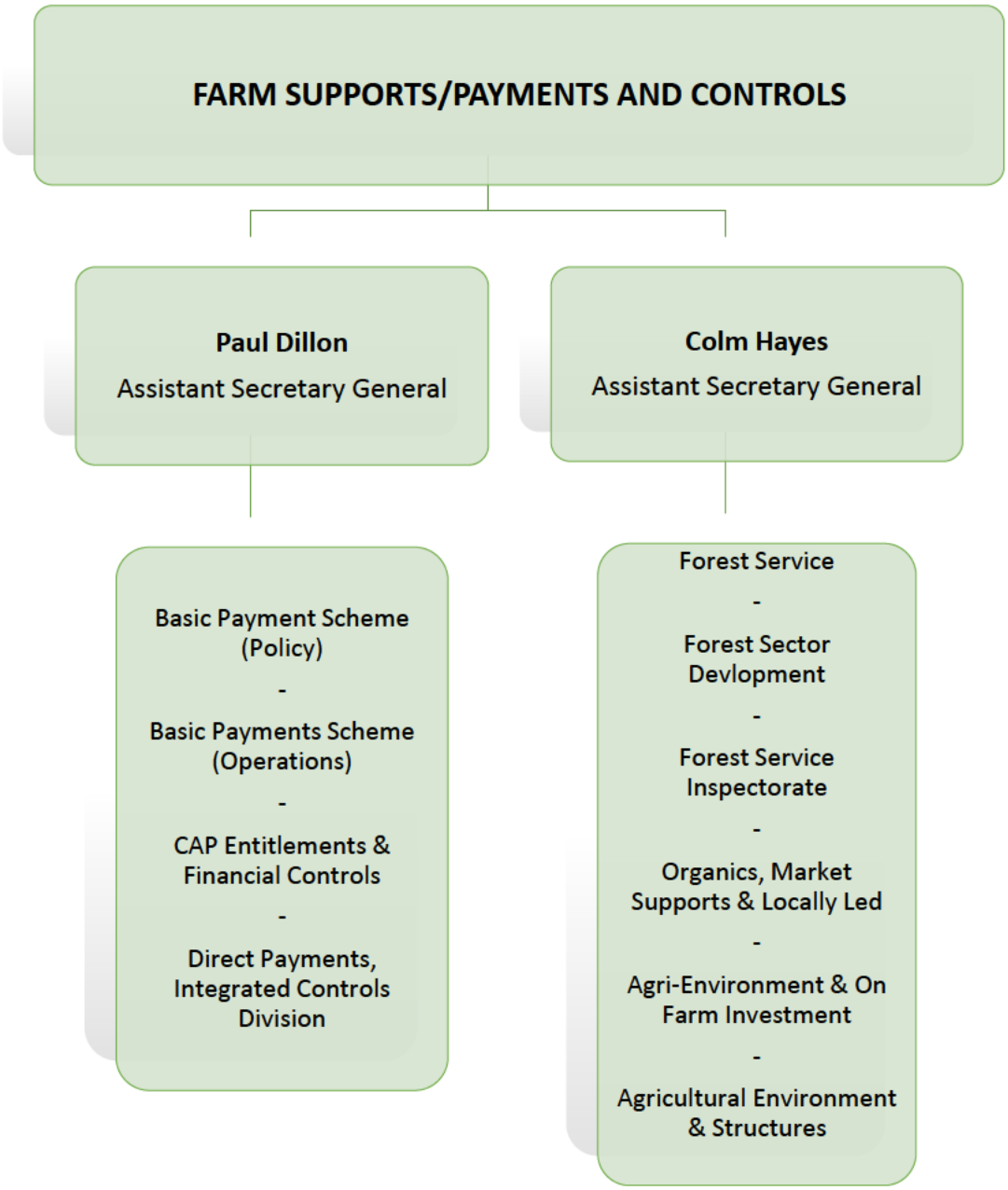
FARM SUPPORTS/PAYMENTS AND CONTROLS
Paul Dillon
Assistant Secretary General
Colm Hayes
Assistant Secretary General
Basic Payment Scheme (Policy)
-
Basic Payments Scheme (Operations)
-
CAP Entitlements & Financial Controls
-
Direct Payments, Integrated Controls Division
Forest Service
-
Forest Sector Devlopment
-
Forest Service Inspectorate
-
Organics, Market Supports & Locally Led
-
Agri-Environment & On Farm Investment
-
Agricultural Environment & Structures

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Responsible for the following Divisions

Division	Head of Division	Office No	Mobile No
Direct Payments Unit (Operations)	Fintan O Brien	057 867 8726	[redacted]
Direct Payments Unit (Policy)	Paul McKiernan	057 867 8761	[redacted]
CAP Entitlements & Financial Controls	Francis Morrin	057 8689924	[redacted]
Direct Payments, Integrated Controls Division	Thomas Keating	057 867 4414	[redacted]

DIRECT PAYMENTS DIVISION

Heads of Division: Fintan O'Brien and Paul McKiernan, Principal Officers

The Direct Payments Unit's (DPU) core business is the development, implementation and management of a number of Rural Development (Pillar 2) and Direct Payment (Pillar 1) support schemes for the agri-food sector.

Pillar 1 – Basic Payment Scheme / Greening

Introduction

DPU has responsibility for the implementation and management of the Basic Payment Scheme (BPS), into which the Greening payment was integrated as part of the last reform of the Common Agricultural Policy (CAP). Approximately, €1.2bn is paid to some 123,000 as an income support. This scheme is 100% funded by the EU.

2019 BPS Payments

The 2019 BPS payments are ongoing. As of the end of August 2020, over €1.179 bn has been paid to 123,000 farmers (99.9% of eligible applicants). Payments are ongoing as cases become clear for payment.

During 2019, over 87,000 calls were presented to the Direct Payments Helpdesk, dealing with farmers' queries across a range of schemes. New Customer Relationship Management software was rolled out in 2019 to provide a more secure and efficient telephone service for farmers with queries on their payments.

2020 BPS applications

The application process for the 2020 Basic Payments Scheme opened in February 2020. On foot of COVID 19 restrictions, a range of additional supports were put in place for famers to make their online applications. 129,000 applications were received by the 15th May deadline, which is in line with the number of applications in previous years. Arrangements are now underway to commence advance payments on 16 October, which is the earliest date allowed under EU regulation.

Pillar 2 –Rural Development Programme, 2014-2020 and other schemes administered by DPU

Beef Data and Genomics Programme (BDGP)

The BDGP 2015 to 2020 is a six year programme introduced under Ireland's Rural Development Programme. A further tranche of the Programme, BDGP II 2017 -2022, was launched in 2017 . These schemes build on the success of previous schemes including the €23 million Beef Genomics Scheme (BGS). €300m has been allocated for this scheme from the Rural Development Programme over the 6 year periods of the programmes. It is intended that the programme will improve the genetics in the beef herd, leading to greater carbon efficiency and better profitability. Approximately 22,500 farmers continue to participate in BDGP I while just over 1,500 farmers are participating in BDGP II.

Payment Rates

While it is an area based scheme the payment effectively amounts to €100 per eligible suckler for the first 10 and €80 per suckler thereafter subject to having the required area.

Current Position

Payments for each scheme year commence in December of the relevant scheme year and continue as participants achieve compliance. As of the end of August 2020 payments totalling some €41.5m have issued in respect of 2019 to 22,972 participants to date with further payment runs to take place as remaining cases become clear.

The Beef Environmental Efficiency Programme – Suckler

BEEP-S was open for applications until 15 May 2020. Grant aid of up to €8,100 is available pre suckler farmer and payments are due to commence issuing in December, 2020.

The New Beef Finisher Payment

This new scheme was opened for applications on 19 August, and remains open for applications until 9 September. The Scheme is a one off, exchequer funded grant aid scheme under the Covid 19 State Aid Temporary Framework with total funding of €250m. It is intended to commence payment in November.

The Areas of Natural Constraint Scheme (ANC)

Introduction

The ANC scheme also forms part of the RDP, 2014-2020 and replaces the old Disadvantaged Areas Scheme and the Less Favoured Areas Scheme.

The purpose of ANC payments is to compensate farmers for the additional costs of farming their 'disadvantaged land', thereby helping to sustain rural communities, maintain rural communities, and help avoid land abandonment.

ANC Redesignation

Ahead of the launch of the 2019 scheme, Member States were required under EU Regulations to change the approach to the designation of land under the ANC Scheme. Prior to this, DAFM was identifying eligible areas using a range of socio economic indicators such as FFI, population density, percentage of working population engaged in agriculture, stocking density etc.

From 2019, it was required that eligible areas must instead be designated using the following list of bio-physical criteria:

- Low temperature
- Dryness
- Excess soil moisture
- Limited soil drainage
- Unfavourable texture and stoniness
- Shallow rooting depth
- Poor chemical properties
- Steep slope

The genesis of this new approach lies in discussions at EU level whereby concerns were raised by the European Court of Auditors as to the inconsistent approach taken across MS in relation to the designation of land using socio economic indicators.

The Outcome of the Redesignation Process

Extensive engagement took place between DAFM and the EU on this issue over a number of years. The outcome of this process can be summarised as follows -

- The vast majority of land that was eligible under the existing Scheme remained eligible under the new approach (98% of townlands had an unchanged status).
- Some 700 townlands that would have previously been eligible are not now eligible under the new designation. Farmers impacted financially by this change are eligible to receive a degressive phasing out payment in both 2019 and 2020. In the majority of cases, the financial impact of this change was relatively small.
- Over 2,000 townlands were now eligible under the new approach and were eligible to receive a payment for the first time in 2019.

The redesignation process is now in place, and an appeals process for farmers in relation to the outcome of the process has recently been completed.

Payments in 2019

Additional funding of €25m was committed under the Programme for Government and delivered in Budget 2018, bringing the funding for the 2018 scheme to €227m. In Budget 2019, an additional €23m in funding was allocated to the ANC Scheme. This means that the total allocation for the Scheme increased by €48m to €250m over the 2018 and 2019 Budgets.

Payments under the 2019 ANC scheme commenced in September 2019 with 79,000 farmers receiving some €168.5m. This was an increase from 77,000 farmers who received payment at the same point in 2018.

To-date under the 2019 scheme, a total of €24713m has been paid to 99,138 farmers. The application process for the 2020 ANC opened and closed in conjunction with the opening of the application process for the 2020 Basic Payment Scheme. Arrangements are now in place to commence payments in mid September in line with previous years.

Knowledge Transfer Schemes (KT)

A central theme of the RDP, 2014-2020 was the need to build on and develop the skills and knowledge base in the agri-food sector. In response to this identified need, KT Groups were run in 6 sectors the beef, dairy, sheep, equine, tillage and poultry sectors. The three year scheme cycle ended in July 2019.

Participant farmers were required to attend 5 group meetings/national events and the complete an individualised Farm Improvement Plan (FIP) in conjunction with their trained Group Facilitator to receive an annual reimbursement of €750 per annum. Each facilitator received an annual reimbursement of €500 per participating farmer. At the completion of the three year cycle, there were over 18,200 farmers in 1,100 KT Groups. Final year payments are ongoing, with payments having issued to 17,921 farmers to date for year three.

European Innovation Partnerships (EIP)

European Innovation Partnerships (EIP) is a new measure in the RDP – essentially it entails a range of actors in the sector coming together to develop and trial innovative approaches and sharing the learning outcomes from same. The first of two calls for proposals issued in December, 2016 with 22 projects of those submitted selected to produce a project plan. Of those 12 were awarded funding for implementation. All 12 have commenced operations.

A second call for proposals issued in August, 2017 with 19 selected for funding to produce a project plan. The deadline for submission of such project plans is 17 August, 2018. From this the EIP selection committee selected 9 to progressed to implementation. All of which have now commenced.

The following 3 successful project applications are administered by the DPU in Portlaoise:

The OviData project – seeks to increase efficiency and competiveness in the sheep sector by harnessing genetic flock data

The Biomass to Biochar for Farm Bio-economy (BBFB) project – seeks to trial approaches to converting underutilised biomass such as rushes into stable forms of recalcitrant biocarbon which can, when redeployed to the soil, confer multiple ecosystem benefits

The Maximising Organic Production Systems (MOPS) project - aims to optimise organic horticultural production in Ireland and improve continuity of short supply chains for the national market through the creation of a collaborative cropping systems

The remaining approved projects are environmentally focused, and are administered from Johnstown Castle.

Sheep Welfare Scheme (SWS)

Under this scheme, sheep farmers with breeding ewes can apply for payment based on 2 actions they choose to undertake from a menu of options appropriate to their flock type (i.e. hill or lowland) in order to improve animal welfare.

The scheme was launched on 16 December 2016 as a four year scheme. The fourth year of the scheme opened on the 1st of February 2020.

Year 3 advance payments at a rate of 85% commenced on schedule in November 2019 and the balancing payment at a rate of 15% issued in May 2020. €16.8m has issued to 18,594 farmers under Year 3 of the scheme to date.

LPIS Rebuild Project

The Land Parcel Identification System (LPIS) is the Department's spatial database. It contains over 1.3 million polygons/parcels representing the land holdings of over 130,000 farmers. The system was built on initial digitising of paper maps and was completed in 1995 for the original

area-aid scheme. These parcels have been updated and modified on a continual basis since then. The current LPIS system facilitates the administration of payments to farmers under a range of schemes. However, its underlying database/IT infrastructure is now dated, and is in need of a major update.

In addition, Article 6 of Commission Regulation (EU) No 640/2014, requires Ireland to annually assess the quality of the LPIS (LPIS QA). EU audits and LPIS QA Missions have highlighted deficiencies in the LPIS system and DAFM has given a commitment to the EU Commission that the non-conformities will be addressed via a fundamental restructuring of the LPIS. Consultation and engagement is ongoing with DG-Agri & JRC in relation to timelines and technical aspects of the project which are complex in nature.

