly, for the first time or has set up such a holding during the five years preceding the first submission of an application under CIS-YF;
- Has successfully completed a recognised course of education in agriculture giving rise to an award at Level 6 or equivalent on the National Framework of Qualifications;
- Entitled to payment under the Basic Income Support for Sustainability (BISS) as provided for at Article 17 of the draft CSP regulation.

Proposed Support rates/financial

A payment per eligible hectare subject to a maximum of 50 hectares per eligible applicant is proposed under the Complementary Income Support for Young Farmers intervention. It is proposed to continue to grant support to farmers who have received support under the previous Young Farmers Scheme for the remainder of the period that the farmer is eligible. It is likely that the requirement to spend 3% (c. €35m) of the direct payments ceiling on this objective would be met through a combination of the CISYF (c.2%) and investment supports in Pillar 2 (TAMS – c.1%)

(5) Eco-scheme

(updated but subject to sight of additional EU rules and discussion of the proposed approach with the EU Commission)

Purpose

The aim of this intervention is to provide additional direct income support to farmers for undertaking actions beneficial to the climate, environment and biodiversity. Ireland's SWOT Analysis and Needs Assessment identified several issues relating to climate change, the unsustainable use of natural resources, and the degradation of habitats and landscapes. The Eco-Scheme is intended to address these needs.

Proposed Structure

This intervention will be implemented annually, with farmers having the opportunity to opt in or out on an annual basis. Farmers will apply through the BISS application from 2023 onwards. The agricultural practices that constitute the Eco-Scheme will be over and above conditionality requirements.

The design of the scheme will be key to ensuring high levels of participation. The aim is to ensure the widest possible take-up of the targeted actions, thereby ensuring a wide-ranging impact across the entire land area.

Proposed Agricultural Practices

The scheme will be implemented through targeting of relevant agricultural practices and will provide the opportunity for as many farmers as possible to take up the most appropriate actions on their farm. It is proposed that a farmer would have to select two of these agricultural practices to maximise their Eco-Scheme payment. The type of agricultural practices under consideration are:

A. Non-productive areas and landscape features

Increased proportion of land devoted to non-productive areas and features above the baseline required under GAEC 9.

B. Extensive livestock production

Specified maximum overall stocking rate for the calendar year.

C. Limiting Chemical Nitrogen Input

Specified Chemical Nitrogen usage limit for the calendar year.

D. Planting of Native Trees

Planting a minimum number of native trees per eligible hectare.

E. Use of GPS Controlled fertiliser spreader to apply chemical fertilisers

Application of chemical fertiliser with a GPS controlled fertiliser spreader

Where a farmer only selects one action or selects two but only complies with one, the expectation at present is the farmer would receive a half rate Eco-Scheme payment.

Proposed Eligibility Conditions/Selection Criteria

The Eco-Scheme will be open to all active farmers in the country, or groups of active farmers. Eligible beneficiaries will be required to submit a BISS application in respect of each year of participation in the Eco-Scheme. Eligible beneficiaries will have to opt in or out on an annual basis.

Proposed Support rates/financial allocation

Support is based on an annual payment for all eligible hectares covered by the commitments, i.e. farmers will receive payment on all eligible hectares on their holding. Payments will be made on additional costs incurred and income foregone as set out in the EU Regulations under Article 28 (6) (b) of the draft CAP Strategic Plan Regulation.

An expected 130,000 eligible farmers could participate in the scheme, and the payment per hectare will be impacted by the expected participation and the expected uptake of various actions. Based on a ring fencing for Eco-schemes of 25% of the Direct Payments ceiling the annual indicative financial allocation for this intervention is estimated at approximately €297 million per annum, amounting to a total indicative financial allocation of approximately €1.485 billion for the period 2023-2027.

(6) Apiculture Programme

Purpose

The aim of this intervention is to provide support for research actions in the apiculture sector. It is intended that the research and work funded will be of a “public good” nature, and that the results will be made freely available to beekeepers. Ireland's SWOT analysis and Needs Assessment identified an overall decline in pollinator species in Ireland, and identified the need to restore, maintain and improve Ireland's habitats and landscapes to allow for the protection of pollinators. In addition, following consultation with beekeeping stakeholders, three needs were identified: the need for baseline figures in the apiculture sector; the need for training that takes into consideration latest research findings; and the need to support the dissemination of research findings.

Proposed Structure

The new 5-year National Apiculture Programme will build on the current National Apiculture Programme 2019 – 2022. Funding will be provided to a single institution that will undertake research in the Apiculture sector and disseminate their findings, following an open call for proposals. Proposals will be reviewed by a Panel of Experts and will need to demonstrate a strong emphasis on the open dissemination of findings to beekeepers and the wider scientific community. It is intended that beekeepers having one or more hives will benefit from the research and dissemination of the findings. As funding will be provided through the National Apiculture Programme to a research body, payments will not be made to individual beekeepers.

Proposed Eligibility Conditions/Selection Criteria

All suitable Institutions that can demonstrate the necessary research capabilities are eligible to submit proposals for funding under the National Apiculture Programme. The Programme may support the following:

- National surveillance programme testing for the prevalence of selected bee diseases and pests that affect colony loss in hives across Ireland;
- Research into other potential reasons for bee colony loss, including other pathogens and climate change, may also be undertaken;
- Recruitment of a part time advisor to communicate research results and contribute to and support educational programmes by the beekeeping associations in Ireland;
- Cooperation with specialised bodies in the field of beekeeping and apiculture products including participation in the COLOSS Network.

