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IFA Submission to the Political Parties and Dáil Candidates for the 2020 General Election

The Irish Farmers' Association January 2020

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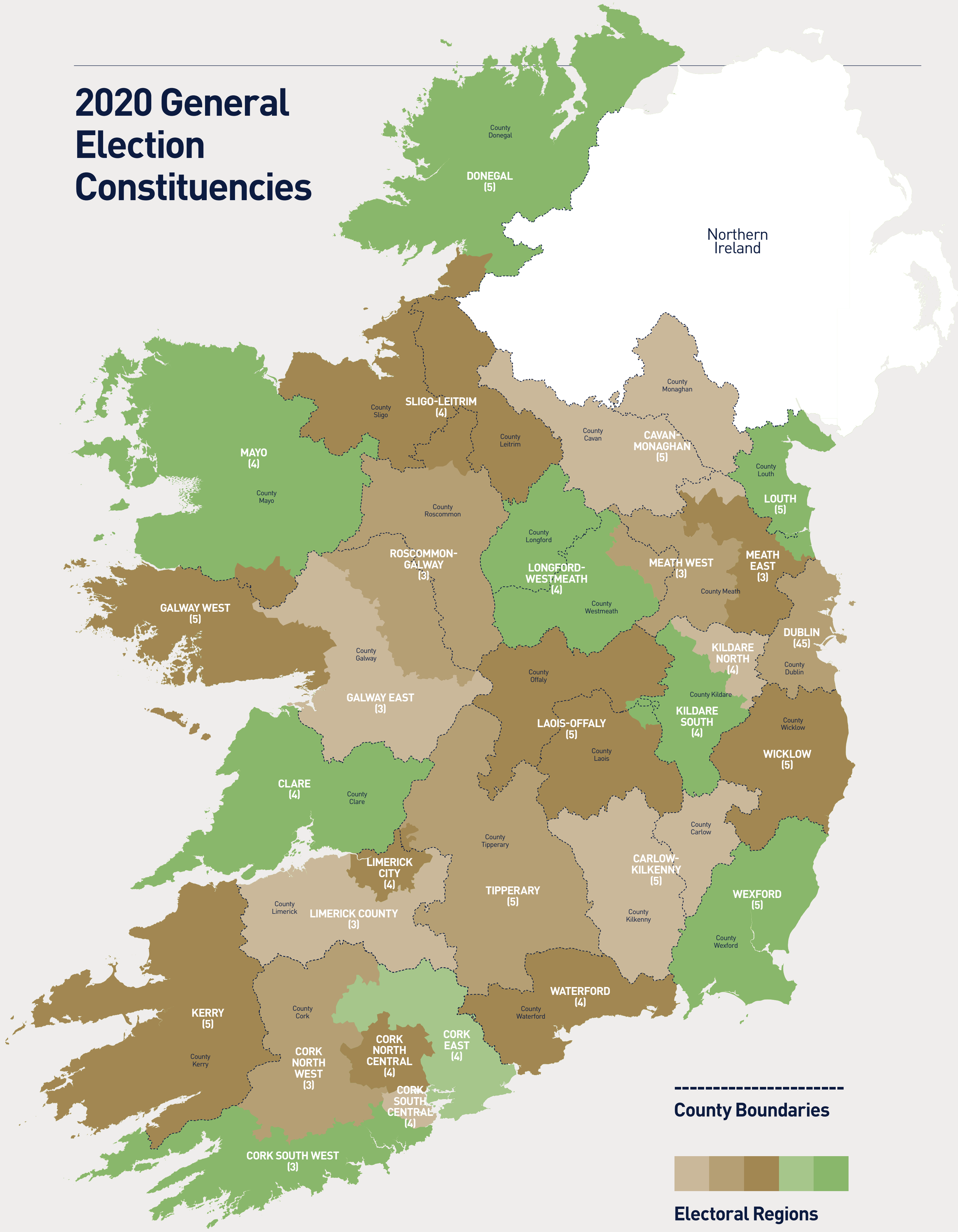
2020 General Election Constituencies



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Winter in the Galtee Mountains on the Limerick/Tipperary border

Message from IFA

Over the lifetime of the next Government, decisions will be made which will have huge implications for Irish farmers. Brexit poses an unprecedented threat with the focus now moving onto the future trading relationship between the UK and the EU. The UK market is of critical importance to Irish farmers.