The objective of the project is to develop a new LPIS that is up-to-date, compatible with best available technologies, fully functional and compliant with regulatory requirements. The new system will be of the standard required for the efficient delivery of EU funded schemes into the future.

As part of the LPIS Rebuild project, the existing LPIS data will be transformed to the Ordnance Survey Ireland (OSi) Prime 2 spatial database. Prime 2 was launched in 2015, and is the most up to date and authoritative database of spatial information in Ireland. It is the national mapping standard which allows geographic objects such as land parcels, buildings and roads etc. to be uniquely identified and referenced. The Prime 2 database is a seamless digital database for the entire country.

Main benefits of the new system

This new version of the LPIS will give a more accurate reflection of the land parcel boundaries that are used across a range of Department schemes. In addition, there will be:

- Improved positional accuracy – one of the main benefits of the project will be improved positional accuracy of land parcels, as a result of moving to a national mapping standard.
- Improved quality and functionality – technical improvement of the new LPIS dataset will ensure compliance with regulatory requirements.
- New web-based Geographic Information System (GIS) application – using the latest software & technology.

Rollout of the new system

The new LPIS was introduced in county Louth in 2019. The Department is continuing the phased development, and the new system will be extended to counties Meath, Monaghan, Cavan, Leitrim, and Longford in 2020.

It is expected that the remainder of the country will go live on a phased basis, with all counties live in the new system by 2022.

The Department is putting in place supports to help farmers to fully understand the process before lodging their 2020 applications online. Information letters relating to the changeover to the new system are being sent to the relevant herd owners. A comprehensive communications campaign, including regional public information sessions, which was due to be hosted by the Department in March was cancelled due to restrictions associated with Covid-19. In the interim, and to ensure that farmers, agents and farm bodies are fully informed of the changeover to the new system, relevant information has been posted on the DAFM website:

https://www.agriculture.gov.ie/farmerschemespayments/lpisrebuildproject/

Inspections/Cross Compliance Section

(i) Inspections/Cross Compliance

Inspections/Cross Compliance Section is responsible for the administrative management/processing of the annual inspection programme for EU funded Pillar I & II Schemes:

- Basic Payment Scheme (BPS)
- Greening Payment
- Young Farmers Scheme (YFS)
- Protein Aid Scheme
- Areas of Natural Constraints (ANC)/Areas of Specific Constraints Schemes (ASC)
- Beef Data & Genomics Programme

These inspections cover the areas of **land eligibility** and other scheme specific eligibility criteria and the EU regulations prescribe, in general, that 5% of applicants across all schemes must be inspected. Annually, some 8,000 applications are selected for an 'eligibility' inspection. A total of 8,017 cases were subject to an inspection in respect of the various 2019 schemes.

The 1st phase of the selection process for 2020 land eligibility inspections has been completed, with some 7,000 cases selected for inspection across a range of schemes. The 2nd phase of the selection process will be completed when the final 2020 schemes populations are available.

In the case of Land Eligibility inspections, the regulations provide that these inspections can be undertaken by means of field visits on the ground, 'Ground' inspections, or by means of remote sensing using up-to-date satellite imagery. Where it is not possible to make an accurate determination using the satellite imagery, a field visit will be required to verify the position on

the ground. Currently DAFM inspects in the region of 85% of land eligibility cases by means of remote sensing.

Remote Sensing Inspections are carried out by an external contractor reporting directly to Inspections/Cross Compliance Section. A new contract was signed at end April 2018, covering an initial period of 1 year, with the option of two further 1 year extensions. The contract was extended for a further period of 1 year at the end of April 2020.

The governing EU regulations further prescribe that 1% of beneficiaries across all scheme must be inspected for all Cross Compliance requirements/standards, with 3% of farmers inspected in relation to Cattle identification & registration requirements and 3% of farmers in relation to Sheep identification and registration requirements, covering 5% of the flock.

In addition to the above inspections, around 1,650 Local Authority Nitrates inspections are carried out annually, under the agreement between DAFM and the Department of Housing, Planning and Local Government.

Administrative processing of an annual average of some 7,700 Cross Compliance related inspections is undertaken by Inspections/Cross Compliance Section, ensuring that penalties resulting from the inspection process are accurately and efficiently applied to the required scheme payments.

(ii) Farm Advisory System (FAS)

EU Regulations governing the Direct Payment Schemes and Rural Development Programme requires DAFM to operate a Farm Advisory System (FAS) to provide advice to farmers on a range of issues relating to land and farm management, including such areas as Cross

Compliance requirements, Land Eligibility, Greening requirements and RDP measures. The regulations require that advisors are suitably qualified and regularly trained.

DAFM provides training annually for both existing and new Advisors. A total of 3 training sessions were completed in February/March 2019. Currently some 800 Advisors are approved under FAS comprising, both Teagasc and private agricultural consultants. The need for further training during 2020 will be examined.

The administrative element of FAS is managed by Inspections/Cross Compliance Section.

Risk Management Section

EU regulations require the recovery of undue payments from farmers. Commission audits in 2013 and 2014 identified weaknesses in the Department's retroactive recovery policy which leaves the Department exposed to the risk of financial sanctions being applied by the Commission. This led to the establishment of the Risk Management Unit in 2017.

The primary function of the Risk Management Unit is to examine land parcel imagery, identify and remove any ineligible features either hard(e.g. buildings, roads) or soft (e.g. scrub) features and apply relevant reductions and penalties.

There are two separate aspects to the processes undertaken in the Risk Management Unit

1. **Imagery Review**
    a. When imagery is received it is reviewed to identify all ineligible features, hard and soft, and these areas are excluded from the farmers BPS payment

for the current year. The review of 2019 imagery is almost complete, as of May 29th there are currently 4,642 parcels from a total population of 310,490 parcels to be reviewed by DAFM. Updated imagery comes from three sources, Icon, Bluesky and via the LPIS QA.

b. In 2018 420,000 parcels had imagery available from Icon and Bluesky. A number of these parcels were excluded as they did not pose a risk as they were not drawing a payment or were subject to another type of inspection. Approximately 270,977 parcels were examined for ineligible features by the Risk Management section, 17% of these included either hard and/or soft ineligible features.

2. Retrospection

Imagery for all cases that resulted in an overpayment in the previous year as a result of ground/remote inspections, imagery review or dual/overclaims is examined for the previous four years to determine if the ineligible feature existed in all/any of the previous years. Where an ineligible feature is determined in any/all of these years this feature is excluded and overpayments applied, if applicable, for each of the years that the feature existed.

Financial Control Unit (FCU)

The FCU undertakes a number of functions

1. Compilation of the monthly/quarterly claims for reimbursement from EU Commission of payments made under Pillar I and Pillar II schemes
2. Annual/Monthly completion of Electronic Feoga Account (EFA)
3. Monthly endorsement of the Table 104 expenditure and monthly Reconciliations and Maintenance of the Manual Transaction Database (MTD)
4. Dissemination and coordination of all requests for Estimates for Exchequer, Pillar I and Pillar II schemes
5. Setting up of Commitment Items for schemes

6 Reconciliation between payments requested and actually made on a monthly basis for all schemes

7 Monitoring current and previous years EU EGAF budgets.

Direct Payments Policy Unit (DPPU)

The DPPU acts as a central area where all issues arising at EU level can be recorded and addressed. The DPPU examines any policy issues raised by the various sections across the Unit and coordinates briefings/ responses to issues arising from the new CAP and completes and/or coordinates various reports required under the DP schemes. Most recently the DPPU has co-ordinated responses and briefing material for Covid-19 related derogations.

The DPPU also deals with information security issues such as the rollout of eDocs, ISO, and GDPR as it applies to the schemes in the Direct Payments Unit. DPPU advises the relevant business areas of requirements under GDPR, circulates and coordinates various reports received from the Data Protection Unit, and manages the divisions reporting of data breaches.

CAP ENTITLEMENTS AND FINANCIAL CONTROLS DIVISION

Head of Division: Fran Morrin, Principal Officer

Entitlements Division is responsible for the management of entitlements held by farmers under the direct payment system of income support for farmers. The Division is responsible for the allocation of entitlements under the Basic Payments Scheme, the establishment and management of a National Reserve and the implementation of the Young Farmers Scheme.

Entitlements Division is responsible for the management of entitlements held by farmers under the direct payment system of income support for farmers. The Division is responsible for the allocation of entitlements under the Basic Payments Scheme, the establishment and management of a National Reserve and the implementation of the Young Farmers Scheme. The Division also has responsibility for administering the Inheritance Enquiry Unit.

Allocating Entitlements under CAP reform 2015-2019

In determining the number of entitlements to be allocated under the Basic Payment Scheme, Ireland opted to use the number of eligible hectares of eligible land declared in 2013 and 2015, whichever is lower. This option is of particular importance in Ireland where much farming activity is based on leased land and where a future 'land reference' would have resulted in very disruptive land speculation.

The 'value' allocated to entitlements is based on a fixed % of the value of entitlements owned by a farmer under the 2014 Scheme year and the 2014 Grassland Sheep Scheme.

All Basic Payment Scheme entitlements were definitively established in May 2016. In accordance with EU Regulations, a definitive statement of entitlements issued to farmers outlining their individual convergence paths and entitlement values from 2015-2019.

Convergence

The convergence model of the Basic Payment Scheme was proposed by Ireland during the CAP negotiations in 2013 and is currently being implemented in Ireland. While initially retaining the link with payments under the Single Payment Scheme, this model gradually moves all farmers towards a national average value over the five years of the new scheme but does not arrive at a 'flat-rate' by 2019. The purpose is to achieve a phased redistribution of payments between those who held high value entitlements and those who held low value entitlements under the Single Payment Scheme. It introduced a fairer more equitable distribution of funds between farmers while avoiding the negative impact of a move to a 'flat-rate'.

Entitlements under the new Basic Payment Scheme are allocated to individual farmers based on the convergence model, which means that those farmers whose initial unit value is below the national average will converge upwards while those farmers whose initial unit value is in excess of the national average will see a reduction to the value of entitlements in excess of the national average.

Any farmer with an Initial Unit Value below 90% of the national average entitlements value will see the value of their entitlements increase. The 'minimum entitlement value' by 2019 has been set at 60% of the national average while a 'maximum value' will also be applied whereby no farmer will receive a payment per hectare of over €700 by 2019. This maximum limit will result in an estimated entitlement value of approximately €485.

Transferring Entitlements

Basic Payment Scheme entitlements may be transferred by submitting a Transfer of Entitlements application to the Department. The methods of transfer include: Inheritance, Gift, Lease, Sale, Merger/Division, Change of Legal Entity or Change of Registration details of a herd number. In the first year of trading, 2016, 12500 applications to transfer entitlements were received, and this figure has continued to grow in each subsequent year.

National Reserve and Young Farmers Scheme

Preferential treatment for young farmers and new entrants to farming under Pillar I was initially proposed by Ireland as a mechanism for the European Union to address the aging farming profile within all Member States. In Ireland in particular, the aging profile of our farming community has the potential to hamper the regeneration of agriculture and consequently to hinder the significant contribution that agriculture makes to our national economy.

The purpose of the 'young farmer' and 'new entrant to farming' categories of the National Reserve introduced under the reformed regime of Direct Payments is to encourage and facilitate the entrance of young, well-educated persons into our farming community. This initiative, along with the incentives available under Rural Development in Pillar II, has the potential to play a major role in the regeneration of agriculture in Ireland and will provide a solid basis for the industry in the coming years. Persons who meet the definition of 'young farmer' and 'new entrant to farming' will receive significant benefits in terms of preferential access to the National Reserve. Young farmers can also qualify for an additional payment under the Young Farmers Scheme.

Two schemes were introduced under Pillar 1 of the reformed Common Agricultural Policy in 2015 to benefit these categories of farmers:

1. *The National Reserve*

   Some 3% of the Basic Payment Scheme ceiling amounting to €24 million was provided to allocate entitlements primarily to young farmers and new entrants to farming in 2015.

2. *The Young Farmers Scheme*

   An additional €24 million was put in place to fund the Young Farmer Scheme in 2015 and the same financing rate is applied for the years 2016 to 2019.

The National Reserve

The EU Regulations governing the operation of the National Reserve provide for support for the two priority categories of 'young farmer' and 'new entrant to farming'. Successful applicants receive an allocation of new entitlements from the National Reserve on the basis of one entitlement for one hectare at the National Average value of entitlements. Applicants who already hold existing entitlements which are below the national average value will receive a top-up whereby the value of those entitlements will be increased to the national average value.

For the purposes of the 'young farmer' priority category of the National Reserve a young farmer is defined as follows:

- must be aged 40 or less in the year in which s/he first submits an application under the Basic Payment scheme
- must be setting up an agricultural holding for the first time in his/her own name or has set up such a holding during the five years preceding the first submission of the BPS application
- In addition, Ireland also requires that successful applicants will have completed a recognised course of education in agriculture giving rise to an award at FETAC level 6 or its equivalent.

A 'new entrant to farming' is defined as:

- Having commenced the present agricultural activity in the last two years;
- Not have had any agricultural activity in his/her own name and at his/her own risk in the five years preceding the start of the present agricultural activity;
- In addition, Ireland also requires that successful applicants will have completed a recognised course of education in agriculture giving rise to an award at FETAC level 6 or its equivalent.

Eligible applicants under the National Reserve must also have an off-farm income of less that €40,000 in either of the two most recent tax years.

The Young Farmers Scheme

The definition of a 'young farmer' for the purposes of eligibility for the Young Farmers Scheme is the same as that which applies to the 'young farmer' priority category of the National Reserve.