Proposed Support rates/financial allocation

In the draft CAP Strategic Plan Regulation, Member State allocations for types of interventions in the apiculture sector are established, based on the number of beehives present in each Member State. Each Member State is then expected to co-finance this allocation at a rate of 50%. Ireland's total allocation amounts to €61,640 per annum, and therefore the annual indicative financial allocation for this intervention is €123,280. This amounts to a total indicative financial allocation of €616,400 for the period 2023-2027.

(7) Sectoral Intervention in the Fruit and Vegetables Sector

Purpose

The aim of this intervention is to provide support to groups of Producers wishing to be recognised as Producer Organisations (POs) in the Fruit and Vegetables (F&V) sector. It will also provide support for existing POs already in the sector, to achieve some or all of the specific objectives for the F&V sector outlined in the CSP Regulation. Ireland's SWOT analysis and Needs Assessment identified an opportunity to increase the level of participation in POs in the F&V sector in Ireland, which should enable primary producers to improve their position in the value chain. Currently, there are four POs in the Irish F&V sector and the share of fruit and vegetable production marketed by these POs in 2017 was over 70%.² Ensuring continued support for existing and new POs will further increase this share, and should allow the primary producers to achieve a better position in the value chain.

Proposed Structure

Both existing and newly recognised POs will be required to submit a 5-7-year Operational Programme which will describe the interventions they will action to achieve their selected objectives. Each Operational Programme will be assessed in advance by DAFM to ensure that it will meet its objectives. In addition, POs must supply a completed survey of each active farm including details of environmental measures currently in place. This survey will be updated annually as part of each POs claim for funding for their Operational Programme. In order to provide sufficient flexibility to adapt to changing market conditions, each Operational Programme may be amended by the PO in advance of that operational year, subject to DAFM's approval. Part year claims may also be paid before year end to ease PO cashflow. DAFM will monitor and check the Operational Programme including assessing the realised impact of each action in a Programme.

Proposed Eligibility Conditions/Selection Criteria

In order to be recognised by DAFM, a PO must

- produce fruit or vegetables (excluding potatoes) worth a total Value of Marketed Product of €2.5 million or more
- have more than 5 members
- fulfil all EU legislative requirements for recognition as a PO.

Proposed Support rates/financial allocation

The aid budget will be 4.1% of each PO's Value of Marketed Product (VMP). A claim for EU aid to cover 50% of the costs of the Operational Programme will be thoroughly evaluated and once approved, will be paid in arrears. At least 15% of the aid awarded to each PO will have been spent on actions to deliver on environmental objectives and 2% must be spent on Research and Development. The annual indicative financial allocation for this intervention is €7.8m, amounting to a total indicative financial allocation of €39m for the period 2023-2027.

²https://agridata.ec.europa.eu/extensions/DashboardIndicators/AddingValue.html?select=EU27_FLAG,1

(8) Coupled Income Support for Protein Aid

Purpose

The aim of this intervention is to support the domestic production of protein crops in Ireland. As noted in the SWOT analysis, Ireland is reliant on imports of high protein feed materials, of which there is a significant deficit nationally. Supporting the domestic production of protein crops, which could then be used to supply a greater proportion of the feed materials included in animal feed rations, would ultimately reduce Ireland's reliance on imported feed materials. The SWOT analysis further notes that farms in Ireland have become increasingly specialised towards livestock production. This specialisation carries a higher risk when considering the impacts of market volatility, disease outbreak, climate change and long-term changes in consumer behaviour. Diversification towards protein crop production could mitigate against these risks and result in lower carbon intensity farming, which would be beneficial to the climate and the natural environment. In terms of their environmental benefits, protein crops can serve as a very valuable break crop in tillage crop rotations and they provide an essential protein source for animal feed free from GMOs, thus underpinning the security of food production in the sector. Furthermore, legumes play an important role in fixing nitrogen from the atmosphere resulting in reduced chemical nitrogen fertiliser usage.

Proposed Structure

This intervention is designed to provide a direct financial support for Irish farmers growing eligible protein crops, thus providing greater economic certainty to these farmers to allow them to continue growing. Support will be provided based on the number of hectares in which protein crop production takes place.

Proposed Eligibility Conditions/Selection Criteria

Eligible beneficiaries are required to submit a BISS application in each year of application, declaring the areas in which they are planting the eligible crops. The eligible crops for support under this intervention are peas, beans and lupins. The inclusion of soya and mixed cropping (protein/cereal mix) is under consideration.

Proposed Support rates/financial allocation

Financial support under this intervention takes into consideration the current economic returns for growing plant proteins, which are less competitive compared to the returns for native grown cereals and protein imports. In addition, it takes into consideration variabilities in production levels due to external factors such as unfavourable weather conditions. As it is expected that the area grown will increase over the programming period, the payment rate will be linked to the variation in the grown area. The payment will be made per hectare. The annual indicative allocation for this intervention is proposed at €xm, amounting to a total indicative financial allocation of €xm for the period 2023-2027. However, it should be noted that funding allocations under the direct payment ceiling are inter-linked and are subject to change depending on decisions related to capping, convergence, use of eco-scheme rebate and redistribution flexibilities, etc.

(9) Complementary Redistributive Income Support for Sustainability (CRISS)

Purpose

This intervention is designed to redistribute CAP funds from larger farms to medium and smaller sized farms, and is now proposed as a mandatory element within the direct payments measures. The basic premise behind the measure is that support through CAP should go to those who need it the most, or those who are contributing most to the CAP objectives, and that redistribution of funds from larger farms to small and medium sized farms aids this objective. The political agreement on the CAP reform sets a mandatory redistribution amount equal to 10% of the direct payments ceiling (amounting to some €118m in Ireland). However, there is a derogation that allows Member States to take account of the redistributive effects of other elements of direct payments before deciding whether a CRISS is required, or what the extent of any measure would be. This is a matter that will be decided following completion of the public consultation process.