We must secure a **future trading relationship** which gives us continued tariff free access to the UK market and which does not result in the UK opening its markets to cheap or sub-standard product from outside of Europe.

The Government must be steadfast in achieving these objectives.

It's also a reality that Irish farmers have already taken a huge hit due to Brexit. The BEAM scheme which compensated some beef farmers only applied to animals supplied before May 12th, 2019. A **second BEAM scheme** is needed for farmers who supplied cattle after this date.

During 2020, it is likely that the overall EU budget, including the Green Deal and the CAP budget for 2021-2027, will be approved. These decisions will have fundamental consequences for farmers, particularly in the vulnerable beef, sheep and grain sectors.

The new Government must fight for an **increased CAP budget** to at least cover inflation and the costs of any additional asks on farmers. Once the EU budget is decided, the Irish Government will be required to co-finance certain programmes and schemes.

The Government must fund these to the maximum extent allowable under the CAP and state aid rules. In 2019, CAP programmes and schemes delivered over €1.8bn to Irish farmers. After the next reform, this figure must **exceed €2bn** if farmers are to have any chance of reaching living standards equivalent to others in society.

And, we must channel the money to active farmers. We cannot have money leaking to those who are not genuinely farming or indeed to service providers. The money must get to farmers who are doing the work of providing top-quality safe food while respecting the environment and biodiversity.

Climate Change is a huge challenge for the globe, particularly against a background of a growing world population. It is clear that a lot more food will be needed. Ireland is ideally placed to produce food. It makes no sense to limit food production in Ireland when we know that it will not be produced as efficiently, from a carbon perspective, in other countries.

Irish farmers have made huge strides in terms of increasing our carbon efficiency. We are willing to do more and we have a clear climate roadmap from Teagasc. The policy focus needs to be on improving carbon efficiency not on the size of the national herd. Irish farmers have created and are managing a huge carbon sink through our pasture land and hedgerows. Farmers are getting no credit for this, which has to change. Research must now focus on delivering the full carbon credits achieved by the sector and the correct measurement of methane.

Irish farmers have huge potential to provide renewable energy. However, the Government is focused on designing support schemes which are encouraging large scale projects. We need an immediate and coherent plan to put **farm-scale and community-based renewables** at the centre of Government policy.

The Government also needs to address the imbalance in the food chain which is driving farmers out of business. We urgently need an **independent food retail regulator** as required under the EU Unfair Trading Practices (UTPs) Directive. We must extend the remit of this office to include tackling below cost selling, unsustainable discounting and misleading retail labelling and branding.

The **Fair Deal Scheme** is fundamentally unfair for farmers. With the dissolution of the Dáil, this issue has fallen. This is a huge blow to many families whose farms are being decimated by the scheme. The new Government needs to move on this legislation as a top priority and its effects must be retrospective.

Finally, I want to put down a marker on beef supports and **live exports**. IFA is campaigning for **€300 per suckler cow** in targeted payments. As an island nation, we must be able to continue to export live animals. This is vital to ensure competition. Any curtailing of exports, which are highly regulated, will play into the hands of meat processors and will directly impact on farm livelihoods. The next Government must have a clear plan to grow live exports, not limit them.

This manifesto contains a wide range of proposals which are of crucial importance to the **250,000 farm family voters** and the future of rural Ireland.

Tim Cullinan

1. EU CAP Budget 2021-2027

In the EU Commission's Multi-annual Financial Framework (MFF) 2021 - 2027, a €1.2 trillion EU budget is proposed, representing 1.11% of GNI[1] for Member States. This would mean a **higher overall EU Budget** than the previous MFF for 2014 – 2020, notwithstanding the UK's departure from the EU.

The percentage of the EU budget allocated to CAP would be 28.5%, reflecting a downward trend in CAP share of EU spending, falling from over 55% in the 1980s. Under the current EU budget, 2014 - 2020, the CAP allocation is 37.6%.