- A young farmer will receive the payment under the Young Farmers Scheme for a maximum period of five years. The 'five years' is dated from the year of setting up of the holding in his/her own name (i.e. from when the young farmer is allocated a herd-number). A young farmer who established his holding after 15 May 2014 would receive the full five years of the Young Farmers payment.
- The Young Farmers Scheme payment is based on a maximum of 50 entitlements.
- Ireland has selected the method of calculation which will give the maximum payment possible. The payment will be calculated as 25% of the national average payment per hectare which we estimate will give a payment of approximately €68 per entitlement held by the young farmer.

The Young Farmers Scheme is available to eligible applicants each year of the scheme 2015-2019.

Example of financial benefit to young farmer eligible for National Reserve and the Young Farmers Scheme

For example, a young farmer who established a thirty-five hectare holding in 2015 will receive 35 entitlements from the National Reserve with an estimated value of €185 each giving a total value of €6,475. His greening payment will add €2,850 while the payment under the Young Farmers Scheme will give a further €2,380. In the first year of farming in his own right, such a farmer would receive an estimated total payment of €11,700. A young farmer who has more land available to him would receive a higher payment.

The allocations or top-ups from the National Reserve are allocated on a permanent basis. For example, if a farmer is allocated entitlements from the National Reserve in 2015 worth €5,000. This allocation of entitlements is made in all Basic Payment Scheme years from 2015 to 2019, totalling €25,000 over those five years. In the years 2015 to 2018 the cumulative effect of allocations and top-ups from the National Reserve is approximately €134m.

Over €78m has been distributed to successful applicants under the Young Farmers Scheme in the years 2015 to 2018.

Omnibus (EU Regulation 2393/2017) regarding 5-year YFS Payment Rule

The provision regarding the number of years a successful applicant under the Young Farmers Scheme (YFS) can receive payment, as set out in the Omnibus package on the CAP, also provides a derogation in the second paragraph of the text amending Article 50(5) of Regulation 1307/2013. This second paragraph of text in the Omnibus proposed amendment to Article 50(5) provides that it is optional for Member States to extend the provision to young farmers who set up a holding in the period 2010-2013, and who had received payment under the YFS in respect of claims before the claim year 2018.

Ireland has applied the maximum 2% of the national ceiling to create a YFS fund of €24m annually. Ireland has also utilised the option to overestimate the BPS ceiling in order to take account of unused YFS funds and this funding was used to allocate entitlements to young farmers and new entrants under the 2017 National Reserve. Therefore, the allocation of €24m is fully utilised in Ireland. If Ireland implemented the Omnibus provision it is estimated that the additional cost would be in excess of €5.5m in 2018 and €7.5m in 2019 which would result in a linear cut in order to fund this additional spend under the YFS.

Many Member States have significant underspend on their Young Farmers Scheme and the amendment was likely designed to cater for these Member States. However, Ireland is not in a position to exercise this option for the reasons outlined.

Beneficiaries under the Young Farmer Scheme and the National Reserve

Some 8,500 young farmers have benefitted under the Young Farmers Scheme each year from 2015 to 2018, receiving payments of some €78m in total over that time.

Almost 8,000 applicants have benefitted from the National Reserve from 2015 to 2018, with the cumulative effect of allocations and top-ups from the National Reserve over that time standing at approximately €134m.

National Reserve since 2015

There was no National Reserve in 2016 as all the funding had been utilised in 2015.

In 2017 just over €5 million was provided in funding for the National Reserve following a linear cut to the value of all Basic Payment Scheme entitlements. This amount was equivalent to the

amount of unspent funds under the Young Farmers Scheme in 2015 which was added to the Basic Payment Scheme financial ceiling.

For 2018 some €3.5 million was available in the National Reserve arising from natural replenishment of the fund from unspent allocations, unused entitlements reverting to the fund and also the proceeds of clawback on the sale of payment entitlements without land.

For 2019 some €3.0 million is available to the National Reserve from natural replenishment of the fund. It is planned a similar amount (€3m) will be available in 2020 without the need for a linear cut from payment entitlements for funding.

Forgotten Farmers

The group of farmers referred to as the "Forgotten Farmer" have been vocal in their insistence that they should not be excluded from access to the National Reserve. This group of farmers are under 40 and have been actively farming for some time, in some cases as far back as the mid 1990's but claim they have no entitlements or low value entitlements.

Preliminary analysis was carried out by the Department in 2015 to determine the number of farmers, who commenced prior to 2008, were under 40 in 2015 and held low value entitlements under the BPS. The result of this analysis showed some 3,900 farmers fulfilling these criteria with an estimated cost of increasing the value of entitlements to the National Average for these 3,900 farmers of €12.29m. Departmental records show that 898 of these 3,900 farmers availed of Installation Aid available at the time.

The Department has carried out new analysis based on records held in 2019 to establish the most up to date position with regard to this cohort of farmers. Following the benefit of convergence of entitlements since 2015, this analysis shows some 3,500 farmers in this group

and the estimated cost of increasing the 2019 value of their entitlements to the national average is some €6.7 million.

This clearly shows the benefit of convergence of entitlements since 2015. This group are also set to benefit from the proposed further convergence under the CAP post 2019.

Further analysis of the almost 3,500 farmers identified in 2019 shows:

- In 2020 some 2,650 of these farmers will have been farming for 15 years or more;
- In 2020 some 1,050 of these farmers will have been farming for 20 years or more;
- Some 840 of the 3,500 farmers received Installation Aid
- Excluding those farmers who received Installation Aid, there are some 2,650 forgotten farmers with a cost of increasing the 2019 value of their entitlements to the national average estimated at just over €5.0m.
- If the eligibility date for recognition as a young farmer under 40 is reset from 2015 to 2020 under new CAP regulations, or under transitional arrangements pending the implementation of new CAP regulations, some 1,150 of this forgotten farmer group would meet the age requirement of under 40 in 2020.

This group has sought to be accommodated under the 'specific disadvantage' category of the National Reserve, which requires the approval of the EU Commission. The *Programme for a Partnership Government* contains a commitment to further pursue the category of 'forgotten farmers' at an EU level. Following contacts with the EU Commission in 2017 with regard to funding of the 'specific disadvantage' category under the National Reserve, the Commission confirmed at the time that Member States cannot use the proceeds of a linear cut to fund the specific disadvantage category of the National Reserve. The only funding option for the specific disadvantage category was to fund from natural replenishment of the Reserve such as unused

entitlements or the proceeds of claw back, but only after the two priority categories of young farmer and new entrant have been catered for.

EU Regulation 2393/2017 (Omnibus Regulation) came into effect in January 2018 and introduced a new possibility for the inclusion of 'Specific Disadvantage' categories such as Forgotten Farmers into the National Reserve. From 2018 Member States may use the proceeds of a linear cut to fund 'Specific Disadvantage' categories of the Reserve but only if a linear cut is required to fund the two priority categories of Young Farmer and New Entrant to Farming in that particular year. As there was sufficient funding available in the National Reserve in 2018 and 2019 from natural replenishment of the fund in order to cater for the two priority categories, the issue of a linear cut did not arise.

Inheritance Enquiry Unit

The Inheritance Enquiry Unit provides DAFM's service to assist the representatives of deceased farmers to secure outstanding payments to the estate of the deceased and where applicable to arrange for the transfer of payment entitlements.

The Inheritance Enquiry Unit continues to advise and assist the families and legal representatives of deceased farmers in the process of transferring agricultural schemes and the issuing of outstanding payments. Over the last few years, the service has helped farm families claim some €75m due to the estates of deceased farmers.

CAP 2020

As a consequence of its position in determining allocation and value of payment entitlements, this division fulfils a useful role in the provision of information to aid with policy making in current and future CAP negotiations. This information, in the form of modelled data following policy questions, proved very useful in 2013-14 negotiations, and continues to play a useful role in current negotiations. In this regard, the division works closely with EU and Economics and Planning divisions in ensuring accurate and timely responses to policy making questions.

INTEGRATED CONTROLS DIVISION

Head of Division: Dr Tom Keating, Senior Inspector

The Integrated Controls Division has responsibility for the development and implementation of the national inspection programme for the Basic Payment, Areas of Natural Constraints and other schemes.

The inspection programme covers all ground inspection requirements in respect of:

- The Basic Payment Scheme (land eligibility),
- Cross Compliance including Identification and Registration of cattle and sheep (IDR)
- Greening,
- the Young Farmer Scheme,
- Areas of Natural Constraints Scheme,
- the Beef Data Genomics Programme,
- Sheep Welfare Scheme
- Beef Environmental Efficiency Pilot and
- Local Authority Nitrates Inspections.

The Division also has responsibility to ensure that the Farm Advisory System is fully informed to deliver accurate and up-to-date scheme advice to farmers as provided for in the Direct Payment Regulations.

Background

Under Article 74 of Regulation 1306/2013 each Member State is required to carry out controls to verify the eligibility of an applicant's claim for aid, Member States are required to carry out

administrative checks, and in addition must select a minimum number of cases for on-the-spot controls in respect of the eligibility of declared lands. Member States may use ground (on the spot) or remote sensing by satellite (or a combination of both) to carry out the required controls. In addition, under Article 96, Member States must carry out on-the-spot controls to verify compliance with the rules on cross compliance. Cross compliance is composed of thirteen Statutory Management Requirements (SMRs) relating to public, animal and plant health, the environment, climate change and animal welfare. In addition it covers compliance with seven standards relating to Good Agricultural and Environmental Condition (GAEC).

Inspections

Under the CAP, applicants can be selected for a range of inspection types in any given year. A cascade or stacking approach is taken in selecting farms for inspection using a combination of random and a risk-based selection processes. The cascade/stacking method stacks inspections for a number of schemes into one visit per farm and reduces the overall number of farms to be visited or inspected. Under the CAP, inspections for Greening, the Young Farmer Scheme and the Beef Data Genomics Programme and the Sheep Welfare Scheme, in addition to the normal land eligibility, cross compliance and areas of natural constraints inspections, are required.

Land eligibility and cross compliance inspections are the more sensitive inspections which account for most of the financial sanctions or reductions applied. The cross compliance checks are separate from land eligibility checks and cross compliance sanctions are applied as a percentage reduction on CAP related payments. All land eligibility inspections (ground and remote) must be commenced/conducted prior to the issue of payment to any applicant. In contrast, cross compliance inspections can be conducted within the scheme year and payment can issue to applicants prior to the completion of these inspections.

Land Eligibility inspections

In the first instance it is a requirement that DAFM carries out standard land eligibility checks on 5% of all farmers applying for direct payments. These can be conducted by remote sensing or by ground inspection. Eligibility checks are required to ensure that the areas declared are correct and that the land is being maintained in an eligible state. Ineligible areas must be deducted to determine the area eligible for payment. In view of the scale of payments, Ireland is regularly audited both by the Certifying Body, EU Commission and the Court of Auditors to confirm compliance.

Cross compliance checks

1% of farmers and beneficiaries of direct payments to whom the Statutory Management Requirements or GAEC apply are selected for cross compliance inspections. However, as required under the relevant Regulations, at least 3% of producers must be inspected under the Bovine Animal Identification and Registration requirements. In the sheep sector 3% of producers must be inspected annually comprising of at least 5% of animals.

Cross compliance involves two key elements

- Compliance with 13 statutory management requirements (SMRs) as set down in EU legislation in respect of the environment, (including the Nitrates Directive), climate change, public, animal and plant health and animal welfare
  and
- A requirement to comply with the seven standards of good agricultural and environmental condition (GAEC) provided for in the regulations

Under the cross compliance requirements, the nitrates provisions account for significant non compliances. ICD also conduct nitrates inspections on behalf of the local authorities.

Farm Advisory System (FAS)

Ireland has an excellent farm advisory system provided both by Teagasc and private agricultural consultants. The Department organises regular training for Approved Advisors with particular emphasis on the Cross-Compliance and Eligibility requirements. Training for newly qualified Advisors is organised, generally on an annual basis, based on demand for same.

ISSUES

Inspections in light of COVID 19 situation

- Arising from the movement restrictions introduced to address Covid 19, the EU Commission introduced Implementing Regulation 532/2020, which gives MS the choice of reducing the rate of inspection required under various CAP schemes in 2020. Following an assessment of the impact of various approaches on reducing controls, particularly the audit risk associated with the different options, it was decided to reduce the overall number of inspections at farm level for certain schemes while maintaining the "usual" control level for others.
- A detailed inspection protocol in the COVID situation has issued to all ICD inspection officers, incorporating the latest advice from the HSE and taking account of the specific circumstances encountered at farm level when conducting inspections.
- Inspectors will optimise the use of available technology to minimise one to one contact with farmer. In addition, and in agreement with the farmer, ICD will conduct on farm inspections without the presence of the farmer, where possible.
- All on farm inspections will be notified up to 48 hours in advance to the farmer.

CAP post 2020

The new CAP will put a greater emphasis on the use of technology to ensure compliance with certain scheme requirements and to verify scheme outputs as required. In particular, the Area Monitoring System (AMS), will be used to verify farming activity and an electronic notification system will be developed and used to inform farmers where compliance actions are required at farm level. The aim is to simplify the system and minimise the need for ground inspections and associated penalties. ICD staff are leading the development of the AMS. It is worth noting that AMS will not replace all on-farm inspections. DAFM will continue to adopt new technologies such as AMS but traditional on the spot controls will still be required for some schemes where new technologies aren't suitable or feasible.

Resource levels

Increased audit and control requirements under CAP within a limited inspection resource, resulted in a carryover of some inspections from the 2019 inspection programme into the 2020 calendar year, which may create audit concerns in the future.

Number of farm visits

The farm bodies continue to be concerned by the inspection levels. The cascade/stacking approach helps to minimise the number of farms visited.

Complaints

DAFM encourages complainants to submit details of complaints to the Quality Service Unit of the Department.