Proposed Structure

As per the draft CSP Regulation, once the amount for redistribution is set, that portion of the direct payments ceiling is reserved for the measure. The number of “first hectares” of each holding for which the payment will be made is also required, and the resulting payment per hectare is then calculated. This will be determined for each farm during the BISS application process. The maximum payment per hectare is limited to the average payment entitlement value. This average figure will only be known when all of the other direct payments measures are determined.

Proposed Eligibility Conditions/Selection Criteria

Eligible beneficiaries are required to:

- submit a BISS application each year via the online application system, declaring their farmland located within the jurisdiction of Ireland;
- meet the minimum requirements to receive a direct payment as will be defined under Article 15 (a) of the CSP Regulation;
- meet the definition of a “active farmer”

Proposed Support rates/financial allocation

Support is allocated based on the criteria set out in the scheme design – directly based on the size of the fund and the number of “first hectares” to be paid on. Based on the ringfencing for CRISS of 10% of the direct payments ceiling, the annual indicative allocation for this intervention is estimated at approximately €118 million per annum, amounting to a total indicative financial allocation of approximately €590 million for the period 2023-2027. However, it should be noted that funding allocations under the direct payment ceiling are inter-linked and are subject to change depending on decisions related to capping, convergence, use of eco-scheme rebate and redistribution flexibilities, etc.

The potential impacts on farmers' BISS payments of mechanisms such as capping and reduction of payments, internal convergence and the Complementary Redistributive Income Support for Sustainability are addressed by the modelling paper accompanying this consultation document.

5.2 Pillar II

(1) Agri-Environment Climate Measure (AECM)

Purpose

The aim of this intervention is to deliver a range of environmental, climate and biodiversity benefits by supporting farmers to undertake appropriate actions. The nature of the actions will be determined by the needs of the land and environs.

The SWOT Analysis and Needs Assessment identified numerous challenges emerging as a result of climate change, the unsustainable use of natural resources and the degradation of habitats. The national agri-environment climate measure accordingly consists of actions to address these biodiversity, water, soil and climate challenges. The underpinning principle for the scheme will be 'the right action, in the right place', in order to ensure effective targeting of measures to deliver biodiversity, water and climate action in an integrated manner on farms. The integration of results-based actions and the locally led approach into this flagship agri-environment scheme will build on the success of the Burren Programme and the European Innovation Partnership – AGRI Groups delivered under the RDP 2014-2020.

Proposed Structure

Any eligible farmer in any part of the country will have the opportunity to participate in the scheme. Participating farmers will be required to address priority assets (e.g. critical source areas for water, priority habitats) on their farms (similar to previous agri-environment, climate measures). These will constitute the basic actions required for entry into the scheme. It is intended that these actions will be a combination of prescription-based measures (at a fixed rate of payment) and results-based measures (where the level of payment is based on the results achieved). The scheme will take a landscape approach, and may mean that farmers in areas identified by the Department as having higher environmental priorities will participate in specific co-operation actions. Such actions may attract higher payments depending on the actions required.

Any additional bespoke farm/landscape measures required will be implemented with the assistance of a Local Project Team at local level. This co-operation element will support a landscape approach in these areas for the management and restoration of priority habitat/species, carbon storage, water quality, and biodiversity through improved land management and resilience. It is also expected to positively impact on problems facing these landscapes, for example landslides, flooding, mountain fires, management of commonages, invasive species, predator control, etc. The eligibility to participate in these will be clear from the application phase, with farmers' lands falling in defined co-operation areas able to avail of these additional supports.

Given the climate imperative of proposed actions under the next CAP, there will be a dedicated and attractive action for farmers under this intervention for land re-wetting. This may be one of the cooperation measures, or a separate action under this measure. Similarly, significant tree-planting measures will be included here, including agro-forestry and riparian planting. This will help deliver co-benefits, along with climate, for water quality and biodiversity. Mandatory planting of broadleaf trees on some farms may be included.

Farmers who choose to participate in the AECM will have one agri-environment climate measure contract only. Results-based approaches will be used, where appropriate, and support for non-productive investments will be provided when necessary to help improve habitat scores.

Proposed Eligibility Conditions/Selection Criteria

The scheme will be open to all active farmers in the country. To qualify for the higher payments, farmers must have land with higher environmental priorities. These areas are currently being defined. Access to the scheme will be determined through a ranking and selection process, and priority access will be provided to organic farmers, farmers with priority assets and farmers who agreed to undertake specific priority actions.

Proposed Support rates/financial allocation

An expected 50,000 farmers may take up this intervention. Payment rates will vary in line with the actions selected by the farmer. The average expected payment for farmers is €x per annum. Farmers may earn above the average payment rate if they take results-based actions and achieve higher results. Farmers in co-operation areas will also be eligible to receive additional payments for farm/landscape type actions. The annual indicative allocation for this intervention is €xm, amounting to a total indicative financial allocation of €xm for the period 2023-2027.

(2) Agri-environment Climate Training

Purpose

The aim of this intervention is to provide training to farmers who partake in the National Agri-Environment Climate Measure. In line with Ireland's SWOT Analysis, the agri-environment climate measure training will increase farmers' understanding of climate change and the impact farming activities have on natural resources and biodiversity at farm level, demonstrate how the agri-environment actions will address those issues, and educate farmers on how to implement the actions, equipping them with the knowledge and skills necessary to optimise delivery and ongoing management of the commitments.

