



Supporting Young Farmers and New Entrants

The sustainability and development of rural areas is strongly dependent on generational renewal. Young farmers, new entrants into agriculture and/or rural entrepreneurs are fundamental for a revitalised and vibrant rural Europe. Contemporary and future farming practices are decidedly innovative; requiring dynamic young people to engage and lead Europe and Ireland into a new era of agriculture and rural development.

Introduction

In 2016, the Agri-food sector in Ireland generated 7% of gross value added (€13.9 billion), and produced 9.8% of Ireland's merchandise exports, providing 8.5% of the nation's employment. These figures are in line with The FoodWise 2025 Report, published in 2015 by the Department of Agriculture, Food and the Marine (DAFM). Nonetheless, falling farmer numbers and in particular a decline in young farmers is a constant threat to the agricultural sector, potentially hindering innovation and progression. The 2016, Central Statistics Office (CSO, 2016) show that there were 137,100 farms in Ireland, down from a total of 141,527 farms in 2000. These figures illustrate a significant decline, but of greater concern are figures showing that in 2016 on 30% of Irish farms, the farm holder was over 65 years of age. Statistics for young farmers were even starker, with the number of farmers under the age of 35 halved from 2000 to 2010.

Policy Tools Generational Renewal

Increasingly viewed as an issue of great concern, a number of Irish policy tools have been put forward to improve generational renewal for young farmers and new entrants:



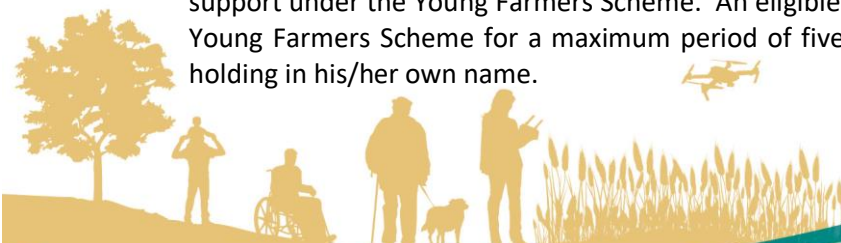
Image credit: Teagasc

The Young Farmer Capital Investment Scheme

This scheme is part of **The Targeted Agricultural Modernisation Scheme (TAMS II)**, and provides grant aid of 60% to young farmers between the ages of 18 and 40 years. This can be used for construction, acquisition including leasing or improvement of immovable property and the purchase or lease purchase of new machinery and equipment up to the market value of the asset. By April 2018, the scheme had paid out €21.8 million to 837 young farmers.

Young Farmers Scheme

Introduced in 2015, the maximum 2% of the national ceiling in Ireland was applied to create a fund of some €24m annually from 2015 to 2019. Since 2015 over 8,000 young farmers each year have received support under the Young Farmers Scheme. An eligible young farmer receives the payment under the Young Farmers Scheme for a maximum period of five years based on the year of setting up of the holding in his/her own name.



The National Reserve

Since 2015 this scheme has encouraged well educated young farmers and new entrants into the agriculture industry. The National Reserve was introduced in Ireland in 2015 based on the maximum allowable 3% cut to the Basic Payment Scheme financial ceiling to provide an initial €24m in funding. The scheme provides support to the two mandatory categories of 'Young Farmer' and 'New Entrant to Farming'. Since 2015 over 7,700 farmers (7,000 of whom are young farmers) have been allocated some €31m in payment entitlements under the National Reserve in Ireland.

The Succession Farm Partnership Scheme

Tax incentives were provided if both farmer and successor enter into an approved partnership, culminating in the transfer of at least 80% of the farm assets to the successor. The scheme is incentivised by offering an annual tax credit worth up to €5,000 for a five-year period.

Collaborative Farming Grant Scheme

This scheme was introduced to allow farmers to engage a number of experts in drawing up a farm partnership and to cover service costs, including legal, advisory and financial services.

Further details on Young Farmer Initiatives at: www.agriculture.gov.ie/farmerschemespayments/

Young Farmer and New Entrant into Farming: Irish Case Study

Maighread Barron, native of County Waterford in the south of Ireland, completed a Degree in Dairy Business in University College, Dublin in 2016. Having the option of considering a four way farm



partnership with her parents and brother on her home farm, Maighread, at 24 years of age opted instead to take out a 15 year lease on a 100 acre dairy farm approximately a half an hour from her own home. Maighread is currently milking 89 Holstein Friesian/British Friesian cows, with a key focus on producing top-quality milk. Taking advantage of the **Young Farmer Capital Investment Scheme** and following advice from her local Teagasc advisor, Brian Halliard, in 2018 Maighread

successfully applied to upgrade her milking parlour via a government grant. Maighread's aptitude for farming and business was recently recognised as she successfully reached the Macra na Feirme, Young Dairy Farmer of the year 2018 Final.

Entrepreneurs in Rural Areas

Young rural entrepreneurs engaged in numerous ventures across Ireland are currently supported through the LEADER Programme 2014-2020, which continues to remain as one of Ireland's most consistent and reliable options for those engaging in rural business development. Towards the end of 2018, over €24 million was allocated to rural projects under the Rural Economic Development and Enterprise Theme of the LEADER Programme.



Rural Entrepreneurs: Irish Case Study

Jonathan O'Meara founder of Mid Ireland Adventure, based in the heart of rural Ireland was supported via the LEADER Programme. Johnathan's growing business now provides a range of adventure sports activities to a diverse local and international client base.

"I would advise the LEADER process to anyone considering setting up a new business in rural Ireland. Offaly Local Development was always on hand to offer excellent support and advice."

Jonathan O'Meara, Mid Ireland Adventure