Colm Hayes, Assistant Secretary General

Office phone No: 01 607 2638

Mobile No: [redacted]

Responsible for the following Divisions

Division	Head of Division	Office No	Mobile No
Forest Service	Patricia Kelly	053 916 3410	[redacted]
Forest Service Inspectorate	Seamus Dunne	01 607 2275	[redacted]
Forest Sector Development	Fergus Moore	01 607 2085	[redacted]
Organics, Market Supports & Locally Led	Bridgeena Nolan	053 916 3412	[redacted]
Agri-Environment & On Farm Investment	Miriam Cadwell	053 916 3487	[redacted]
Agricultural Environment & Structures	Eoin O'Brien	053 916 3450	[redacted]

FORESTRY

Heads of Divisions: Patricia Kelly, Principal Officer, Seamus Dunne, Senior Inspector and Fergus Moore, Senior Inspector

The strategic goal for forestry in Ireland is to *'To develop an internationally competitive and sustainable forest sector that provides a full range of economic, environmental and social benefits to society'.*

Introduction

Forestry is playing an increasingly important economic, environmental and social role in society. The forest industry, comprising the growing, harvesting and processing of forest products makes a significant and increasing contribution to the Irish economy. The direct and indirect contribution to the economy has been calculated at €2.3 billion with some 12,000 jobs dependent on the sector. Timber production in Ireland currently stands at some 3.69 million cubic metres (m^3) per annum, almost 27 % of which is produced from private landowners, the remainder from the Coillte estate.

Forests currently account for 770,020 hectares or 11% of the land area of the country and support a vibrant, export-oriented forest products sector. The Department's role is to assist in the development of the Irish forest industry and its work in this area is undertaken by three Divisional areas, namely:

- Forestry Division
- Forest Service Inspectorate Division
- Forest Sector Development Division

FORESTRY DIVISION

Forestry Division is responsible for the development, implementation and promotion of forest policy, as well as the administration of various schemes that provide funding for the planting and maintenance of forests and for the development of forest roads. It also implements the provisions of forestry legislation in relation to the control of felling as the Department is the relevant regulatory authority under that legislation. Responsibility for Coillte also falls within the remit of the Department with the corporate governance duties in relation to Coillte undertaken by Forestry Division. The Division is also responsible for the implementation of EU Environmental Directives as they pertain to forests and forestry operations, and the development and drafting of the Forestry Programmes.

FORESTRY INSPECTORATE DIVISION

The Forestry Inspectorate is divided into Forest Health, Environment and North and South Regions (each containing District Inspectors and supported by Archaeologists and Ecologists). The Forestry Inspectorate is responsible for the professional technical assessment of all applications for afforestation, forest roading, felling, aerial fertilisation, etc., for implementing relevant measures (under various legislation) relating to forestry, forest protection and forest reproductive material. The Inspectorate issue Forest Fire Danger Notices, based on assessment of weather patterns and other indicators, alerting forest owners to level of such risk and outlining steps to be taken to safeguard against such risk. The Inspectorate also advises on the development of policy, legislation and support measures.

FOREST SECTOR DEVELOPMENT DIVISION

This Division deals with forest sector development, including wood supply and demand, Ireland's National Forest Inventory, wood product development, forest statistics, use and conservation of forest genetic resources, as well as climate change and renewable energy issues as they relate to forestry.

The Division also acts as secretariat to the COFORD Council, a representative body from the forest sector, which acts in an advisory capacity to the Department on the areas of forest sector development and research. The current Council is in place for a 3-year period from 2019 – 2021. All members of the Council are appointed by the Minister of State. The current council has working groups set up in the following areas:

- Forest Genetic Resources
- Roundwood Forecasting and Wood Mobilisation
- Forests, Climate Change Mitigation and Adaption
- Forest Policy, monitoring of implementation
- Promotion of Forestry and Afforestation
- Socioeconomic contribution of the Irish forest sector
- Ecosystem Services

The Division has responsibility for a wide range of policy issues at both EU and international level. It represents Ireland at various EU fora, including the European Council Working Party on Forestry, the Standing Forestry Committee and the European Union Timber Regulation (EUTR)/ Forest Law Enforcement, Governance and Trade (FLEGT) Committee. Furthermore, it also represents Ireland at various international fora beyond the European Union such as the pan-European Forest Europe and the relevant United Nations groups, such as United Nation Forum on Forests and the UN Food and Agriculture Organisation (FAO).

In addition, the Division carries out DAFM's duties as Ireland's national Competent Authority for implementation, governance and enforcement of the FLEGT Regulation and the EUTR, both of which are aimed at combating the global scourge of illegal logging and its underlying negative effects on the environment, human well-being and greenhouse gas emissions.

FRAMEWORK AND MEASURES

Legislation: Forestry Act 2014

The Forestry Act 2014 was enacted in October 2014 and commenced on 24th May 2017, thereby replacing the Forestry Act 1946. Forestry regulations (SI No 191/2017), made under the Forestry Act 2014, provide the regulatory basis for a number of forestry activities including the licensing of felling, aerial fertilisation, afforestation and forest road construction and came into force on 24th May 2017.

One of the main changes introduced by the Act and its associated regulations was the streamlining of the felling licensing system. Since 24th May 2017, there is a single licence process for tree felling, extended duration of felling licences and an increased list of exempted trees which do not require a felling licence. The Act also introduced tougher penalties for illegal felling of trees with the aim of maintaining the area of existing forest and helping to prevent future deforestation. The Act and Regulations also require the erection of site notices at proposed afforestation and road-works sites.

The Forestry Regulations 2017 also provided for the establishment, on a statutory basis, of an independent **Forestry Appeals Committee** (FAC). The FAC is chaired by Mr Des Johnson, formerly of An Bord Pleanála, and is based in the Agriculture Appeals Office, Portlaoise. Persons dissatisfied with the decision on a forestry licence may appeal that decision (or attached conditions) to the FAC.

Amendment Regulations to the existing Forestry Regulations (S.I. No. 191 of 2017) were made in early 2020.

1) Forestry (Amendment) Regulations (S.I. No. 31 of 2020) were signed on 27th January 2020 and make provisions for amending Regulation 19 of the Forestry Regulations (S.I. No. 191 of 2017) for the purpose of giving effect to Directive 2009/147/EC of the

European Parliament and of the Council of 30 November 2009 and Council Directive 92/43/EEC of 21 May 1992 in so far as those Directives relate to forestry related development. The amendments make changes to the Appropriate Assessment procedure which were required due to recent European Court of Justice and Irish law rulings relating to the protection of Natura sites.

2) Forestry (Amendment) (No. 2) Regulations (S.I. No. 39 of 2020) were signed on 7th February 2020 and provide for this Department to act as the single consent authority for applications for forest road works licences, where the forest road provides access to a public road (other than a national road) or there is material widening of an existing entrance. Forest road projects that provide access to a national road still require planning permission from the relevant Roads Authority. These Amendment Regulations are on foot of the commencement of Section 8 of the Planning and Development (Amendment) Act 2018 by DHPLG. In consultation with the Department of Transport and the Department of Housing, Planning and Local Government, this Department has agreed a series of measures aimed at minimising the impact of forestry activity on the public road network while also supporting the economic benefits that the forestry sector offers at local level. As part of the procedures, a standardised consultation process with the relevant roads authorities (Local Authorities) is implemented.

3) A draft Agriculture Appeals (Amendment) Bill to align the forestry licensing and appeals system with other similar planning processes was published at the end of July on the Department's website for the public to view and comment on the proposals. DAFM has received in excess of 8,000 submissions in response to the public consultation on the draft Bill. All submissions will be reviewed, after which an updated draft Bill will be presented to the Oireachtas for consideration. The proposed draft amendment will clarify who will have standing to bring an appeal to the Forestry Appeals Committee. Presently, any applicant may make an appeal, if they are dissatisfied with the decision of the Minister on a forestry licence application. This will not change. The purpose of the amendment is to make it a specific requirement to have participated in the decision process at first instance, by way of submission, before making an appeal to the FAC. The

draft amendment also provides for the introduction of fees for all stages of the application process for forestry licences, including written submissions on applications and appeals.

Basis for Schemes: Forestry Programme 2014-2020

The Forestry Programme 2014-2020 offers an ambitious and attractive set of forestry measures aimed at increasing timber production while at the same time improving the quality of the natural environment. Under the Programme, the current Afforestation Scheme pays a guaranteed annual premium for 15 years for various categories of new planting to forest owners. These payments are up to €680 per hectare planted, per year, depending on the species and area planted. The cost of planting the trees is covered in the main by a grant paid by the Department. All subsequent income that the forest-owner earns from clear-fell and thinning is exempt from income tax. Supplementary support measures under the Programme include support for woodland improvement by means of thinning and tending, native woodland conservation, continuous cover forestry management, the construction of forest roads, forestry knowledge transfer groups, reconstitution (Ash Dieback, Windblow, Drought), as well as neighbourwood schemes which support recreational community forests.

Funding for forestry development is 100% Exchequer funding and falls under State Aid. The State Aid is EC approved under the Forestry Programme 2014-2020. The forest policy review *"Forest Products and People, Irelands Forest Policy – a renewed vision"* published in 2014 was a key driver in the preparation of the Forestry Programme. This policy document and "*Food Wise 2025*" have set out recommendations including expansion of the forest area to 18% of land area, to be achieved by an annual afforestation target of 8,000 hectares per annum.

EXPENDITURE

The Department has invested some €600 million under the Programme to date and has a budget of over €103 million in exchequer funds to support forestry in 2020.

Mid Term Review

A Mid Term Review of the Forestry Programme was launched in March 2017 and completed in February 2018 following extensive consultation with stakeholders, the Department of Public Expenditure and Reform (DPER) and the EU Commission. The final report of the review was approved by the Cabinet and the Commission in March 2018.

The Department introduced innovations, including increased rates, to address reduced planting levels and to introduce greater diversity in terms of the species being planted, with some of the improvements to support the aims and objectives of other Government Departments. The then Minister established and chaired a stakeholder group, the Forestry Programme Implementation Group (FPIG) consisting of representatives of the forestry sector, State bodies and environmental NGOs, to assist in monitoring the implementation and performance of the various Schemes under, the Forestry Programme 2014 – 2020. A review of the current membership of the Forestry Programme Implementation Group is to be undertaken to ensure balanced membership and enhance public participation in decision-making, as outlined in the recent Memo for Government.

A complementary Forestry Promotion Working Group, to assist with the promotion and dissemination of the multi-functional benefits of forestry and to encourage afforestation, was also established under the aegis of the Minister.

Promotion of afforestation

An ongoing challenge is the promotion of afforestation. Ireland has one of the lowest levels of forest cover in Europe at 11% as opposed to the European (EU-27) average of about 42%, notwithstanding that average tree growth in Ireland for certain species is almost double that found in some parts of Europe.

A report prepared by Teagasc[1] found that the main barriers to planting forestry were the long term nature of forestry, land is considered too good for planting, others want to farm for as long as possible regardless of the potential for better returns from forestry and, once the land is planted, there is an obligation to replant and keep the land in forestry. Other possible reasons for the decline in planting over the last two years include negative publicity about forestry, most recently in relation to planting in counties such as Leitrim; competition for land for other agricultural enterprises e.g. dairy expansion, and the means assessment criteria[2] for entitlement to the Farmers Assist and the Non-Contributory Old Age Pension schemes operated by the Department of Social Protection. The Department continues to work closely with Teagasc in the area of forestry promotion. Teagasc have developed an amended Forestry advisory and promotion programme to deal with the impact of Covid-19 restrictions and are continuing to monitor and update it on an ongoing basis.

Forestry Promotion Groups

There are two main Forestry Promotion groups. The first is the Forestry Promotion Working Group, mentioned above, , consisting of representatives from the Department, Teagasc and the Forestry Sector, to provide a forum within which to put forward ideas on how to develop and promote the forestry sector in Ireland. The second is the COFORD Promotion and Afforestation Working Group (PAW), also consisting of representatives from the various stakeholder groups, whose objective is to promote forestry including the implementation of measures to sustain

[1] An Examination of Studies of the financial and attitudinal factors affecting the farm afforestation decision
[2] Taxation & Social Policy & Forestry – Ryan et al

and increase afforestation. Teagasc runs a promotion campaign in conjunction with, and partially funded by, DAFM to increase awareness levels and promote the multiple benefits associated with forestry.

Call for Proposals to Promote Forestry

The Department announced, in April 2019, support to the value of €830,000 for 15 innovative forestry promotional projects to run during 2019 and 2020. The successful projects include a woodland festival, open days for native woodland establishment, promotion of hardwood in the bio-economy and numerous school-based initiatives that take school children out of the classroom and into local forests to learn about nature and trees.

The call specifically requested proposals relating to the following areas:

- Increase public awareness of the multifunctional benefits of forestry;
- Specific initiatives aimed at increasing afforestation levels;
- Actions by representative organisations that promote forest management related activities amongst private forest owners and information transfer for end users.

While the intention was to continue the roll out of promotion initiatives during 2020, the delivery of some projects has been impacted by Covid-19, particularly those projects involving public events and school visits. Work is ongoing to adapt to the changing circumstances and find alternatives to delivering forestry promotion, in conjunction with the Forestry stakeholders.

Teagasc also have an ongoing campaign, funded by DAFM, to roll out a forestry curriculum in agricultural colleges throughout the country. This will provide young farmers with an

opportunity to learn about farm forestry and the benefits of planting trees as part of a farming enterprise.

DAFM initiatives:

- Social Media coverage of National and International events such as UN International Day of Forests (21 March), Biodiversity Week, National Tree Week and Science Week.
- Focussed regional radio campaign and promotional videos at marts and other events.
- Promotion of forestry at agricultural events and Teagasc farm days (currently suspended due to Covid-19)

Mobilisation of the private timber resource

The sawmills and timber processors require a consistent supply of quality timber to serve their markets. The formation of forest owner and producer groups in recent years has promoted mobilisation of timber. Teagasc Forestry Development Department play an important role in the provision of independent forestry advice and training to forest owners.

Measures introduced to promote a forestry culture

The Department introduced two measures to target challenges to the forestry sector and to develop and promote a forestry culture in Ireland.

