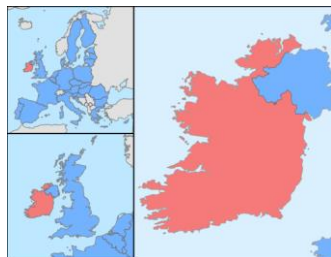


Case Study – IRELAND

Programming for the Green Economy

Introduction

Ireland is an almost entirely rural country with a population of 4.7 million and an area of nearly 69,800 km², of which 71.5% is farmland and is 11.5% forest.



The agriculture and food sector is based around dairy and beef production from grassland and makes a notable contribution to Irish economy, accounting for more than 12% of total exports and 8.5% of total employment. The challenges facing Ireland's rural economy include attracting more young farmers into an industry where more than 93% of farmers are over the age of 35, and finding a way to improve farm and business management skills. Another priority is taking action against climate change, because Ireland has one of the highest rates of Greenhouse Gas (GHG) emissions per capita in the EU and agriculture accounts for almost a third of the country's total GHG emissions.

Policy Framework and background

The 2012 policy statement on growth and employment in the green economy of Ireland **Delivering our Green Potential**¹ draws attention to two key strategies for the agri-food sector:

- **Food Harvest 2020** is an industry led vision for the Irish agri food sector up to 2020, published by the Irish Department of Agriculture, Food and the Marine², which sets both industry-wide and sectoral targets for 2020 (against baselines between 2007 and 2009). These targets include increasing the value of primary output in the agriculture and fisheries sector by €1.5 billion (a 33% increase), the value-added output by €3 billion (a 40% increase), and an export target of €12 billion by 2020 (a 42% increase). Specific sectoral targets include growth of 20% in the output value of the beef sector and a 50% increase in milk production of by 2020.

- The Government is committed to differentiating the Irish food and drink industry in a competitive market through the **Origin Green** initiative launched in 2012 by Bord Bia (Food Board)³. This involves manufacturers in setting targets in areas such as energy, waste, water, biodiversity and corporate social responsibility activities, minimising their overall carbon footprint and lessening their impact on the environment.

An environmental analysis of the changes outlined in Food Harvest 2020 found that at national level there would be a slight negative impact on biodiversity, flora and fauna, water quality, air quality and climatic factors, but little impact on soils and landscape⁴. These negative impacts could potentially be reversed (and environmental gains achieved in some cases) through using high technology and best production methodologies (which are already practised by the top 10% of producers across the sectors), and by continuing to adhere to environmental legislation and targets. The report indicated that the most effective way of achieving this would be through tailored agri-environmental best practices and high technology plans for individual farms. It also identified a knowledge and skills deficit at both farm advisor and primary producer level, and recommended up-skilling more than 500 Approved Farm Advisors and ensuring that they were informed directly about research findings.

In the same year the government set out a medium to long-term framework for advancing sustainable development and the green economy in Ireland in **Our Sustainable Future 2012**⁵. This means actively pursuing the implementation of environmental policies alongside the economic aims of Food Harvest 2020 by:

- promoting sustainable pasture-based farming and soil management that contributes to sustainable energy requirements and the protection of biodiversity;

³ <https://http://www.origingreen.ie>

⁴ <https://www.agriculture.gov.ie/media/migration/ruralenvironment/climatechange/FoodHarvest2020EnvironmentalAnalysisFINAL050214.pdf>

⁵ http://www.environ.ie/sites/default/files/migrated-files/en/Publications/Environment/Miscellaneous/FileDownload_30452_en.pdf

¹ <https://www.djei.ie/en/Publications/Publication-files/Delivering-Our-Green-Potential.pdf>

² <https://www.agriculture.gov.ie/media/migration/agri-foodindustry/foodharvest2020/2020FoodHarvestEng240810.pdf>

- supporting farmers to stay in farming and to increase productivity;
- maintaining active farmers who are engaged in food production by ensuring that the necessary ingredients for sustainable rural communities are in place; and
- continuing to invest in the afforestation programme to support the sustainable development of the forestry and forest products sectors.