The **current proposals represent a cut to the Irish CAP budget of €97m pa** or over 6% in nominal terms (Table 1). With the 2% EU proxy rate of inflation applied, the real impact of the cut amounts to 17% for Ireland. This cut is being proposed at a time when the EU Commission is placing increased environmental and climate ambitions on farmers in Ireland.

Both the MFF and the size of the CAP Budget are to be decided during 2020, under either the Croatian or German EU presidency.

1.1 Multiannual Financial Framework (MFF)

Table 1: EU Commission proposals on the EU budget (MFF) and CAP budget

	Current CAP 2014-2020	Proposed CAP 2021-2027	Total difference	Annual difference	% Change
MFF (EU Budget)	€1,087.1bn	€1,279.4bn	+€192bn	+€27.4bn	+17.6%
CAP Budget	€408bn	€365bn	-€43bn	-€6.14bn	-10.5%
% of MFF	38%	28.5%			
CAP - Ireland	€10.67bn	€10bn	-€678m	-€97m	-6.34%
Pillar I	€8.489bn	€8.147bn	-€342m	-€49m	-4.0%
Pillar II	€2.189bn	€1.853bn	-€336m	-€48m	-15.3%
CAP - Ireland adjusted for inflation*	€10.768bn	€8.87bn	-€1,792m	-€256m	-16.8%

Source data: EU Commission. Based on EU Commission proxy of 2% per annum for future inflation.

1 Gross National Income

IFA Position:

- **The CAP budget must be increased** to take account of inflation and to compensate farmers for any additional requirements placed upon them as a result of this CAP reform.

2. CAP Budget - National Co-Financing 2021-2027

The final agreement on the new CAP will require Member States to fund programmes and farm schemes through national co-financing.

IFA Position:

- The Irish Government must invest in agriculture and support farm incomes/viability by providing the **maximum permissible level of national co-financing.**

The objective of the Government must be to ensure that CAP payments across all schemes, including both Pillar I Basic Payment Scheme (BPS) and Pillar II rural development funding (national and EU), are increased from their current level of €1.8bn to **€2bn per annum** from when the new CAP starts.

3. CAP Transition Arrangements

The CAP reform process has moved more slowly than anticipated and the EU has confirmed that transition arrangements will apply for at least 2021 and possibly for two years. This is to allow for the preparation of national strategic plans by member states and their approval by the EU Commission. The EU Commission has proposed the roll-over of the existing regime while applying lower budget support.

IFA Position:

- **All payments to farmers must be maintained at their current levels.**
- Extend and fully fund all the current farm schemes (GLAS[2], ANCs[3], BDGP[4], BEEP[5], Sheep Welfare[6], KT[7] and TAMs[8]) and reopen these schemes where existing contracts have concluded and to new entrants.
- An **enhanced environmental scheme** to be introduced immediately to acknowledge the **carbon sink** provided by agriculture and to support vulnerable sectors.

4. CAP Reform Proposals

4.1 Convergence

In previous CAP reforms (2014-2020), farmers with per hectare payments below the national average had their payment per hectare increased by an amount equal to one third of the difference between their actual payment level and 90% of the national average, with each farmer's per hectare payment being brought up to at least 60% of the national average.

The €104m cost of bringing these farmers up was funded by reducing the per hectare payments of farmers above the average payment, regardless of how few hectares they had.

Under the current reforms, further convergence proposes that all per hectare payments are brought up to at least 75% of the national average by 2027. IFA estimates that this convergence would cost a further €30m to those farmers who suffered the previous cuts.

IFA Position:

- We support the EU Commission's objective of increasing the payments per hectare for genuine farmers with payments below the national average. This must be funded through an increase in the CAP budget and/or from the implementation of the EU genuine farmer definition (see below). It must not be funded by further cuts to farmers with per hectare payments above the average. The objective must be **upwards only adjustments** in payments per hectare.
- A full sectoral impact analysis of the convergence proposals is required to ensure that CAP reform 2021 - 2027 does not create more unviable farmers.

4.2 Genuine Farmers

The EU Commission proposes Pillar I direct payments only to genuine farmers.

IFA Position:

- The genuine farmer concept must be fully explored in order to target payments towards active farmers. A further issue to be evaluated is the practice of farmers leasing out their entitlements, having exited farming.