The first measure was **Forest Certification**. Timber processors may only take in a maximum of 30% of uncertified timber if they wish to retain their certification status and continue to have access to the UK and European markets. COFORD's All Ireland Roundwood Production Forecast 2016 -2035 (incl. Northern Ireland) shows that the total volume of roundwood available for harvesting is set to increase from approximately 4 million m^3 in 2016 to close on 8 million m^3 in 2035, with most of the increase coming from private timber producers. The Department provided funding for a pilot Certification Project to establish two certification groups, one in the

north and one in the south of the country. The pilot study was successfully completed in May 2018. These groups provide a gateway to certification for private forest owners as costs are shared amongst the membership.

The Department has been developing an online platform for preparing Forest Management Plans called iPLAN. A new scheme to support the rollout of this iPlan has already been drafted with system specs currently with IT Division awaiting development. iPLAN and the accompanying scheme will further support certification amongst private forest owners.

The second measure was to extend the **Knowledge Transfer** model to Forestry in order to address a lack of forest management knowledge amongst a significant proportion of private forest owners. This can be a substantial barrier to timber mobilisation.

CLIMATE CHANGE MITIGATION AND FOREST-BASED BIOMASS

Ireland's forests play an important role in helping with climate change mitigation, through carbon sequestration in forests and the provision of renewable fuels and raw materials. At the twenty-first session of the Conference of the Parties (COP21) held in Paris in December 2015, the EU committed to reducing greenhouse gas emissions by 40% by 2030. Following these negotiations, Governments of Member States will draw up their own plans to meet national commitments and these plans will involve trade-offs between various domestic sectors. While all sectors will have to produce less greenhouse gases, the Commission's Effort Sharing Regulation and a Land Use, Land-Use Change Regulation provide for flexibilities in meeting Ireland's proposed 30% reduction of greenhouse gas emissions (compared to 2005 levels) by 2030. The Regulation, on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry (LULUCF) into the 2030 climate and energy framework, was adopted by the Council on 14 May 2018 following the European Parliament vote on 17 April 2018.

The amount currently allocated to Ireland under the LULUCF flexibility is 26.7 million tonnes of CO_2 over the period 2021-2030. Afforestation on a rolling 30-year time period is expected to contribute up to 20 million tonnes CO_2 to the target. The main contribution to this amount is based mainly on existing granted aided forests The total amount actually sequestered will depend on increasing future afforestation rates to at least 8000 hectares per year and limiting deforestation. Recent modelling indicates that the total amount eligible under the LULUCF flexibility could be in the region on 13 – 16 million tonnes based on potential lower afforestation rates and existing levels of deforestation over the period 2021-2030. Overall, afforestation is the most significant mitigation option that is available to Ireland's land use sector.

The EU emissions trading system (EU ETS) is a cornerstone of the EU's policy to combat climate change and its key tool for reducing greenhouse gas emissions cost-effectively. In October 2014, EU leaders set a binding economy-wide domestic emission reductions target of at least 40% by 2030 compared to 1990. They specified that sectors of the economy not covered by the EU ETS must reduce emissions by 30% by 2030 compared to 2005 as their contribution to the overall target. The Effort Sharing Regulation translates this commitment into binding annual greenhouse gas emission targets for each Member State for the period 2021–2030, based on the principles of fairness, cost-effectiveness and environmental integrity.

Post 2030 the role of climate change mitigation by forest-based biomass and solid wood products, particularly in the construction sector, is likely to increase in line with the projected increase in forest harvest.

On 11 December 2019 the European Commission published a communication on a new European Green Deal, the centre-piece of the new Commission's increased ambition on climate action. The communication addresses the EU's overall ambition on climate targets, including increasing the EU's emissions reduction targets for 2030 to at least 50% and towards 55% compared with 1990 levels. Forests will continue to play an important role in the achievement

of the EU objectives in the Green Deal by sequestering CO2, increasing forest carbon sinks and displacing materials made from fossil fuels.

CLIMATE ACTION PLAN

The Government published in 2019 a detailed Climate Action Plan to transition Ireland to a low carbon economy The plan details a wide range of actions across all sectors, recognising the important role that forests can play in transition to reducing greenhouse gas emissions and reducing reliance on fossil fuels. The plan details a wide range of actions for the forest and land use sector and includes:

- 8000 ha afforestation target per year
- 125 km road / year by 2020
- Progress Mid Term Review/ CAP
- Increase number of Knowledge transfer groups (KTGs)
- Identifies barriers to afforestation and mobilisation
- Promote forestry generally through DAFM/Teagasc
- Assess potential of state-owned land for afforestation
- Continue tree breeding programmes
- Monitoring of forest estate and plant health
- Promotion and increasing the use of timber products

DAFM also published Ireland's first Statutory National Adaptation Framework (NAF) 2018 which sets out the national strategy to reduce the vulnerability of the country to the negative effects of climate change and to avail of any positive impacts. Twelve key sectors are required to prepare sectoral adaptation plans under the NAF. The Department of Agriculture, Food and the Marine is responsible for three of these sectors – Agriculture, Forest and Seafood. The Agriculture, Forest and Seafood Climate Change Sectoral Adaptation Plan sets out the projected changes in climate focussing on those identified as most likely to impact the agriculture, forest and seafood sector. Priority risks and possible consequences have also been identified and listed.

NATIONAL FOREST INVENTORY

The purpose of the National Forest Inventory (NFI) is to record and assess the extent and nature of Ireland's forests, both public and private, in a timely, accurate and reproducible manner to enable the sustainable development of our forest resource. Reliable, current and consistent information is required to inform domestic forest policy, to support forest research and fulfil national and international reporting commitments.

The first NFI was undertaken between 2004 and 2006, with the results published in 2007. In order to assess changes in the state of Ireland's forests over time, Ireland's NFI was designed using permanent sample plots which facilitated a repeat measurement programme. This robust reporting strategy was adopted to provide credible information to address strategic objectives and reporting commitments. NFIs were again undertaken in 2009-2012 and, most recently, 2015-2017. The 4th national forest inventory is just starting, and collection of forest data will be undertaken over the next 2 years

The NFI remains crucial in documenting the contribution of our forests in tackling climate change through the provision of the most accurate and robust data possible. The carbon resource within the forest has proven to be of pivotal significance in Ireland achieving its Kyoto target under the first commitment period of 2008-2012 and will remain the case for future targets. The NFI information encompasses the traditional parameters such as area, growing stock and species composition in the national forest estate as well as information with regard to biodiversity, health and vitality, carbon content and soil type.

FOREST HEALTH

Ireland's forest health status overall is very good, largely as a consequence of our island status, the relative newness of the forest estate and the implementation of import controls. Ireland does not have the range of forest pests and diseases that are endemic on the Continent and

further afield. However, serious threats from pests and diseases are on the increase due to globalisation and climate change.

The Department of Agriculture, Food and the Marine (DAFM) is Ireland's national plant protection organisation (NPPO) and is responsible for the implementation of the Plant Health Directive (EU Council Directive 2000/29/EC). Horticulture and Plant Health Division is the lead Division with responsibility for the implementation of the Directive and the Forestry Inspectorate is responsible for the implementation of its forestry aspects to help prevent the introduction and spread of harmful forest pests and diseases.

Import Controls

Import Controls are carried out to prevent the introduction of harmful organisms and to ensure wood and wood products meet EU phytosanitary entry requirements. The Forestry Inspectorate conducts import inspections of wood and wood products and on wood packaging material (WPM) including wooden pallets, crates and boxes which may be associated with goods of any kind.

With respect to third country Wood Product Inspections the Forestry Inspectorate DAFM carried out 666 inspections in 2019. 15 interceptions were made on non-complaint wood packaging material. 13 interceptions were made on wood imports. (In addition to forest health import controls, imports of timber products from Indonesia must be accompanied by a FLEGT licence certifying that the timber content has been legally harvested.)

Surveys and Reporting

Ireland has "Protected Zone" status within the EU for 13 forestry related harmful organisms (HO) which recognises in legal terms the freedom from their presence, despite having

conditions which are suitable for their establishment. Annual mandatory surveys are conducted for the presence of these HO (to continue to prove their absence) which is critical for both the health status of the forest estate and also for the forest industry. In addition to the Protected Zone surveys, other mandatory surveys are carried out for a range of HO which are of EU wide importance including pinewood nematode, Asian longhorn beetle and emerald ash borer.

In recent years there have been a number of disease outbreaks in trees and forests, perhaps most notably, Ash Dieback Disease.

a) Ash Dieback Disease (ADB) caused by *Hymenoscyphus fraxineus*

Hymenoscyphus fraxineus is the fungus which causes what is commonly known as Ash Dieback disease, a chronic fungal disease of ash trees, causing crown dieback, stem lesions and the death of the tree. It is a relatively newly identified disease in Europe, with its symptoms first identified in Poland in the early 1990s. Ireland's first positive finding of Ash Dieback was confirmed in October 2012. Since the first finding of Ash Dieback, the disease has been confirmed at over 650 locations including forest plantations nurseries and garden centres, roadside plantings, gardens, farms and hedgerows. Ash Dieback disease is of critical importance to Ireland because of the environmental, historical and cultural importance of the ash tree. Large scale ash planting was undertaken from the mid-1990s until 2012. Ash was delisted as a grant aided species for afforestation following the finding of ash dieback disease in 2012. DAFM funded research into breeding ash trees for resistance to the disease is ongoing and involves collaboration with other countries where the disease is at a more advanced stage.

In order to help forest owners affected by Ash Dieback disease, to carry out works needed to address the disease and re-establish their forest, a Chalara Reconstitution Scheme was launched in March 2013. Under the Scheme, a grant of up to a maximum of €1,500 per hectare

is available to cover the cost of clearing the site. Additional funding is also available to cover the cost of replanting with an alternative species.

In April 2018, DAFM undertook a review of policy in relation to ash dieback disease. In the period since the first finding in 2012, it has become obvious that eradication is no longer possible and that DAFM should consider moving into a phase of disease management, considering the latest science and the approach of other countries where the disease has been present for a longer period, what is best practice, what is best for Ireland and to review the current supports on offer. Ash Dieback Disease has been identified in all 26 counties across the country, including findings in grant-aided plantations as well as from non-grant aided ash trees, for example garden and hedgerow ash trees. As Ash Dieback Disease is now considered to be widespread throughout the country, DAFM is no-longer retaining specific detailed records of findings.

DAFM conducted a consultation on approaches to and supports for plantations impacted by Ash Dieback Disease in January 2020 and considered all submissions received and met with forest owner representative groups as well as Forest Industry Ireland (IBEC) to discuss DAFMs new proposals. A revised reconstitution scheme for plantations affected by Ash Dieback, known as the Reconstitution and Underplanting Scheme (Ash Dieback) or RUS, has recently been announced and opened for applications from the 22nd June 2020.

In addition to Ash Dieback disease, there have in recent years been outbreaks of the following:

b) *Phytophthora ramorum*

The disease caused by the pathogen *Phytophthora ramorum,* a fungus like organism, can damage and kill plants and trees it infects. It is a serious disease of a large number of trees, shrubs and other plants. Japanese larch is the forest species most seriously affected but there

have been findings on other forest species including beech, Spanish chestnut and noble fir. There has also a single finding on Sitka spruce. Since the first finding on Japanese larch in 2010, the Forestry Inspectorate has continued to conduct annual ground and aerial surveys of larch across the country with the assistance of the Air Corps and Coillte. In addition, the Forestry Inspectorate continues to work with Coillte (as the principal landowner affected) in undertaking sanitation felling of infected larch in an effort to limit its spread.

THE PLANT HEALTH REGULATION AND OFFICIAL CONTROLS REGULATION

The new Plant Health and Official Controls Regulations came into operation on 14th of December 2019 and together represent the most significant overhaul of plant health legislation in over 40 years.

The Forestry Inspectorate's main focus in the early implementation of these Regulations has concerned direct engagement with forest sector stakeholders to inform them of their new obligations under the Regulations. These obligations include the requirement to register with DAFM for plant health purposes and for plant passports to be issued for the movement of commodities including coniferous roundwood, sawnwood and bark. It is expected that the continued roll-out and audit of the requirements of the new Regulations will form a very significant part of DAFM's forest health work in the years ahead.

ISPM No.15

It has been estimated that in the region of 80% of all goods in transit worldwide are packed in or on Wood Packaging Material (WPM) in the form of crates, pallets etc. WPM is also recognised as a key pathway for the introduction of harmful tree and forest pests from country to country, through international trade.

ISPM No.15 is an international phytosanitary measure developed by the International Plant Protection Convention (IPPC) that sets down standards for treatment and marking of WPM used in international trade.

ISPM No.15 compliant WPM is of critical importance to the Irish exporting sector trading with third countries, the vast majority of whom will only accept ISPM No.15 standard WPM. The Forestry Inspectorate of DAFM (with the assistance of the National Standards Authority of Ireland) is responsible for implementing the Irish ISPM No. 15 scheme through which ISPM No. 15 compliant WPM is made available to Irish exporters.

PLANT HEALTH AND BIOSECURITY STRATEGY

In November 2019 DAFM launched its Plant Health and Biosecurity Strategy This strategy outlines the importance of plant health biosecurity for Ireland, and will help ensure that all stakeholders are aware of the risks to plant health in Ireland, and their role and responsibilities to reduce those risks.

The Plant Health Biosecurity Strategy is Ireland's response to a number of critical factors including the increasing emerging threats that we face from growing global trade in plants and plant products with the associated movement of new and emerging plant pests and diseases.

Ireland is recognised as having a favourable plant health status which means that many of the pests and diseases of plants which are present elsewhere are still absent from Ireland. A fully functional and efficient biosecurity system helps to protect our forestry, horticulture and wider agriculture sectors, including tillage and grassland. The strategy will also play an important role in protecting the wider environment.