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The Ireland RDP 2014-20 and state aid for forestry

The 2014-20 RDP supports the Government's aim of creating a greener and more productive agriculture sector, with a focus on knowledge transfer, training and investment, and on improving environmental management through a new and highly targeted agri-environment-climate scheme. Rural employment will be addressed through LEADER support which is expected to create over 3,000 jobs in rural Ireland. The majority of agricultural grassland habitats in Ireland are not achieving favourable conservation status and this will be a key area to tackle with the RDP support.

Around 27,000 farmers are expected to join interactive knowledge transfer groups, and more than 111,000 training places will be provided for farmers wanting to improve their knowledge and skills. Almost 10% of farm holdings will be restructured and modernised and on another 3% of holdings young farmers will benefit from targeted RDP support. By 2023 Ireland aims to have 60% of its agricultural land under management contracts, supporting biodiversity and/or improving the management of water and soils, and a further 10% under contracts encouraging and supporting climate-friendly farming practices.

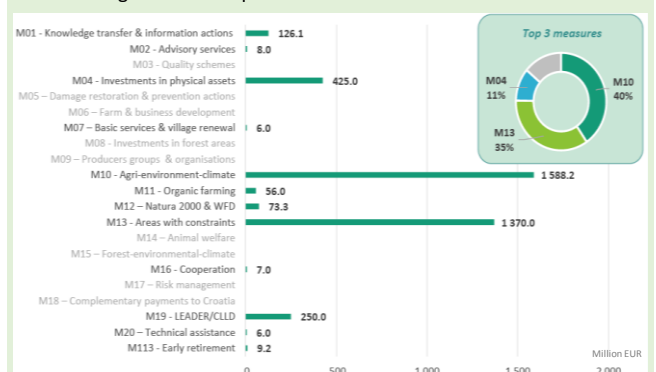
Support will also be available to convert 16,000 hectares of farmland to organic production, while energy efficiency in the farming sector will be improved through the expected investment of €50 million. Three quarters of the rural population will be in areas covered by Local Development Strategies, and the LEADER Programme will help farm families to diversify and explore business opportunities beyond the farm-gate. The graphics below illustrate the EU priorities, measures and budget allocations of the Ireland RDP 2014-20.

Table 1: Budget allocation per RDP Priority

Priority	Total public expenditure per priority (million EUR)	% of total public expenditure*
P2 - Competitiveness	291.5	7.4 %
P3 - Food chain & risk management	56.0	1.4 %
P4 - Ecosystems management	2 873.0	73.2 %
P5 - Resource efficiency & climate	439.0	11.2 %
P6 - Social inclusion & local development	250.0	6.4 %

Source: RDP Summaries, ENRD, 2016

Table 2: Budget allocation per RDP Measure



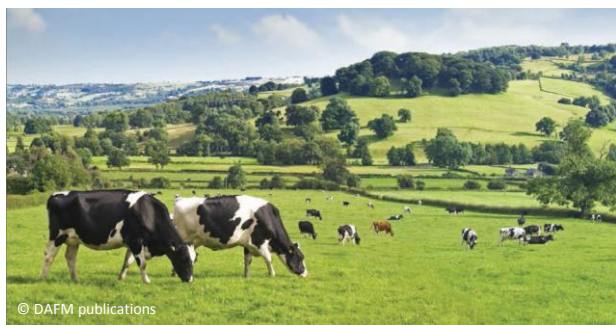
Source: RDP Summaries, ENRD, 2016

Forestry Programme for 2104-20 offers land managers eleven different types of support at a total cost of €262 million, funded entirely by state aid. The Programme's key target is to increase Ireland's forest area by more than 43,000 ha over six years through afforestation and woodland creation. The main objective is to capture carbon, produce wood and help to meet GHG mitigation targets, but also to produce biomass and fibre, create new native woodland and establish agroforestry⁶.