Proposed Structure

It is proposed that two training courses will be provided to farmers participating in the national agri-environment climate measure. The first course is mandatory and is to be undertaken during the first full year of participation in the National Agri-Environment Climate Measure and will build on the training provided to farmers in the transitional period. The mandatory course will include:

- An introduction to the Green Architecture model under the new CAP,
- An overview of the environmental, water quality, biodiversity and climate challenges to be addressed,
- An overview of health and safety as part of good farm management,
- An overview of the agri-environment climate measure, its regulatory basis, the objectives of the scheme and funding,
- Information on the individual commitments,

The second course will be voluntary for farmers and will be offered during the course of the third full year of participation in the scheme. The voluntary course is designed to focus on management and aftercare and intends to update participants on issues that have arisen or have been identified in relation to compliance with specifications. The voluntary training may also address lessons learned to date on the implementation of the overall scheme, follow up on any issues identified at initial training and any developments on higher level environmental issues.

Proposed Eligibility Conditions/Selection Criteria

Farmers who have been approved for participation in the National Agri-Environment Climate Measure. Providers must be registered professional advisors with DAFM. This entails

- Having a relevant National Framework of Qualifications Level 8 qualification
- Having received the specific training for the Agri-Environment Scheme delivered by DAFM for advisors
- Being registered with the Farm Advisory Service.

Proposed Support rates/financial allocation

The payment will cover the cost of training for the farmer (in respect of his/her costs for attendance at the training including their time and travel costs) and the trainer (based on the cost associated with delivery and preparation time, course materials and delivery costs). The total indicative financial allocation for this intervention is €xm for the period 2023-2027.

(3) Organic Farming Scheme

Purpose

The aim of this intervention is to provide support to farmers wishing to convert from conventional farming systems to organic farming systems, as well as to support its continuation after the initial period of conversion (a maximum period of two years). Ireland's SWOT Analysis and Needs Assessment identify the need to increase the area of land farmed organically in Ireland, as well as to increase the number of sustainable farming systems in Ireland in order to deliver enhanced environmental and animal welfare benefits, and as a response to the increasing market demand for organically-produced food. This intervention aims to build on the progress made in respect of the development of the Organic Sector in the previous programming period, in line with the Programme for Government target of 7.5% of UAA to be farmed organically.

Proposed Structure

The general structure and implementation of the existing Organic Farming Scheme will be continued. Support will be provided annually and will be provided as an area-based payment over a maximum contract period of 5 years (2 years in conversion, 3 years in maintenance), with increased payment per hectare and some targeted incentives aimed at areas that are deemed to be in deficit.

Proposed Eligibility Conditions/Selection Criteria

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

- The requirement of a minimum farm area of 3 hectares, except for horticultural (including fruit) 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.
- Completion of FETAC level 5 Course in Organic Farming

Proposed Support rates/financial allocation

Farmers converting land to organic farming will receive a higher payment for the initial maximum two-year conversion period, with a maintenance payment thereafter. The rate of aid will vary across farming sectors. In line with the strategy for the Development of the Organic Sector 2019-2025, higher rates will be payable for horticultural operations (including fruit), for tillage operations, and for dairy operations, all of which are strongly in deficit. Support is based on the additional costs incurred and income foregone that farming to organic standards incurs, plus a transaction cost when compared to a conventional farmer of similar land area, intensity of production and efficiency. The organic licence cost is incorporated within eligible costs, under costs incurred.

The total indicative financial allocation for this intervention is €xm for the period 2023-2027.

(4) Areas Facing Natural Constraints (ANC)

Purpose

The aim of this intervention is to provide support to farmers who farm land in areas eligible for the support, following the designation of land undertaken in 2019. Ireland's SWOT analysis identifies that Direct Payments are a valuable source of income support for all farmers but particularly those situated in areas of natural and other specific constraints. Without direct support, farming in these areas may not be viable and this could lead to the abandonment of agricultural land. Ireland's SWOT analysis further notes that High Nature Value farming occurs most frequently in areas where natural constraints prevent intensification; and that grazing on these agricultural areas can be an important component of maintaining certain habitats. As a result, Ireland's Needs Assessment identifies the need to support farmers facing natural and other constraints to maintain a viable farm income, maintain the landscape and protect against the abandonment of agricultural land.

Proposed Structure

The intervention design is based on the identification of three mainland categories of land and one offshore island category of land based on differing levels of identified constraints. The categorisation of land ensures that financial support is targeted towards those with the highest levels of natural and other specific constraints. The farming system prevalent in the various categories is as follows: Category 1 Land is characterised by extensive farming practices focused on livestock management on higher ground; Category 2 Land is characterised by extensive livestock grazing practices on lower ground; Category 3 Land is less extensive in nature and characterised by grazing livestock enterprises; and Offshore Island Land is generally small and fragmented where the potential for intensification is limited and farming is economically marginal, at best.

Proposed Eligibility Conditions/Selection Criteria

Eligible beneficiaries will be required to:

- meet the definition of a "active farmer"
- Occupy and farm a minimum of 3 hectares of forage and arable land, situated in a designated area
- Have a holding that meets the minimum stocking levels (grazing requirement). This requirement is set at 0.15 livestock units per hectare. Where justified on environmental grounds, a lower requirement may apply.