The Strategy, the development of which included a consultative period, is underpinned by key strategic principles around anticipating risk, implementing Surveillance and Management as well as building Awareness and Communication, from which a number of recommendations are

made. These will form the basis of the detailed action and implementation plan in development and to be rolled out over the next five years.

A key recommendation is to devise public awareness campaigns and build on plant health awareness campaigns at national events including Bloom, GLAS trade show, the National Ploughing Championships and airport campaigns, which will be implemented and enhanced by national, EU and international events and promotions of plant health through the UN International Year of Plant Health 2020.

INTERNATIONAL YEAR FOR PLANT HEALTH

- The United Nations General Assembly adopted a resolution, proclaiming 2020 as the International Year of Plant Health (IYPH) which calls upon the FAO, in collaboration with the International Plant Protection Convention (IPPC), to lead the implementation of the International Year of Plant Health in close collaboration with the Member Countries.
- Ireland (DAFM) has been a strong supporter from the start of this process, both conceptually and financially, of the International Year of Plant Health and looks forward to rolling out the key messages.
- The main objectives of this year-long worldwide initiative are to:
    - Raise the awareness of the public and political decision makers at the global, regional and national levels about plant health and,
    - Promote and strengthen national, regional and global plant health efforts and their resources in light of increasing trade and new pest risks caused through climate change.
- International Year of Plant Health 2020 will have significant impacts on the realisation of several of the UN Sustainable Development Goals, as well as the FAO strategic objectives.

- The current MOS with responsibility for forestry joined the new Director General of FAO, Mr QU Dongyu, along with speakers from Finland, Nicaragua, UK and Industry representatives at the launch event to mark the launch of the of IYPH at an event in Rome in December.
- On 15th January President of Ireland Michael D. Higgins planted a Native "Sessile Oak" tree in the Phoenix Park to commemorate Ireland's launch of International Year of Plant Health 2020.

FORESTRY APPEALS COMMITTEE (FAC)

The Forestry Appeals Committee (FAC), was established in February 2018, pursuant to the Forestry Act 2014. The Agriculture Appeals Act, 2001, as amended, came into force on the commencement of the Forestry Act 2014 on 24th May 2017. These Acts, along with the Forestry Appeals Committee Regulations, 2018 (S.I. No. 68/2018), provide for the functions of the FAC, the decisions that may be appealed and the procedures to be followed in respect of such appeals. Any person dissatisfied with a decision on an application for a licence may appeal to the Forestry Appeals Committee (FAC) within 28 days of the date of the decision. Any person dissatisfied with a decision of the FAC may appeal that decision to the High Court on any question of law (Section 14 A(6) of the Agriculture Appeals Act 2001, as amended).

BREXIT

The Irish timber industry is uniquely exposed to BREXIT, with almost 80% of its output, and 100% of future growth, seen as dependent on ongoing access to the UK market. Over 89% of the output from the panel board sector in Ireland along with almost 60% of Irish sawmill output is exported. There is, in effect, an all-island market for industrial roundwood. Cross-border supply chains have been established by large- and small-scale sawmills on both sides of the Border and down to the Midlands Region. Options for alternative markets to the UK for Irish sawn softwood timber products are limited as the C16 grade of timber, which is marketed in Ireland and the UK, is not specified to the same extent in the rest of Europe. It is likely, therefore, that the UK will remain the main market for Irish sawn timber post BREXIT.

Tariffs currently apply to wood-based panels (WBP) from 3rd countries under WTO at a rate of 7%. Ireland is a significant producer of WBP and in 2018 exported over €243 million worth of product. Most exports are to the UK and this will continue post BREXIT. In a hard BREXIT scenario, where WTO rules would apply, the WTO tariff applicable to WBPs entering the UK would have a significant impact on the competitiveness of panel board mills in Ireland. There are no WTO tariffs applied to sawn wood. In any negotiations around an FTA between the EU and the UK, in the respect of tariffs on agri-food sector products, tariffs on WBPs also need to be taken into consideration.

In terms of Timber Product Standards, to aid sawn wood produced by mills in Ireland have maximum market access in the UK post BREXIT, there needs to be continued alignment of timber standards for all relevant commodities between EU and UK. Although the UK have to date indicated that there will be no divergence, it is still considered very important that this remain the case and the issue is adequately addressed in any negotiations around an FTA between the EU and the UK.

In a hard Brexit scenario or where the matter is not addressed as part of FTA between the EU and the UK such that there is a continued alignment / recognition of equivalence between the UK's new regime and the EU Timber Regulation, Irish importers would face increased administrative burdens in the form of new Due Diligence obligations when importing timber/timber products from the UK. Similarly, Irish exporters of timber/timber products to the UK could face increased administrative burdens in the form of needing to make available more extensive supply chain information to satisfy UK customers' due diligence obligations. As such it is considered important that this issue is adequately addressed in any negotiations around an FTA between the EU and the UK.

Another likely new cost for all exporting and importing businesses and source of potential delays from a Sanitary and Phytosanitary (SPS) checks perspective, (in the event a hard Brexit or where special provision is not otherwise made to address the issue either long term or for an interim period in an FTA between the EU and the UK), is in respect of the Wood Packaging

Material (WPM) where there will otherwise be a requirement for all regulated WPM to be ISPM 15 compliant when entering the EU from the UK.

Similarly, in the event a hard Brexit or where special provision is not otherwise made to address the issue in a FTA between the EU and the UK, the UK despite its prior history of EU membership and full alignment on plant health matters, will default to 3rd country status and all regulated plant and plant products entering the EU from the UK thereafter will be subject to 100% physical checks, with the UK ineligible for a reduced frequency inspection regime until 3 years import data has been submitted to and evaluated by the European Commission. Although there is precedence for derogations to be made for new trading relationships with 3rd countries, the European Commission to date has not expressed an openness to make such concessions for the UK on this matter.

EU and international policy developments

In 2019 the European Commission announced its plans to address global deforestation and forest degradation through 36 targeted actions. This approach has received broad support from EU Member States, with some calling for demand-side regulation on imports of commodities that drive global deforestation. In December 2019, the European Commission set out its 'European Green Deal'. This document demonstrates the EU's focus on growth that is more sustainable, and forests are mentioned in its opening paragraph. The European Commission's 'EU Biodiversity Strategy for 2030', published 20th May 2020, confirms that a legislative proposal to avoid or minimise the placing of products associated with deforestation or forest degradation on the EU market is expected in 2021.

Ireland also participates in high-level international fora and processes on forest matters.

The 15th session of the United Nations Forum on Forests (UNFF) was originally scheduled to be held from 4-8 May 2020 at UN Headquarters in New York. However, due to the significant impacts of the COVID-19 pandemic on the work of the United Nations, it was not possible for

UNFF to meet, either in-person or virtually. Instead the UNFF resolution and procedural decisions were successfully developed and adopted through a silence procedure & are in effect from 30th June 2020. The UNFF omnibus resolution includes agreement on key substantive and operational issues and effectively ensures continuity in the work of the Forum until the next UNFF session in April 2021.

The pan-European political process known as 'Forest Europe' was originally scheduled to host it's 8th Ministerial Conference in October 2020. However, due to the impact of the Covid-19 pandemic this has now been rescheduled to the 14-15th April 2021 in Bratislava, Slovakia. Expected outputs of this event include a Ministerial Declaration and a Ministerial Resolution.

FORESTRY LICENCE STATISTICS

In total, 4,998 forestry licence applications were received in 2019. Applications are accepted daily. Because of this, there will be a certain number of applications received each year that will be decided upon in the following year. The Department approved 5,310 licence applications in 2019; of which 4,180 were tree felling licences, which was a 16% increase on those issued in 2018 (3,603). This is despite the slow-down in issuing licences due to the changes to the Appropriate Assessment Procedures (AAP).

For afforestation licences in 2019, applications were received for 1,005 potential sites and 588 were approved, covering some 4,500ha. An application to plant forestry under the Afforestation Grant and Premium Scheme is a two-step process, firstly the site must be approved, the applicant receiving an afforestation licence. Secondly, the applicant applies for and receives financial approval. In 2019, financial approval was sought for just 3,400ha.

There has also been an increase in applications approved for forest roads – in 2019, 542 applications were approved for 88.5km roads – up 18% and 11% respectively on 2018. These

approvals led to a significant increase in forestry roads constructed at 93km last year, up from 72km in 2018.

To date in 2020 (31 August 2020), 1034 tree felling licences have issued for 2.8 million m^3 of timber. In terms of afforestation licences processed, the Department has issued 336 afforestation licences for 2,508ha and 239 forest road works licences for 89.5km of forest roads. From August 2018 to August 2020, there was 3,000ha of land with valid afforestation licences that has not progressed to planting.

CURRENT AND FUTURE DEVELOPMENTS

Fees

The Forestry Act grants powers to the Minister to introduce fees but at present there are no fees for applications for forestry licences (afforestation, tree felling, forest roads and aerial fertilisation). The charging of fees for appeals to the Forestry Appeals Committee, of decisions made by the Department, are not provided for in the Agriculture Appeals Act, 2001 so their introduction requires an amendment to the Act. A draft Agriculture Appeals (Amendment) Bill 2020 to align the forestry licensing and appeals system with other similar planning processes was published at the end of July on the Department's website for public consultation. The purpose of the amendment is to make it a specific requirement to have participated in the decision process at first instance, by way of submission, before making an appeal to the FAC. However the draft amendment also provides for the introduction of fees for all stages of the application process for forestry licences, including written submissions on applications and appeals.

WEF

The Woodland Environmental Fund (WEF) is unique in terms of schemes run by the Department. Instead of distributing exchequer and EU funding to farmers, the WEF creates a third source of finance to support their farming enterprise. Under this initiative funding from the business community is given directly to farmers to establish native woodlands.

The WEF ties in with the Department's existing Afforestation Scheme which covers 100% of the cost of establishing native woodlands and pays an annual premium to the landowner of up to €680 per hectare payable each year for 15 years. The WEF involves an additional top up of €1,000 per hectare by the business as a once-off payment for farmers and other private landowners. Businesses taking part in the WEF are able to demonstrate their corporate social responsibilities by funding projects that are good for the environment and society as a whole. Companies participating so far in WEF include Lidl, Aldi, Microsoft, Accenture, An Post and KBI Global Investment. While carbon neutrality is one driver for participation in the scheme, the Department sees huge interest amongst the businesses community in general to get involved in projects that address the fall in biodiversity. While the WEF is only up and running two years, it is encouraging to see businesses embracing the potential of the WEF; An Post are planning to establish hives on their native woodland to produce honey, and several companies have organised planting days for their staff.

Take-up of WEF (2 September 2020)

Organisation	Hectares planted
An Post	8.7
KBI Global Investment	1.85
ALDI	13.07
Accenture	21.61
LIDL	13.47
Microsoft	6.77

SuperValu	3
Applegreen	9.4
Total	**77.87**

Forestry Knowledge Transfer Scheme 2020

The overall purpose of the Forestry KTG scheme is to provide private forest owners with additional knowledge and support in management activities in their forest. Following a successful pilot programme in 2017, the Forestry Knowledge Transfer Group Scheme was launched in 2018 and has been ongoing since. The Scheme runs for one year and applications are invited from potential organisers who wish to host a group of up to 20 participants. The participants set their own learning agenda and are supported by the organiser who retains the services of a forestry professional. There are certain mandatory subjects that must be covered, such as forestry health and safety; obligations regarding water framework, habitats and birds' directives; sustainable forestry. There is also a broad range of optional subjects.

In 2018, the Scheme comprised 33 groups and 605 participants. In 2019, there were 35 groups and 614 participants. The 2020 Scheme opened on 27th May 2020. The total number of groups proposed by the successful organisers is 42, comprising 809 participants (a maximum of 840 participants is allowed for 42 groups). The opening of the Scheme is on a conditional basis, given the current Covid-19 restrictions. Meetings are scheduled to start from mid-September, provided that public health guidelines permit for KTG meetings and events to take place.

Woodland Creation on Public Lands

The aim of the recently launched Woodland Creation on Public Land Scheme, is to actively encourage public bodies to establish woodlands on suitable bare land, in line with the commitment in the Programme for Government. The Scheme aims to conserve nature by developing non-commercial and permanent woodlands on public lands that will deliver benefits for carbon sequestration, biodiversity enhancement, protection of soil and water and amenity

value. Public bodies that engage in this new initiative will be making a strong statement to their customers and to the public in general, that they are contributing in a meaningful way to meeting the UN Sustainable Development Goals as well as targets set out under the Climate Action Plan and other national and international environmental priorities.

The proposed first step in this process is a call to all public bodies to conduct a land bank analysis of their lands to identify potential sites for native woodland afforestation. Once sites have been identified, DAFM will follow up with the public bodies through the new scheme application process. The public bodies will be eligible to apply for grants to cover planting and recreational facilities. No annual premiums are payable to public bodies. The estimated cost to the Department of converting 1 ha of public bare land to native woodland is €6220 compared to approx. €16,195/ha for private land with premiums. The aim will be to plant an additional 300ha per year by 2024, which would cost in the region of €3000,000 per year and a total of €15,000,000 over the period.

Call for Promotion Projects 2021-2022

It had been anticipated that a new call for proposals for the period 2021-2022 would be launched in mid-2020, but this is now on hold in light of the impact of Covid-19. The next round of promotion projects are expected to address certain of the findings of an independent review of forestry known as the Mackinnon Report, climate action targets and the raising of the profile and image of forestry.

Forestry Strategy

Mr Jim Mackinnon, CBE, was commissioned in 2019 to examine the process for approving afforestation proposals and the linked issues for other forestry related operations. One of the recommendations made was to prepare a Forestry Strategy for Ireland. Such a Strategy would list high level recommendations that will set out a pathway for development of the forest sector into the future. The Department is currently considering this recommendation and how

best to progress theits development, taking account of EU and global contexts and of the need to introduce a new Forestry Programme.