⁶ <https://www.agriculture.gov.ie/forests/forestryprogrammes2014-2020/>

Knowledge Transfer Groups

The three-year programme for Knowledge Transfer Groups, launched in 2016, will help 26,600 farmers in six sectors – beef, sheep, dairy, tillage, equine and poultry – to develop their knowledge and skills base, to pursue best practice and to improve their incomes. This new scheme is designed to ensure that the farmer and adviser engage in one to one discussion on key aspects of the farm business such as controlling input costs, environmental sustainability, breeding and herd health. This will be complemented by group-based discussions and by sharing experience and information between farmers. The Knowledge Transfer Groups each have 12-18 participants supported by a qualified, Government-approved facilitator who organises between five and ten Group meetings in each of the three years, and helps every participant to prepare a tailored Farm Improvement Plan (FIP). Another benefit for participant farmers is the social interaction of the Groups, helping to counteract the problem of rural isolation. Participants will be paid €750 per year (or €350 for participation in an additional group in a different sector) and must attend at least 5 meetings a year, as well as preparing and updating their FIP. The Group facilitator receives €500 per year for each participant (or €250 in the case of a participant joining a second group).



Green, Low-Carbon, Agri-Environment Scheme GLAS

GLAS is a new environmental land management scheme for Irish farmers, addressing the objectives of climate change, water quality and biodiversity. GLAS combines in a single package the RDP measures for agri-environment-climate annual payments, environmental investment, training and advice.

All applications to GLAS must be prepared by an approved adviser and are ranked by priority, in three categories. Farmers with Priority Environmental Assets (PEAs) on their land are always given first priority for acceptance into the scheme.

The PEAs have already been identified and mapped and include Natura 2000 sites, important farmland bird habitats, high quality water courses and common pastures (known as ‘commonages’ and often found on carbon-rich peat soils). If these farmers join GLAS they must manage all identified PEAs on their farm as required by the scheme, and they are given advice how to do this, for example on planning the management of Natura 2000 sites and common land.

Next in priority are arable farms, intensive beef and sheep farms and organic farms which, if they join, must implement at least one of a list of action for reducing GHG and ammonia emissions or supporting farmland birds. A similar choice is given to the third priority group of farmers, which includes those with a Vulnerable Water Area on their land. For the second and third priority farmers. Not all eligible applicants in the second and third priorities are guaranteed access to GLAS and a scoring system will be used if necessary.

All farmers joining GLAS must have a Farm Nutrient Management Plan prepared for the holding in the first year, attend training in environmental practices and standards during the first two years and keep records of their GLAS environmental management. They also have the opportunity to choose other, optional GLAS management actions or environmental investments to benefit climate change, water quality and biodiversity (see table for details).

Detailed specifications for all the GLAS management choices, together with payment rates, can be found on the DAFM website⁷. GLAS is structured as a package and offers a maximum payment of €5,000 per applicant per year, or up to €7,000 if the Priority Environmental Assets on the farm require a particularly high level of environmental management.

⁷ <https://www.agriculture.gov.ie/farmerschemespayments/glas/>

Targeting GLAS at climate change, water quality and biodiversity

GLAS targeting is achieved by giving different levels of priority to applications for GLAS, in three categories which each have defining environmental characteristics and (if the application is successful) specific management requirements. There are other, compulsory requirements for all applicants plus a menu of additional environmental management and investments from which they can choose.