4.3 Coupling

There are options under the EU Commission proposals to have coupled payments up to 10% in Pillar I. Ireland currently only has one coupled payment under Pillar I for protein crops.

IFA Position:

- In the context of increased CAP funding, the option of introducing more coupled payments must be considered in targeting support to active farmers in vulnerable sectors.

2 Green, Low-Carbon, Agri-Environment Scheme
3 Areas of Natural Constraints
4 Beef Data Genomics Programme
5 Beef Environmental Efficiency Pilot
6 Sheep Welfare Scheme
7 Knowledge Transfer Programme
8 Targeted Agricultural Modernisation Scheme

4.4 Capping

The EU Commission proposes to cut the payments of farmers receiving over €60,000 by 25% and rising to 100% above €100,000.

IFA Position:

- Capping must take full account of situations where more than one income is being earned from the farm e.g. partnerships, family labour, employees.
- Leased-in entitlements must be excluded from the calculation, and family employment and formal partnerships be factored in.

4.5 Eco-schemes

The EU Commission's proposals for the New Green Architecture contain eco-schemes as part of Pillar I, which are mandatory for Member States, but voluntary for farmers.

The proposals require the allocation of funding for environmental schemes, from Pillar I and Pillar II (excluding ANCs) combined, to be greater than 40%.

IFA Position:

- Pillar I eco-schemes should be voluntary for Member States and farmers.
- Measures under Pillar I eco-schemes must not undermine environmental schemes in Pillar II.
- Where eco-schemes are entered into, they must not involve additional costs on the farmer, and the schemes must be simple and easy to apply for.
- ANCs must be allowed as part of the 40% environmental requirement for Pillar I and Pillar II funding.
- There must be no impact on Pillar II agri-environment schemes.

4.6 Simplification and Subsidiarity

The EU Commission proposals contain a commitment to have increased simplification. The opportunity under this reform to design national strategic plans must be used to support the delivery of a CAP, which is simpler and more suited to Irish farming, with fewer inspections, increased tolerances and reduced penalties.

IFA Position:

- All farmers, including those selected for inspection, including land eligibility and satellite inspections, must get at least 70% of their BPS payment in mid-October. Issues arising for farmers selected for inspections thereafter can be resolved from the 30% balancing payment.
- A close-out system on inspections is required to allow farmers time to correct unintentional non-compliances without incurring penalties.
- No increase in cross-compliance requirements, with full recognition for existing Statutory Minimum Requirements (SMRs) and Good Agricultural and Environmental Conditions (GAECs) achieved by farmers.
- Targets and indicators imposed on Member States must be realistic and not add to complexity or delay payments.
- Farmers must be adequately compensated to cover costs of any increase in requirements and standards.

4.7 Rural Development

A strongly funded Rural Development Programme (RDP) under Pillar II is vital for rural areas. Funding must come from a high EU contribution combined with the maximum permissible national co-financing.

IFA Position:

- **Increased funding from €4bn to €5bn** for the RDP 2021-2027 to support farm schemes.
- **Targeted sectoral support** for sucklers (€300 per cow), sheep (€30 per ewe) and tillage in a per hectare payment.
- **Whole farm environmental schemes**, similar to REPS, with a payment of €10,000 per farm, with higher payments for designated Natura, SAC[9] and SPA[10] lands.
- An increased annual allocation of over €300m for the ANC scheme.
- TAMS investment scheme to be made available for all sectors, with 70% grant aid for young farmers and 50% for all others.
- Additional items must be added to the TAMS to include underpasses.
- Increased funding for farmers involved in environmental and economic resource efficiency programmes, such as the Smart Farming programme.
- Strong measures to support committed young farmers across all schemes.
- The leakage of funds to advisory and service providers to be minimised.
- Payment for Ecosystem Services, for biodiversity and the establishment of more broadleaf woodlands.

4.8 Generational Renewal

The CAP must ensure young farmers are attracted into the sector through tailored tax incentives, policy instruments and farm schemes. Less than 5% of Irish farm holders are under 35 years.

IFA Position:

- Strong support for committed young farmers to include: preferential national reserve, top-up payments (BPS, TAMs and Installation Aid), partnership supports and mainstreaming of the land mobility service.
- Retirement scheme to encourage transfer of farms.
- Taxation policy to incentivise and support young trained farmers.
- Entitlement transfer system that favours active farmers and committed new entrants.
- Removal of the State Aid €70,000 EU[11] limit placed on young trained farmers.