New Forestry Programme

The current Forestry Programme covers the period ending 2020, but given delays in finalising CAP regulations and State Aid rules, will extend into 2021. A new Forestry Programme will be required required to cover the period 2022 – 2028. The Programme will set out the different measures that the Department will support during the next period. Preliminary work on assessing the requirements of a new programme, given current demands for a sustainable forestry model which addresses economic, societal and environmental needs, has commenced. It is recognised that any new Programme must align fully other agricultural schemes, to encourage uptake particularly by farmers. The delivery of ecosystem services in relation to biodiversity, water quality, climate change and recreations is expected to be an important feature of any new Programme. A full consultation process and alignment with any proposed Forestry Strategy will be needed and will be a focus of the Department in the coming months.

iPLAN

After payment of the 11th premium, all applicants under the current Afforestation Scheme must submit a hard copy Forest Management Plan (FMP) to cover the period from Year 12 to the end of the rotation and final harvesting, for any plantation (broadleaf or conifer) which is 5ha or greater. iPLAN will replace these hard copy FMPS with an enhanced on line version hosted by the Departments new Generic Land Management System called GLAMS.

The aim of iPLAN is as follows;

- To facilitate the preparation of an enhanced FMP for the benefit of all private forest owners in order to promote best practice in sustainable forest management leading to forests that maximise their economic, social and environmental potential;

- Enable FMPs to be used for production forecasting and reporting purposes in conjunction with the National Forest Inventory and other national models and systems;
- Support voluntary forest certification.

Two tranches of user testing have been completed on iPLAN and final development work is now underway. iPLAN is expected to be launched by the end of the year..

ISSUES

Afforestation levels and targets

The target for afforestation, as now contained in the Climate Action Plan 2019, is 8,000 hectares of new planting per annum. This represents a significant challenge as afforestation levels (based on payments made in the year) over the last number of years have steadily decreased:

Year	***2011***	***2012***	***2013***	***2014***	***2015***	***2016***	***2017***	***2018***	***2019***
Hectares	6,653	6,652	6,252	6,156	6,293	6,500	5,536	4,025	3,550

This emphasis on planting targets is vital to the further development of the forest processing and wood fuel industry in order to maintain a level of roundwood production which is forecast to reach close to 8 million cubic metres by 2035, about double the current level. Historically the State, through its ownership of Coillte, a commercial State company, played a very significant part in meeting the planting target for the country. However, Coillte was deemed ineligible in 1999 from receiving premiums and they no longer plant new forests to any great degree. Planting by private individuals currently accounts for almost 100% of all new forest plantings.

Tackling falling afforestation levels is a significant challenge and will require re-engagement by private land-owners, particularly farmers, as well as engagement from public bodies with land-banks and support from the business community. The Department is looking at ways in which farmers can be convinced that farm forestry represents a valuable and complementary income stream to an active farming enterprise. Opportunities under the new CAP for encouraging afforestation are being examined and alignment between agricultural support schemes to better integrate planting and to remove any barriers is also a focus.

It is clear that the target of 8,000 hectares of new planting each year will not be achieved by means of private planting alone.

While Coillte reforests (i.e. replants) some 6,000 hectares annually after a crop of timber is harvested, it is not actively involved in afforestation of bare land. Coillte have advised that it has no bare land suitable for planting so, in order for Coillte to plant new forestry, it would first have to acquire suitable land (in competition with farmers) and then incur the cost of planting it without the benefit of premiums to which the company is not entitled. The company has engaged with DAFM to explore viable options for it to contribute to afforestation and increase forest cover.

In this regard in Oct 2019 Coillte Nature (a new entity within Coillte) and Bord na Móna announced a new initiative which aims to plant approximately 4 million native trees across 1500 hectares of Bord na Móna land, that is no longer used for peat production. DAFM is liaising closely with Coillte on this initiative. Coillte Nature and Bord na Móna have signed a Memorandum of Understanding and are working together with a view to afforesting an initial area of 320ha with a mix of native species including birch, willow, Scots pine, rowan and alder over the next 3-4 years, which may be replicated across a wider area over the next 10 to 20 years. Extensive trials are currently being established to investigate numerous novel afforestation methodologies, across a range of peat depths and types. These trials will inform

the Environmental Impact Statement, which is due for submission to this Department later this year.

The multi-functional benefits of forestry to society will continue to be highlighted through the Department's promotion campaigns. Work is underway in the COFORD Promotion and Afforestation Group to better assess the effectiveness and cohesion of these campaigns. There are many misconceptions of the impact of forestry which are based on historical planting practices rather than the current-day process. There needs to be a greater awareness of the environmental considerations taken account of in any new planting, and the diversity now contained in all new plantations which must include, at minimum, 15% broadleaf.

Diversity of species is an issue of importance to the public and in order to encourage diversity within the forest estate, there is a target within the Forestry Programme that new planting comprise 30% broadleaves overall. It is noteworthy that this percentage has increased from a low of 20% in 2015 to 25% in 2019, while reaching 27% in 2018 and has reached 36% during the months up to August in 2020. These increases are primarily due to the changes introduced in the Mid-Term Review of the Programme.

Annual afforestation of conifer and broadleaves 2015-2020

	Total planting in ha					
	2015 (full year)	**2016** (full year)	**2017** (full year)	**2018** (full year)	**2019** (full year)	**2020** (to 31/8/2020)
Conifer	5,029.77	5,229.50	4,374.60	2,932.13	2,656.73	1,068.62
Broadleaves	**1,263.04**	**1,270.30**	**1,161.15**	**1,066.35**	**893.16**	**612.46**
Total (ha)	6,292.81	6,499.80	5,535.75	3,998.48	3,549.89	1,681.08
% Broadleaves (of total)	**20%**	**20%**	**21%**	**27%**	**25%**	**36%**

Forestry licensing and changes to Appropriate Assessment Procedure (AAP)

There are currently delays in issuing forestry licences, which are posing difficulties for the sector and especially for contractors.

Forestry licensing was deemed an essential service as part of the Government's efforts to control the Covid-19 outbreak. This was considered necessary in order to support an important indigenous industry and the rural economy. Officials have continued to work, while respecting the HSE's guidelines, and forestry licences have issued daily during the health crisis.

The current licensing difficulties have arisen because of unavoidable changes to the Department's internal Appropriate Assessment Procedures in relation to impacts on sensitive sites. These changes are substantial and were introduced in response to important Court of Justice of the European Union (CJEU) decisions and their subsequent interpretation by the Forestry Appeals Committee and others. Since 2017, all licences are subject to a statutory public notification system, and those dissatisfied with a decision to approve a forestry operation may appeal to the independent Forestry Appeals Committee. Furthermore, it is worth noting that the Environmental Impact Assessment (EIA) directive provides for appeals on matters concerning intervention in the landscape.

The Department is committed to implementing and resourcing this new system and is taking decisive steps to ensure that it is robust and fit-for-purpose, and is meeting these needs as follows:

- 14 new ecologists have joined the Department either as permanent staff members or via contract staff. With three more to start shortly.
- 4 Temporary Forestry Inspectors have been recruited to assist with licensing.
- 9 permanent Forestry inspectors are being recruited to assist with licensing ; and additional administrative staff have been assigned to licensing.

- A new project manager has been recruited;
- 3 additional planners were assigned to the Agriculture Appeals Office to assist with the increased workload of the Forestry Appeals Committee.

The Department has a project plan in place that will organise these resources to maximise their effectiveness and deliver on targets set. Efficiencies have been identified and systems put in place to distribute work and track progress. A Project Management Board, with a dedicated Project Manager, is overseeing and monitoring delivery. There will be a continuous review of the process, in order to effect efficiencies. A communication plan to keep stakeholders fully and regularly informed of progress, with a dedicated central resource to deal with queries, is a key element of the project. While much of the success of the project plan lies with the Department, stakeholders also need to engage with it. This will require a commitment from forestry companies to submit applications that are of the required standard and quality, and to submit Natura Impact Statements in accordance with the guidance provided.

In addition, officials have weekly teleconference calls with industry members and Coillte to discuss the progress being made on forestry licensing issues and to identify solutions.

Level of Licence related Appeals

The Forestry Act 2014 Act provides inter alia for an enhanced process for public consultation. Site notices must now be erected at the entrances to sites for which applications have been submitted for licences for certain forestry operations (e.g. planting, road construction, aerial fertilisation, felling) and submissions may be made by interested parties. These submissions are acknowledged, with details of the application made available to the submitter and once a decision is made, they are informed, with the right of appeal. Persons dissatisfied with the decision on a forestry licence may appeal that decision (or attached conditions) to the Forestry

Appeals Committee (FAC) within 28 days of the date of the decision. Appeals may be made by any third party i.e. not limited to applicants or submitters.

Appeals at 31 August 2020

	2017	2018	2019	2020	**Totals**
Afforestation (valid appeals)	13	71	92	60	**236**
Road (valid appeals)	1	26	33	57	**117**
Felling (valid appeals)	0	7	110	255	**372**
Aerial Fertilisation	0	1	0	0	**1**
Licences under valid appeal	**14**	**105**	**235**	**372**	**726**
Awaiting decision	1	5	99	370	475

An individual has made "generic" submissions, selecting the list of applications advertised on the Department's website; has appealed licence decisions and has made requests under the Access to Information on the Environment (AIE) Regulation. The crux of the submissions and appeals is based on the Department's Appropriate Assessment Procedures and a recent CJEU ruling in case reference C-323/17. The AIE requests have been finalised, with some allowed and others not due to the large volume of files requested. The appeals and submission cases are on-going.

There are significant delays in hearing of appeals due to the sheer volume involved, and changes are therefore needed to the functioning and operation of the appeals process. To this end a draft Agriculture Appeals (Amendment) Bill 2020 to align the forestry licensing and appeals system with other similar planning processes was published at the end of July on the Department's website for public consultation. The purpose of the amendment is to make the

functioning of the Forestry Appeals Committee more efficient and provides for the charging of fees.

The FAC continues to schedule appeal hearings.

COVID – 19

The current pandemic sweeping across Europe and subsequent country wide lock downs will impact on construction activity with a consequential impact on supply and demand for timber products. This is particularly the case in the UK which is experiencing reduced activity in house constructions which will impact on sawmill activity in Ireland. Potential impacts on the supply of sawmill residues also has the potential to impact on biomass supplies to facilities which use biomass feedstock for heat and electricity. Coupled with an oversupply of logs from Europe due to bark beetle damage, sawmills will experience challenging market conditions in the short to medium term.

Mackinnon Review

In July 2019, Minister Doyle commissioned Mr. James Mackinnon CBE (former Chief Planner with the Scottish Government) to review the forestry licensing process. This commission followed a similar review carried out by Mr. Mackinnon into forestry in Scotland. During the review, Mr. Mackinnon met with various industry stakeholders, administrative and technical personnel of the Department, other State agencies, landowners and interest groups.

The results of the review were published on the Department's website on 29 November, 2019. The report made various recommendations or "Ways forward" aimed at improving the efficiency and effectiveness of the licensing approval process, as well as dealing with broader issues relating to encouraging woodland creation. A draft Implementation Plan, in response to these recommendations, was presented to the Forestry Programme Implementation Group

(FPIG) on 16th January, 2020. Written submissions on the draft Plan were invited from the FPIG and DAFM personnel to inform the final iteration of the Plan, along with input received on the Mackinnon Report from the COFORD promotion group and other stakeholders. It is now intended to finalise the Implementation Plan within the coming months and to present the final version to the Forestry Programme Implementation Group. The Forestry Programme Implementation Group, which is chaired by the Minister, will monitor progress on delivery of the Plan.

The recent Memo for Government outlined a proposal to appoint an identified expert, with experience of delivering on the Scottish review, to finalise an Implementation Plan for the Mackinnon Report, with measurable actions and timelines for their achievement. The finalisation of the implementation plan will involve engagement with relevant stakeholders and submission to the Minister within a specified timeframe.

ORGANICS, MARKET SUPPORTS, AND LOCALLY LED

Head of Division: Bridgeena Nolan, Principal Officer

Organics, Market Supports and Locally-Led: To implement EU market support, organics and locally-led schemes in accordance with EU and national regulations in a manner which provides for an effective customer service and allowing for clear accountability.

ORGANICS

Under the current RDP a new Organic Farming Scheme was launched in April 2015 and provided for significantly increased rates of payments to all organic farmers. **A budget of €56m** was allocated to fund the Scheme during the period 2014 to 2020 which was the largest allocation ever to an Organics support scheme.

The new scheme has been hugely successful since its launch, attracting 942 applications in its first tranche and 322 in its second tranche. In addition, most of these were new converts to Organics. A further 60 applications were accepted when the Organic Scheme reopened on a targeted basis in 2018. This was following the recommendation of the Organic Strategy Group and was targeted at the dairy, horticulture and tillage sectors. There are now 1,530 farmers in the Organic Farming Schemes. Together, these farmers manage c.**74,000** hectares of land. The target for the RDP - to attract some 16,000 hectares of new land into production and to support 46,000 hectares of converted land – has been more than achieved. In addition, the market value of the organic sector in Ireland **grew by 10.5%** in 2017 to €162 million.

Payments to farmers in respect of OFS in 2019 amounted to €9.4m. Projected expenditure for 2020 is approximately €11m.

Organic Food Sector Strategy

The Review of Organic Food Sector and Strategy for its Development 2019 – 2025 was launched In January 2019. The objective of the Strategy is to develop a viable Organic Food Sector in Ireland producing a wide range of organic products to meet the ever increasing domestic and export markets opportunities. Implementation of this Strategy will help the Irish sector to avail of the opportunities that exist.

This Strategy set measurable strategic objectives and associated actions for each sub-sector up to 2025. An Organic Food Strategy Implementation Group was established in 2019 to monitor progress and ensure due priority is given to the implementation of actions and achievement of objectives. Updates on progress to date are published on the Department's website.