Proposed Support rates/financial allocation

The proposed support rates under this intervention are as follows:

- Category 1 Land: €x on the first 12 eligible hectares or part thereof, and € x per hectare on remaining hectares up to a maximum of 34 hectares.
- Category 2 Land: €x on the first 10 eligible hectares or part thereof, and €x per hectare on remaining hectares up to a maximum of 30 hectares.
- Category 3 Land: €x on the first 8 eligible hectares or part thereof, and €x per hectare on remaining hectares up to a maximum of 30 hectares.
- Offshore island land: €x for the first 20 eligible hectares, €x for eligible hectares 20 to 34, and €x for eligible hectares 34-40.

The annual indicative financial allocation for this intervention is €xm, amounting to a total indicative financial allocation of €x Million for the period 2023-2027.

(5) Producer Organisations in the Beef and Sheep Sector

Purpose

The aim of this intervention is to provide support to groups of Producers wishing to be recognised as Producer Organisations (POs) in the Beef and Sheep sectors. The possibility of supporting groups setting up POs in other sectors (e.g. potatoes, amenity plants, cereals) is also being considered. Ireland's SWOT Analysis and Needs Assessment identify low levels of participation in Producer Organisations in Ireland, and a need to increase participation levels in order to improve the farmer's position in the value chain. The rationale for support under this intervention is to encourage the adoption and development of Producer Organisations in the beef and sheep sector; and to assist primary producers in strengthening their position in the supply chain.

Proposed Structure

Applications for recognition will be taken on a rolling basis from 2023 – 2027 inclusive. Support in Year 1 is intended to be provided for advisory costs and for administrative functions. Support in Year 2 and 3 will be provided for administrative functions only. The support for advisory costs covers a contribution for the engagement of facilitators for legal and business advice. It is proposed to open a call for facilitators and to provide training to these facilitators so they can provide advisory services specific to the establishment of producer organisations in the beef, sheep and possibly other sectors. Support provided for administrative functions will contribute towards administrative costs including the engagement of administrative human resources and the purchase of relevant technology (hardware/software).

Proposed Eligibility Conditions/Selection Criteria

In order to be eligible an applicant must:

- be set up on the initiative of producers and be led by producers;
- have a minimum of 20 members;
- be constituted in line with the requirements under the relevant articles of the EU Common Market Organisation Regulation be registered as a legal entity with the Companies Registration Office.

Proposed Support rates/financial allocation

Total planned allocation over the course of the programme to each organisation is €x to be paid over three years:

Year 1 - €x support for advisory costs, €x in administrative function support

Year 2 - €x in administrative function support

Year 3 - €x in administrative function support

It is intended that an estimated target of x new groups be established in the first three years, with a total indicative financial allocation of €x Million for the period 2023-2027.

(6) Suckler Carbon Efficiency Programme

Purpose

The aim of this intervention is to provide support to beef farmers to improve the environmental sustainability of the national beef herd. The SWOT analysis and Needs Assessment identify the need to improve the genetic merit of the suckler herd, to help achieve the ambitious climate targets set for the sector. The scheme aims to build on the gains delivered thus far through the Beef Data and Genomics Programme (BDGP) and the Beef Environmental Efficiency Programme (BEEP) by improving the genetic merit of the Irish suckler herd and reducing the greenhouse gas intensity of Ireland's beef production.

Proposed Structure

This intervention will consist of two measures, with Measure A and B operating on a 5-year contract basis. The measures will run in parallel. A suckler farmer can only be in either Measure A or B, i.e. cannot be in more than one. Measures A and B are aimed at improving the environmental sustainability of the national beef herd. Measure A will be for those participants who were in BDGP on 1 June 2021. Measure B will be for those participants who were not previously in BDGP, or where they were in BDGP, were not in BDGP on 1 June 2021. Participants in both Measure A and B will have to complete four mandatory actions within each year of the Scheme. However, the actions will have differing targets. These actions include ensuring a replacement strategy is in place, genotyping, weighing and data recording. Separately, participants can opt to select two complementary actions also, if they so wish. If they select any of the complementary actions, these actions must also be undertaken in each year of the contract. The complementary actions are the same for Measure A and B. These actions relate to forage quality and faecal egg testing. Given the scale of farm deaths caused by livestock, every participant will also be required to attend a half day livestock handling course before the end of year 2. Where a participant is in the Dairy Beef Welfare Scheme, they will only be entitled to this payment in one of the Schemes.

Proposed Eligibility Conditions/Selection Criteria

In order to be eligible an applicant must:

- Have submitted a BISS application in a reference year and continue to submit BISS applications on which all their lands are declared for the duration of the Suckler Carbon Efficiency Programme.
- Have beef breed animals born annually in the herd in each scheme year of the measure.
- There will be a historical reference year - TBC.
- Be a member of the Bord Bia Sustainable Beef and Lamb Assurance Scheme

The scheme will prevent a participant increasing their Suckler Cow numbers over the course of the contract. However, in the exceptional cases where a farmer has had a very marginal increase, and to ensure that small changes do not impact on farmer participation, the Department will allow some flexibility on this provision.

Proposed Support rates/financial allocation

The number of Suckler Cows eligible per herd will be based on an historical reference year which will provide a ceiling for payment, but there will be scope to reduce numbers without penalty. Where a participant reduces their Suckler Cow numbers, this lower number will become their new Reference Number and they will be paid on this lower number going forward through the contract. The Reference Number may only be revised downwards.

The Minister would reserve the right to rank and select cases for entry into the scheme in the event of over-subscription and/or reduce the rate payable per cow.

The annual indicative financial allocation for this intervention is €x m, amounting to a total indicative financial allocation of €x Million for the period 2023-2027.