4.9 Producer Organisations (POs)

The EU Commission's CAP proposals allow Member States to make specific sectoral interventions in their strategic plans, which could provide vital opportunities for vulnerable sectors. POs provide producers in all sectors with a mechanism to consolidate their supplies and strengthen their bargaining position in the market.

IFA Position:

- The new CAP must continue to support POs for all sectors.
- The costs, rules, regulations and administrative burden, including reporting and inspections of POs, must be simplified to encourage uptake.
- Additional funding is required to support establishment and ongoing running costs.
- Additional protections are required against the unfair treatment of POs by buyers.
- The environmental requirements for PO Operational Programmes should be retained at their current levels and not increased as proposed[12].
- Potato producers must qualify under the EU Fruit and Vegetable PO scheme[13].

9 Special Areas of Conservation
10 Special Protection Areas
11 Article 18 EU Commission Regulation (EU) No. 702/2014
12 Article 44 of COM(2018) 392/3 CAP reform 2021-2027
13 Commission Implementing Regulation (EU) 2017/892, laying down rules for the application of Regulation (EU) No 1308/2013

5. Brexit & Future EU-UK Trading Relationship

As the UK leaves the EU and we move into the negotiations on the future relationship, Brexit remains the most significant threat facing the agri-food sector in the history of the State. With 34% (€4.4bn)[14] of our food and drinks exports going to the UK, no other Member State and no other sector is as exposed in these negotiations.

On 31st January 2020, the UK will exit the EU and enter a **standstill transition period** during which it will remain in the EU Single Market and Customs Union until 31st December 2020.

IFA welcomes the new **Protocol on Ireland**, which avoids a hard border on the island of Ireland and protects the all-island economy. The Protocol provides that at the end of transition, Northern Ireland will remain aligned to key rules of the Single Market and Customs Union including those for agri-food.

On the **future EU-UK trading relationship**, IFA is seriously concerned that the new UK government's pursuit of an independent trade policy and the EU's need to protect the integrity of the Internal Market will inevitably devalue our trade to Britain. At a minimum, there will be increased costs on exports that will be passed back to producers. At worst, Irish exports could be undercut and priced out of the British market, with a devastating impact on Irish farmers.

The UK government has legislated against extending the transition period, which leaves only eleven months to conclude a new free trade agreement. Our agri-food sector is therefore threatened with a new **no-deal cliff-edge on 31st December 2020**, when in the absence of agreement trade would revert to basic WTO terms.

This leaves Irish farmers facing a year of **on-going Brexit uncertainty** with negative impacts on the sterling exchange rate, market prices and farm incomes.

Brexit therefore continues to represent a major market disturbance for Irish farmers in all sectors. With 50% of all **Irish beef exports** going to the UK and no alternative market available, the most vulnerable sector is clearly livestock. However, other **exposed sectors** include dairy (cheddar cheese and butter), mushrooms, pigs and forestry. The Irish farming and food sector requires extensive Government and EU support measures, which need to be flexible and sufficiently scalable to deal with all possible outcomes.

IFA Position:

- **A Beef Exceptional Aid Measure (BEAM) II scheme worth €160m is required (with the unnecessary restrictions of BEAM I removed) to compensate livestock farmers for beef price losses[15] since 12th May 2019**. This would use the €110m Brexit contingency fund announced in Budget 2020 for the Department of Agriculture and additional EU/national funds.
- **The €25m underspend in BEAM I must paid out to beef producers**,who suffered Brexit losses from September 2018 to 12th May 2019, by increasing the payment rates. Finished cattle sold in marts and cattle exported to Northern Ireland must be included.
- **For future Brexit-related losses during the transition period**, arising from sterling devaluation and market uncertainty, farmers in the affected sectors will require full compensation in the form of Government and EU direct aid.
- **For losses arising from no-deal at end 2020 or from the reduced** value of the UK market if a deal is reached, the EU must provide a **Brexit fund of €1bn** or more if necessary in market support measures to include direct supports for farmers, structural and adjustment funding, as well as the setting aside of State Aid limits.