MARKET SUPPORTS

Aid to Private Storage (APS) and Intervention

The Division operates two principal means of market intervention, i.e. Aids to Private Storage and Intervention Purchasing. These schemes are used in times of reduced market returns to the sector and are triggered when prices reduce to a certain level below which these schemes may be used by industry to buy or store their product. APS opened for applications for cheese, butter, SMP, beef, sheep meat and goat meat between May and July 2020. Schemes are now closed for applications.

	Aid to Private Storage (APS)	Intervention
Sheepmeat and goatmeat	Scheme closed to new applications. No product in storage	Nil
Beef	Scheme closed to new applications. No product in storage	Nil
Cheese	Scheme closed to new applications. Over 2,100 tonnes of product in storage	Nil
Butter	Scheme closed to new applications. Almost 15,000 tonnes of product in storage	Nil
Skimmed Milk Powder (SMP)	Scheme closed to new applications. No product in storage	Nil

Licensing and Export Refunds

Under CAP Regulations, import licences are required for certain agricultural products imported from outside the EU. The principal commodities for Ireland are poultry, cereals and rice.

17,277 import licences were issued in 2019 which represents a decrease of 3% over 2018 figures. This decrease was mainly due to new issues relating to sanitary issues in both Brazil and Thailand, two countries which provide the majority of poultry products requiring licences under quota. During 2019, a quantity of 10,521 licences also required transfer of rights to a different trader.

166 export licences were issued in 2019 for cheese to the USA and Canada and also for milk powder to the Dominican Republic. This is an increase on 2018 where 136 licences were issued.

The Nairobi Agreement of 19 December 2015 has committed to the abolition of Export Refunds. The proposal concluded that developed country Members would eliminate their remaining scheduled export subsidy entitlements by the end of 2018.

LOCALLY-LED SCHEMES

This is a new initiative under the current RDP, introduced under the EIP framework, and building on success of the Burren model. A budget of **€74m** has been made available over the lifetime of the RDP, including €15m for Burren Programme, €35m for Hen Harrier/Freshwater Pearl Mussel (FWPM) Projects and €24m for locally-led European Innovation Partnership (EIP) open call projects.

The Burren Programme is now an established 5-year agri-environment scheme for the first time. There have been four tranches of intakes since October 2016 and there are now 328 participants in the programme. The Burren model is widely seen as a benchmark for environmentally focused farming in Europe. **The Hen Harrier and Pearl Mussel Programmes** are based on priorities identified nationally but are locally-led. The Hen Harrier Project Team began their work in April 2017 and the Pearl Mussel team began in April 2018. Both schemes are pilot projects (Hen Harrier project currently has some 1520 farmers; Pearl Mussel project has 360 with more to be recruited in 2020) targeting farmers who farm habitats crucially important to these two endangered species. Two Open Calls for Proposals were launched in 2016 and 2017 under the **EIP-Agri Initiative (European Innovation Partnerships)** with an overall funding of €24 million. A total of 21 Projects were chosen, covering a wide range of topics and spanning the entire country. Most of them are environmentally driven and some include pilot projects for High Nature Value farming, particularly in upland areas. A 3rd Call for Proposals issued on 17 August 2020 for a locally led scheme for rewetting of farmed peatlands.

TRADITIONAL FARM BUILDING SCHEME

This scheme funds the restoration and preservation of traditional farm buildings and structures such as historic yard surfaces, walls, gates and gate pillars. The Heritage Council administers the scheme on behalf of the Department. A total of €6 million is available for this Scheme over the lifetime of the RDP.

The scheme is open to applicants who participate in the Green Low-Carbon Agri-Environment Scheme. The grant available can range between €4,000 and €25,000 and it can cover up to 75% of the cost of the works which is subject to the maximum ceiling.

AGRI –ENVIRONMENT AND ON FARM INVESTMENT DIVISIONS

Heads of Division: Miriam Cadwell and Eoin O'Brien, Principal Officer and Senior Inspector.

Agri-Environment: To develop policy in regard to agri-environment, and implement all related schemes including GLAS in accordance with EU and national regulations in a manner which provides for an effective customer service and allowing for clear accountability.

On Farm Investment: To develop policy in regard to on-farm investment schemes including TAMS II and the Calf Investment Scheme and to manage implementation of all such measures in accordance with EU and national regulations in a manner which provides for an effective customer service and allowing for clear accountability.

AGRI ENVIRONMENT DIVISION

Green, Low-carbon, Agri-Environment Scheme (GLAS)

In excess of 50,000 farmers were approved into the on-line GLAS scheme over three tranches (known as GLAS 1, 2 and 3). The level of uptake under the scheme has been significant with the target of 50,000 participants included in Ireland's Rural Development Programme (RDP) exceeded 18 months ahead of target.

The scheme provides an annual payment for a five-year period. Maximum annual payments are generally €5,000 with an additional payment of up to €2,000 in certain exceptional cases (known as GLAS +).

GLAS is a much more targeted scheme than its predecessors (REPS and AEOS) and the environmental benefits for biodiversity, water-quality and climate change mitigation are significant. The tiered system represents the categorisation of applications into three tiers or levels based on environmental benefits and prioritise environmental assets on the holding over actions to be taken on the holding. Participants when applying for the scheme with their Advisors selected from a menu of actions those most appropriate to their holding.

The current position regarding participation in GLAS is as set out below;

	No of participants	**Participation ends**
GLAS 1	24,657	31 December 2020
GLAS 2	10,913	31 December 2020
GLAS 3	12,846	31 December 2021
Total	48,416	

GLAS is a much more targeted scheme than its predecessors and the environmental benefits for biodiversity, water-quality and climate change mitigation are significant. The tiered system represents the categorisation of applications into three tiers or levels based on environmental benefits and prioritise environmental assets on the holding over actions to be taken on the holding. Participants when applying for the scheme with their Advisors selected from a menu of actions those most appropriate to their holding.

Payments

- Under EU regulatory requirements payments issue in two tranches and cannot commence until after 15 October annually.

- Participating farmers are regularly reminded to return any outstanding documentation and to respond to queries as soon as possible to facilitate payment. In cases where these and other outstanding issues with individual applications are resolved payments issue on an ongoing weekly basis.

- Area-based schemes under the Rural Development Programme are subject to EU Regulations which require detailed administrative checks on all applications, including cross checks with the Land Parcel Identification System, to be completed before payments can issue. These rigorous procedures, together with on-farm inspections, apply to a number of scheme payments including GLAS and are necessary to ensure that applications meet the scheme conditions and cross-compliance requirements.

- As the scheme progresses the performance on payments has consistently improved. GLAS 2019 advance payments commenced on 4 November 2019, two weeks ahead of schedule. GLAS 2019 balancing payments commenced on 4 May also two weeks ahead of schedule.

- 2019 GLAS payments have now issued in full to over 98.5% of participants. A significant proportion of the unpaid cases remain ineligible for a variety of reasons resting with the participant concerned. GLAS payruns are continuing a weekly basis in an effort to clear cases as they become eligible for payment.

- Cases will continue be paid as issues are resolved - these include issues that rest with participants such as errors on BPS applications such as invalid crop codes, parcels not claimed, or no BPS application submitted. LESS or Rare Breed forms to be submitted and cases where the participant has requested a change.

While the issue of payments is of the utmost importance it is also important that that we recognise what the scheme is delivering in terms of the environment and public goods. It is also important to recognise the buy in to the scheme by the farming community in achieving the and in some instances surpassing the targets set out in the RDP. It is to all our benefit that we deliver in real terms and place ourselves in the best possible position for any future negotiations on the next programming period.

- The Low Input Permanent Pasture and the Traditional Hay Meadow actions are delivering over 320,000 hectare of diverse grassland species;
- Over 212,000 Bat boxes and 210,000 Bird boxes have been provided;
- Over 20,000 hectares of Wild Bird Cover has been planted providing winter feed for farmland birds;
- Over 1.6m trees planted;
- Over 4,500 farmers are using Low Emission Slurry Spreading technologies to spread slurry.

These achievements will deliver public goods across the key areas of Water Quality, Biodiversity and Climate Change to be addressed under the scheme and will place Ireland in a positive position in discussions on future agri-environment schemes.

Future Agri Environment Measures

Under the current CAP draft Transitional Regulations there are provisions that would allow for the extension of GLAS for a further 1-year period and possibly a 2-year period.

ON FARM INVESTMENT DIVISION

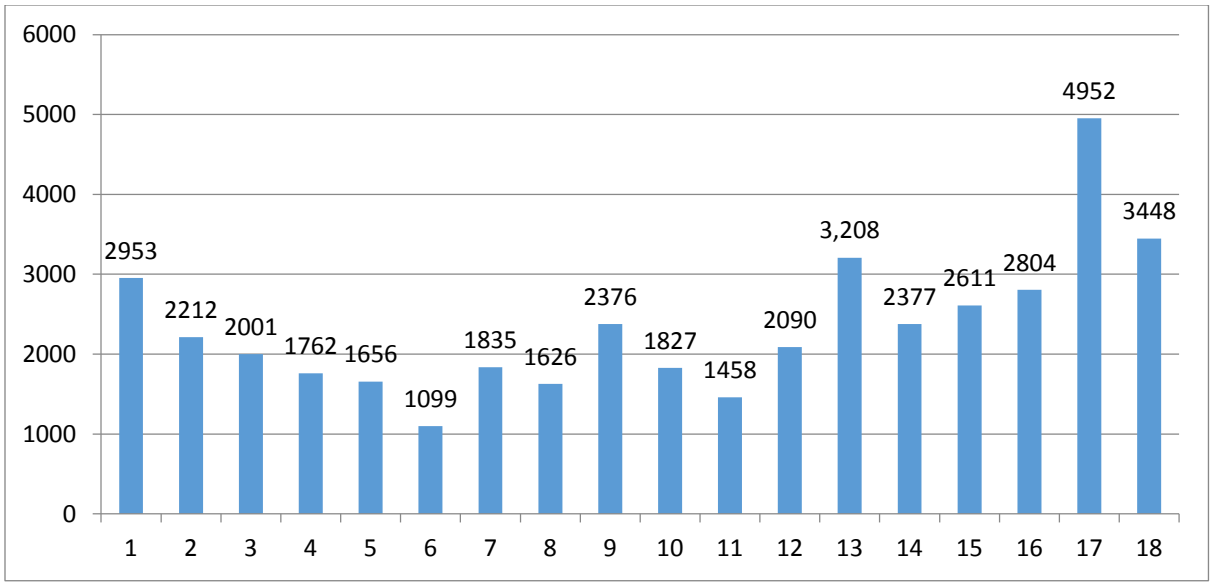
In relation to on farm investment, there are a suite of seven measures available:

- Young Farmers' Capital Investment Scheme
- Dairy Equipment Scheme
- Organic Capital Investment Scheme
- Pig and Poultry Capital Investment Scheme
- Low Emission Slurry-spreading Equipment Scheme
- Animal Welfare, Safety and Nutrient Storage Scheme
- Tillage Capital investment Scheme.

TAMS II was launched in 2015 with the Tillage Capital Investment Scheme added in March 2017 following European Commission approval.

A total of **€395m** has been made available under the RDP for these measures. All measures are currently available for online application. Interest in TAMS II to date has been significant with a total of 42,295 applications submitted and payments of over €225m issued to date. The scheme operates in rolling three-month tranches. Tranche 19 is currently open with a proposed closing date of late October 2020. There is scope for a further tranche closing 31 December 2020.

The applications received under Tranche 18 – 3,500 applications are now subject to checking and a decision will be needed on the rate of approval. 70% of applications under Tranche 18 were approved with the remaining 30% or 1,500 rolled over for consideration with the 3,500 now received under Tranche 18 with 5,000 applications now for consideration and decision. A submission for Ministers approval is being prepared. Applications received under the 18 tranches to date are as set out below:



In order to encourage the drawdown of funding, provide increased budget certainty and to ensure that all farmers can avail of funding over the entire period of the Rural Development Programme, the length of time in which to undertake the works approved was been reduced from the three year period previously allowed to six months for mobile equipment and twelve months for fixed building works from tranche 6 onwards.

Due to the high level of applications approvals have issued to the top ranked 80% of applications from tranche 13 onwards. This means the lowest ranked 20% were automatically rolled over into the following tranche for further consideration. Under Tranche 18 the roll over rate increased to 30%. The ranking procedure was approved under the RDP and marks have been available online since the opening of TAMS II.

Payments to date in the TAMS II Scheme

The online payment system has been open since July 2016 and to date total payments amounting to over €225m have been issued in respect of 16,012 applications. Applications, approvals and payments are monitored on an ongoing basis. The budget for 2020 is €82.5m.

Review of TAMS II

The wide range of investment items available under TAMS II are regularly reviewed with additional items added if appropriate, items with a low uptake can also be removed.

A review of the level of uptake and environmental impact of all TAMS II investments has been completed. The recommendations on options to re-focus the scheme will be submitted to the Minister for consideration.

Future Capital Investment Measures

Due to the nature of this capital investment scheme payments will continue to be made for approved investments completed up to 12 months after approval issues. Under the current CAP draft Transitional Regulations there are provisions that would allow for the extension of investments under TAMS II for a 1-year period and possibly a 2-year period.

Calf Investment Scheme (CIS)

Separate from TAMS II an on-farm investment scheme supporting investments in a limited number of calf related items opened from 7 January 2020 to 28 January 2020. The scheme is exchequer funded. The maximum payable expenditure under the scheme is €7,500 at a grant rate of 40% this will lead to a maximum grant payment per holding of €3,000.

Approvals have issued to 2,338 applicants. Approved applicants have until 30 September 2020 to submit a payment claim. To date the rate of submission of payment claims, which currently stands at 550, has been relatively low. Reminders will issue to approved applicants by text message.