HIGHEST PRIORITY - farms with Priority Environmental Assets (PEAs)

Farmers with any of the following PEAs on their holding will normally be guaranteed access to GLAS and will have to follow specific management requirements for each of the PEAs on their farm:

- farmland habitats (Natura 2000 sites)
- farmland birds (breeding waders, chough, corncrake, geese/swans, grey partridge, hen harrier, twite)
- commonages
- High Status Water Area (defined under the Water Framework Directive)
- rare breeds of livestock

SECOND PRIORITY – new environmental actions on intensive livestock and arable farms, and on organic farms

The next priority is applications from beef, sheep or dairy farms producing livestock manure at a rate equivalent to 140kg nitrogen/hectare/year, farms with more than 30 hectares of arable crops and organic farms. If these farmers' applications are accepted they will be required to implement at least one of the following actions, depending on the type of farm:

- arable farms
 - minimum tillage
 - catch crops (established from a sown crop)
- livestock farms
 - low emission slurry spreading
 - wild bird cover
- organic farms
 - actions appropriate to the farm, starting with those listed above.

THIRD PRIORITY – farms with land in a Vulnerable Water Area and other livestock or arable farms

Applications from other arable and livestock farmers are next in priority and if successful they must undertake the following actions, depending on the type of land they farm:

- farms managing land in a Vulnerable Water Area
 - appropriate actions for the Vulnerable Water Area (under the Water Framework Directive)
- farms outside Vulnerable Water areas
 - at least one of the four actions listed under the second priority (above) for livestock and/or arable farms

There is no guarantee that all eligible applicants in this priority will be accepted (a scoring system may be applied)

OPTIONAL environmental actions and investments for all priorities

These can be chosen by any applicant in addition to the compulsory requirements for their priority, or as a standalone application (but choosing only these actions will not guarantee entry to GLAS):

- arable margins, bat boxes, bird boxes, catch crops, conservation of solitary bees, coppicing hedgerows, environmental management of fallow land, laying hedgerows, low-emission slurry spreading, low-input permanent pasture, minimum tillage, planting a grove of native trees, planting new hedgerows, protection of archaeological sites, protection of water courses (not in high status or vulnerable areas), riparian margins, traditional hay meadows, traditional orchards, traditional stone wall maintenance, wild bird cover.

COMPULSORY requirements for ALL applicants to GLAS

All applicants must:

- have their GLAS application prepared by a government-approved agricultural planner.

All successful applicants must, as part of their GLAS contract:

- have a farm nutrient management plan prepared
- take part in training in environmental practices and standards; and
- keep records of the GLAS actions they undertake

Investing in structural improvements in key agricultural sectors

The Ireland RDP also offers targeted investment support to improve farm competitiveness and farm incomes and to reduce the environmental impacts of key farming sectors. Support is available for:

- new equipment for pig and poultry units;
- young farmers upgrading their farm buildings and equipment;
- investing in the most up-to-date technology on dairy farms, to enable these businesses to compete in the modern sector;
- buying new, more environmentally friendly equipment for slurry-spreading;
- modernising cattle, sheep and goat farms by investing in improvements to animal welfare, working and production conditions and nutrient storage;
- investment in the organic sector, particularly by young farmers, to ensure a regular supply of high quality organic produce to the market.

This RDP investment support is usually at a rate of 40% of the approved capital cost but for young farmers investing in buildings, equipment and organic production the rate is increased to 60%.

⁸ Farmers can follow links on the GLAS website to the Environmental Protection Agency's interactive maps of water status (as assessed under the EU Water Framework Directive) on the geoportal <https://www.agriculture.gov.ie/media/migration/farmingschemesandpayments/glastranche1/RiverStatusInformationonEPAWebsite211114.pdf>

Key points

- ✓ Ireland has a clear strategy to improve the competitiveness of its agri-food industry, particularly the livestock sector which is an important part of the economy. The government aims to differentiate the Irish food and drinks industry by its green credentials, through the Origin Green initiative.
- ✓ To help achieve this, RDP funds will be used to improve knowledge transfer and advice and for on-farm investment to encourage farmers to adopt best available practices in agricultural and environmental management.
- ✓ The new, integrated environmental support scheme GLAS will target key farmland management issues for climate change, water quality and biodiversity through prioritising applications and providing farm-specific environmental advice.
- ✓ Afforestation and woodland creation is a priority to address GHG emissions targets and is supported through state aid, not the Ireland RDP.