(7) Dairy Beef Welfare Scheme

Purpose

The aim of this intervention is to provide support to farmers who undertake actions to improve the viability of male dairy calves in locally based production systems. Ireland's SWOT analysis and Needs Assessment identify the need to improve animal welfare in Ireland, including that of male dairy calves; and the Commission's recommendations for Ireland's CAP Strategic plan include a recommendation to improve the welfare of male dairy calves also.

Proposed Structure

The scheme will consist of two measures: a Young Calf Measure and a Growing Stage Measure. The Young Calf Measure will be for those farmers breeding only Dairy herds. The Growing Stage Measure will be for all farmers who own and rear dairy beef calves. Breeding Dairy Herds that rear calves can apply for both measures. Under each measure, participants are required to complete two actions, one action from Category A and one action from Category B. The following is the list of actions that can be taken:

- Young Calf Category A: Sexed Semen or Genotyping
- Young Calf Category B: High DBI A.I. or Beef Stock Bull
- Growing Stage Category A: Calf Weighing of < 1-year olds or Weighing of Dairy Beef Animals < 2 years old
- Growing Stage Category B: Parasite Control or Forage Quality

To ensure participants fully understand the outcome of the commitments they enter into within the scheme, each participant will be required to engage annually in a 2-hour training course, either online or in person. This is to ensure that the technologies used and information provided to participants can be correctly interpreted. Given the scale of farm deaths caused by livestock, every participant will also be required to attend a half day livestock handling course before the end of year 1.

Proposed Eligibility Conditions/Selection Criteria

In order to be eligible an applicant must: -

- Have submitted a BISS application in a reference year and continue to submit BISS applications on which all their lands are declared for the duration of the Dairy Beef Welfare Scheme;
- Have beef breed animals born annually in the herd in each scheme year where the beneficiary is in the Young Calf Measure.
- Be a member of the Bord Bia Sustainable Beef and Lamb Assurance/Sustainable Dairy Assurance Scheme as appropriate

Proposed Support rates/financial allocation

The total amount payable to eligible applicants will depend on the measures chosen by the applicants and the actions chosen within each measure. Applicants must choose a minimum of one action per category but may pick two actions. The annual indicative financial allocation for this intervention is €xm, amounting to a total indicative financial allocation €x Million for the period 2023-2027.

(8) Sheep Improvement Scheme (SIS)

Purpose

The aim of this intervention is to build on the progress made by the Sheep Welfare Scheme (SWS) in the 2014-2020 RDP by providing support for actions that improve animal health and welfare in the sheep sector. As noted in Ireland's SWOT analysis, a number of animal welfare issues prevail in Ireland, including lameness in sheep. The Needs Assessment identifies the need to continue improving animal health and welfare standards in Ireland. The Sheep Improvement Scheme will contribute to improved welfare through targeted interventions in lameness control, parasite control, flystrike and appropriate supplementation.

Proposed Structure

Participating farmers will choose to undertake two actions altogether, one action from Category A and one action from Category B, appropriate to whether they have a lowland or a hill flock. The following is the list of actions that can be taken:

- Lowland Flock Category A: Lameness Control or Mineral Supplementation Ewes Post Mating or Parasite Control (Faecal Egg reduction test)
- Lowland Flock Category B: Genotyped Ram or Scanning and recording of results or Flystrike Control
- Hill Flock Category A: Mineral Supplementation Ewes Post Mating or Meal Feeding Lambs Post Weaning or Parasite Control (Faecal Egg reduction test)
- Hill Flock Category B: Genotyped Ram or Scanning and recording of results or Mineral Supplementation Lambs Pre-weaning

Hill flocks may not choose both Mineral Supplementation Pre-weaning and Meal Feeding of Lamb's Post Weaning. All farmers must complete the Genotyped Ram action once during the intervention period. Farmers with a flock size greater than 150 breeding ewes must complete this action twice over the course of the scheme. In all other years an alternative action from Category B must be completed. In the first year of application, all farmers must indicate the year(s) in which they will perform the Genotype Ram action.

Proposed Eligibility Conditions/Selection Criteria

- All applicants must have a flock number, breeding ewes on their holding for the duration of each scheme year, and declared breeding ewes on their 2022 Sheep Census return.
- The maximum number of ewes eligible for payment will be the average of the number of ewes in a specified historic reference period. Payment in a given year will be based on the lower of this maximum reference number or the latest sheep census figures returned.
- Applicants will be required to submit a completed Sheep Census return by the specified date for each year of participation in the Sheep Improvement Scheme.
- Be a member of the Bord Bia Sustainable Beef and Lamb Assurance Scheme

Proposed Support rates/financial allocation

The calculations for this scheme are based on costs incurred minus the net economic benefit associated with the actions. A transaction cost of 20% of the total cost per ewe is included in the calculations. The annual indicative financial allocation for this intervention is €xm, amounting to a total indicative financial allocation of €x Million for the period 2023-2027.

(9) European Innovation Partnership (EIP-AGRI) Operational Groups

Purpose

The aim of this intervention is to provide support to a range of actors in the agricultural sector who are looking to come together to form Operational Groups (OGs) to develop and test innovative solutions to particular challenges identified in the sector. The broad potential for the EIP model is recognised within the SWOT analysis and Needs Assessment, with the need to encourage the application of research and innovation at farm level identified. This approach will build on the success of the EIPs delivered under the RDP 2014-2020 in addressing the innovation gap between research and best practice, in encouraging innovative approaches, and in disseminating key findings.