IFA Policy on Future Trading Relationship

The optimum outcome for Ireland of these negotiations would be for the UK to remain within the Single Market and the Customs Union. However, this is contrary to the UK government's stated objective of conducting an independent trade policy, which Irish farmers fear could mean a cheap food policy.

IFA policy is that the EU must therefore use its leverage in the negotiations as far as possible to maintain the value of the UK market for Irish food exports, which in turn will ensure the stability of the EU food market. IFA's **objectives** therefore include:

- The **closest possible EU-UK trade relationship**, with tariff-free and quota-free trade in agricultural and food products
- To **ensure a level playing field, full UK regulatory alignment to current and future EU standards** including food safety, animal health and welfare and environmental standards
- To **ensure stability in EU and UK markets, a partnership approach going forward whereby the UK applies the EU's common external tariff and shares tariff rate quotas** for sensitive products such as beef, butter and lamb (i.e. to ensure no overall increase in import volumes).

14 Source: Bord Bia 2019

15 Up to December 31st 2019

6. EU Trade Policy

6.1 Mercosur

The proposed EU-Mercosur (Brazil, Argentina, Uruguay and Paraguay) trade deal means an extra 99,000t of beef, 180,000t of poultry and 25,000t of pigmeat imports on the EU market. Mercosur countries already have access for 269,000t of beef and 500,000t of poultry. This proposed deal cannot come into effect unless it is ratified by the EU Council and all Member States.

6.2 Australia and New Zealand

The Australian and New Zealand negotiations with the EU are ongoing, with little opportunity for Irish agriculture.

IFA Position:

- The **Government must block the agriculture concessions** in the proposed EU-Mercosur trade deal.
- The Government must press the EU to introduce an immediate ban on existing South American beef imports which are causing over supply on the EU market and forcing prices below the cost of production for Irish and EU producers.
- The Government must ensure that the EU does not agree to any damaging trade deals which further compromise the viability of sectors, such as the Irish beef sector.
- **No EU double standards**, allowing food imports which fail to meet EU traceability, food safety, animal health and welfare and environmental standards.
- No increase in preferential access for Australia and New Zealand in key sectors i.e. dairy, beef and sheep.

7. Environment, Climate Action and Opportunities in Renewables & the Bioeconomy

Ireland has a **carbon efficient model of food production**. This was re-affirmed scientifically in Teagasc's 2019 Sustainability Report,[16] with climate emissions per kilo of product in our dairy, beef and sheep sectors all continuing to decline. In addition, the majority of Ireland's drinking water is of "excellent quality"[17].

The IFA/EPA **Smart Farming** programme and Bord Bia's **Origin Green** programme are widely implemented at farm level, with over 250,000 carbon assessments now completed. These programmes have been embraced by farmers, in additional to their environmental and agronomic requirements under national and EU law.

Farmers remain committed to the protection of our natural resources. Emissions from agriculture are relatively unchanged since 1990, while the contribution from farming and food exports to the economy has greatly increased to be worth €14.5bn in 2019. Unlike other sectors, such as transport, farming has broadly decoupled economic growth from climate impact.

IFA remains totally committed to protecting the long-term future of **sustainable farming**. We have identified the challenges that need to be tackled in urban waste water management, air quality compliance, renewables and climate action.

Innovative policy is required to achieve the full potential of the **bioeconomy** in terms of rural job creation and the much-needed spin-off into rural communities. Farming and forestry can play a significant carbon sequestration role in the development of a strong bioeconomy.

On **renewables**, it is estimated that 1.19m people are employed across the EU, with 389,000 of these jobs in the solid biomass sector. Support schemes must be designed in a holistic fashion to facilitate rather than present barriers to the future development of the bioeconomy.

7.1 Climate & Environmental Legislation

IFA Position:

- All future climate and environmental legislation should be subject to a comprehensive Regulatory Impact Assessment (RIA)[18] to assess its impact on jobs and on the environment. Ireland can no longer blindly sign-up to unachievable targets, where technical solutions to deliver compliance do not exist, as happened when Ireland agreed to the 2020 climate emission reduction targets.