Proposed Structure

This intervention will be structured around competitive calls for proposals for innovative projects related to specific challenges. Support will be structured around two streams: Stream A – EIPs aimed at addressing wider competitiveness, modernisation and animal health and welfare challenges in the sector; and Stream B – EIPs aimed at addressing areas related to environmental, biodiversity, climate change challenges. To maintain flexibility and the support for the development of innovative, 'bottom up' ideas, calls for proposals will be initiated by DAFM. It is proposed that there will be dedicated calls for proposals on topics that will include generational renewal, gender balance, environmental challenges, the uptake and utilisation of digital tools and technologies at farm level, the rearing of pigs with intact tails and the integration of the development of the bioeconomy at farm level. These themes for calls for proposals are indicative and will be developed further based on stakeholder consultation as the programming period progresses. Competitive calls for proposals will be structured around the following three phases:

- Phase 1 – An initial call for the submission of ideas/proposals to be evaluated by an expert evaluation committee.
- Phase 2 – Successful Phase 1 applicants will then be invited to develop their initial proposals from Phase 1 and submit a fully detailed Operational Group Plan which will be evaluated by an expert evaluation committee. The costs involved in developing these Operational Group Plans will be covered under this intervention.
- Phase 3 - Successful Phase 2 applicants will move forward to full implementation of their project. Implementation costs for these projects will be covered under this intervention.

It is worth noting that in certain situations a two-phase approach may also be utilised.

Proposed Eligibility Conditions/Selection Criteria

Support for projects will be structured around the competitive process outlined above. The call for proposals may be on the basis of identified themes. Successful projects must form an Operational Group to implement innovative approaches to challenges linked to the Specific Objectives outlined in draft CSP Regulation.

Proposed Support rates/financial allocation

The amount of support available will be dependent on the outcome of the various calls for proposals implemented. For both Stream A and Stream B, it is expected that support at Phase 2 would not exceed €10,000. Support at Phase 3 will be available here for the full implementation of detailed Operational Group Plans. The total indicative financial allocation for this intervention is of €x Million for the period 2023-2027.

(10) On-farm Capital Investment Scheme

Purpose

The aim of this intervention is to provide support to farmers looking to invest in capital projects on their farms. Ireland's SWOT Analysis and Needs Assessment identify the need to increase environmental efficiency in the agricultural sector through on farm investment and the adoption of new technologies; the need to support young farmers in accessing finance so they are in a better position to invest in and develop their farm enterprise; and the need to improve animal health and welfare, and farm safety on farm.

Proposed Structure

This scheme will be implemented, similar to TAMS II, utilising a tranche-based system, operating in rolling tranches. Ranking and selection will be included. Grant aid will be provided for investment in the following categories:

- Environmental investments
- Animal Welfare,
- Nutrient Storage,
- Tillage Farmers,
- Young Farmers,
- Organics,
- Farm Safety

Proposed Eligibility Conditions/Selection Criteria

All applicants must:

- Must be an active Farmer, aged eighteen years or over, be the holder of an active Herd number/ flock/tillage or department identifier and have declared a minimum of 5 hectares (1 hectare for horticulture producers) of "eligible land" owned and/or leased or rented which have been declared under the Basic Income Support for Sustainability (BISS) in the year of application or preceding year. Must also comply with requirements on planning permission and tax clearance.
- For young farmers - aged no more than 40 at any time during the calendar year in which s/he submits an application and meet the conditions for being 'head of the holding' and the requirements for the appropriate training and/or skills.

Proposed Support rates/financial allocation

Support rates will vary depending on the type of project selected and whether the applicant qualifies for the higher of aid provided for young farmers. It is proposed to retain investment ceilings at current level with separate ceiling for LESS equipment. As this scheme is demand-led, the annual indicative financial allocation for this intervention varies year on year, dependent on the number of projects receiving funding. The total indicative financial allocation for this intervention is €x Million for the period 2023-2027.

(11) Continuous Professional Development (CPD) for Advisors

Purpose

The aim of this intervention is to provide the necessary support and resources to allow for the up-skilling and the continuous professional development of advisors in the agricultural sector. It is intended that agricultural advisors will play a central role in addressing the key challenges identified in Ireland's SWOT analysis and Needs Assessment; as well as in implementing the range of schemes to be rolled out as part of this CAP Strategic Plan. Participation in continuous 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, technologies, and regulatory and scheme requirements in a rapidly changing agricultural industry. It will promote the development of knowledgeable, professional and competent advisors, thereby enhancing the quality of service provided to farmers. This intervention will build on the continuous professional development provided to the advisors in the Farm Advisory Service (FAS) in the 2014-2020 RDP, and will be reflective of key themes and challenges identified in the SWOT Analysis and Needs Assessment and via stakeholder consultation.

Proposed Structure

The intervention will be structured around tendering processes to select suitably qualified training providers to deliver high quality professional training in a range of areas such climate change, mitigation and adaptation, sustainable energy, air, soil and water quality, biodiversity conservation, and the adoption of new technologies and best practice. These tenders will be rolled out over the course of the programming period, and it is envisaged that they will incorporate a blended approach to learning incorporating online and in-person learning in a manner consistent with existing FAS training delivery.

Proposed Eligibility Conditions/Selection Criteria

Eligible training providers will be selected via competitive tender processes as outlined above. Requests for tenders will be issued based on identified training themes and successful training providers will be required to meet particular requirements related to the specific training to be delivered.

Proposed Support rates/financial allocation

Support rates will be set on foot of the competitive tender processes set out above. Tender proposals will be evaluated based on predetermined selection criteria, which will include a focus on high quality provision, proven track record, and value for money. The total indicative financial allocation of €x Million for the period 2023-2027.

(12) Knowledge Transfer Programme

Purpose

The aim of this intervention is to provide farmers with a platform to share knowledge and to engage in learning. The SWOT Analysis and Needs Assessment identify a range of areas in which knowledge transfer can play a central role in underpinning a more competitive, resilient, modern and sustainable agricultural sector. This intervention aims to build on the 2014-2020 RDP Knowledge Transfer Programme by providing support for high quality and targeted advice to farmers, delivered by professional agricultural advisors with the appropriate experience and expertise (KT Facilitators). Increasing farmers' understanding of topics such as biodiversity, water, climate change, animal welfare and farm management including financial management and succession planning will ensure that the Irish agricultural sector remains resilient. This intervention is also one of the elements underpinning the further development of the national AKIS.

Proposed Structure

The intervention will be based on support for the implementation of Knowledge Transfer Groups, which will facilitate the delivery of targeted knowledge and skills to farmers. It is proposed that Groups will be set up across the whole farming sector and that Group members will not be limited by reference to the type of farm enterprise they are engaged in. Rather, Groups will be formed in accordance with local needs. A central element of the intervention design is based on ensuring that the Programme is structured in a way that ensures that the content of Knowledge Transfer Groups is clearly targeted at key challenges and issues identified in the sector while also maintaining a degree of flexibility for Knowledge Transfer Groups to tailor the content to their own experience, circumstances and requirements. Accordingly, in each year of the intervention, each Knowledge Transfer Group will be required to deliver four meetings from a list of 'Priority KT Topics' and four meetings on topics decided by the Group itself. The list of 'Priority KT Topics' will be refreshed at the start of each year of the programme, and will be reflective of the issues identified in the SWOT Analysis and Needs Assessment as well as emerging policy priorities in the sector. At least one of the meetings delivered on the 'Priority KT Topics' must incorporate delivery from an appropriate external expert. At the beginning, middle and end of the 4 year intervention, each KT Facilitator will hold a one to one meeting with each farmer in his/her group in order to set out their goals for the programme and report on progress in relation to same.

Proposed Eligibility Conditions

In order to be eligible to deliver Knowledge Transfer Groups, KT Facilitators will be required to hold a minimum educational qualification to Level 8 of the National Framework of Qualifications or another specified qualification deemed eligible by DAFM. KT Facilitators must also be FAS approved.

Proposed Support rates/financial allocation

KT Facilitators will receive a payment per each farmer in the Group who completes each year of the intervention. Farmers participating in the Groups will receive a payment upon completion of each year of the intervention. The total indicative financial allocation for this intervention is €x Million for the period 2023-2027.

(13) LEADER Programme

Purpose

The aim of this intervention is to support a community led local development (CLLD) approach to rural development by funding initiatives that emerge at a local level that aim to address local challenges and needs. Ireland's SWOT analysis and Needs Assessment identified several challenges in rural Ireland for which the LEADER intervention could provide assistance. These include the need

- to support private enterprises and communities to improve quality of life and economic activity in rural areas;
- and the need to create and sustain employment in rural Ireland with a focus on social inclusion and climate change mitigation.

The LEADER Programme is a key rural development tool for supporting the economic and social development of rural communities, by providing the resources necessary for communities to support their own development and create capacity at local level.

Proposed Structure

Support under this intervention is provided to Local Action Groups (LAGs) to implement pre-defined Local Development Strategies (LDSs) in their local areas. A series of indicative "LEADER Themes" have been developed from the evidence gathered during the SWOT analysis and Needs Assessment processes. Each LDS will be required to examine the potential of these themes within the LDS process and in the context of an integrated regional and local planning approach. The indicative high-level LEADER themes are

- Economic Development and Job Creation,
- Rural Infrastructure and Social Inclusion and
- Sustainable Development of Rural Environment and Climate Change Mitigation.

Proposed Eligibility Conditions/Selection Criteria

The Local Development Strategies selection process will consist of two separate phases (an expression of interest phase and a developmental phase). The Local Development Strategies will be selected by an Independent Selection Committee. Individual projects will be eligible for LEADER programme funding if they contribute to achieving the aims and objectives of the LDS and correspond to the objectives and priorities indicated for support in the CAP Strategic Plan.

Proposed Support rates/financial allocation

Support will be provided for the preparation and implementation of co-operation activities of the local action; and support will be provided for running costs and animation. Support must be in line with the aid intensity rates provided for in the legal framework and relevant State Aid limitations. Support rates vary depending on the type of project selected, with the possibility of aid intensity rates of up to 100% (TBC) available for certain interventions. Project 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. 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 CAP Strategic Plan. The total indicative financial allocation for this intervention is €x Million for the period 2023-2027.

6. Key Questions to be addressed

Direct Payments

- a. Should Ireland implement capping at an effective rate of €66,000 or €100,000, or at a rate in between?
- b. Should internal convergence stop at 85% of the national average payment entitlement value in 2026, or should it go to a higher percentage?
- c. Should Ireland go beyond the 10% of direct payments to redistribute from larger to smaller or medium-sized holdings? Or should Ireland seek to use the derogation to reduce the percentage? Should this funding be redistributed to farmers with holdings of less than 30 hectares?
- d. Should Ireland go beyond the 25% of direct payments to be allocated to eco-schemes? Or should Ireland use the flexibility in the regulation to reduce the percentage allocated to eco-schemes?
- e. What aspects of the current system do you consider unfair, and what is the best combination of all of the above mechanisms in order to bring about a fairer distribution of direct payments?
- f. Should there be a specific intervention to incentivise gender equality?