16 Teagasc (2019) Teagasc National Farm Survey 2017 Sustainability Report
17 Irish Water (2015) Water services strategic plan
18 RIA should assess the economic and environmental impact of proposed changes in regulations to the wider economy at Member State level

7.2 Environmental Measures

Ireland has good water quality by EU and international standards. Farmers have invested €5bn in environmentally proofing their farms and are actively participating in the ASSAP[19] water quality programme. It is notable that less than 5% of farms avail of the nitrates derogation, which is necessary to support the sector's on-going development and contribution to the national economy.

IFA Position:

- Continuation of Ireland's **nitrates derogation** at 250 kgs Org N/ha, without additional compliance obligations.
- Water Abstraction: A full package of measures must be introduced, including compensation, where farmers endure crop, yield and income losses when Irish Water and local authorities install water abstraction points on farmers' lands.
- Measures to improve air and water quality and compliance with ammonia obligations:
  - The overall grant aid available for individual farmers for LESS[20] equipment must be increased to 60%.
  - The separate grant aid limit to general TAMs also needs to be increased so it remains a strong measure in an enhanced GLAS.
  - Investment in LESS equipment must be VAT exempt.
  - Supports are needed to encourage slurry additives uptake, with Teagasc or the Department of Agriculture publishing an annual list of products tested and results.
- Supporting soil fertility and reducing the environmental impact from farming practices:
  - Lime grant scheme.
  - Grant scheme for soil aeration equipment with proven agronomic benefits.
- Ireland must call for a review of the EU Ammonia Directive[21] given the absence of affordable technical solutions to deliver compliance.
- Voluntary environmental programmes such as *Smart Farming*, which is oversubscribed, requires increased support, to assist with the economic and environmental sustainability of rural areas.

7.3 Climate Metrics

Methane is short-lived in the atmosphere compared to CO_2, as it is broken down by natural processes on a timescale of about 12 years, compared with 20-200 years for CO_2. Given its short-lived behaviour, the current practice of applying historical type calculations for methane must be reviewed.

IFA Position:

- The climate metrics applied for ruminant livestock must reflect the accurate impact of methane on global temperatures.

The positive climate impact achieved through carbon sinks, such as forests, hedges and permanent pastures, is currently not fully counted. This has led to an unbalanced picture of agriculture's climate impact. For example, afforestation since 1990 will remove an estimated net 4.5m tonnes of CO_2 from the atmosphere per annum, over the period 2021 – 2030. The climate value of this will not be fully recognised, but any changes in methane and cattle numbers will be fully counted.

IFA Position:

- All sinks associated with forestry, hedgerows and permanent pasture must be included when measuring agriculture's climate contribution.

7.4 Renewable Energy & the Bioeconomy

Most EU Member States have long recognised that political support is necessary to overcome the obstacles that limit the adoption of renewable technologies. However, the lack of clear and cohesive policy initiatives and financial supports to date will see Ireland fall considerably short of meeting its EU 2020 renewable energy target and struggle to achieve the extremely ambitious 2030 targets outlined by the new EU Commission.

International experience clearly shows that investing in the bioeconomy and renewables creates long-term sustainable employment. Prioritising investment in Ireland's bioeconomy including the bioenergy sector will greatly expand employment opportunities in the regions taking pressure off urban centres.

It will allow farmers to develop alternative income streams, while further decarbonising food production and allow for the sustainable expansion of primary agriculture and Ireland's agri-food sector.

19 Agricultural Sustainability Support and Advisory Programme

20 Low Emission Slurry Spreading Equipment Scheme

21 Directive (EU) 2016/2284, reduction of national emissions of certain atmospheric pollutants

Anaerobic digestion (AD) produces biogas through the natural degradation of organic material by microorganisms, which can help meet Ireland's EU renewable energy and GHG targets. Biogas is a flexible and sustainable alternative source of energy that can be used to generate heat and electricity and as a transport fuel while also facilitating the transition to a bio-based economy, for the manufacture of bioplastics etc.

IFA Position:

National measures

- Government policy must support the deployment of the **full range of renewable technologies** including: wind turbines, micro-hydro, solar PV systems, anaerobic digestion, biofuels, ground source heat pumps, and combined heat and power.
- **Measures needed** include: financial incentives such as feed-in-tariffs, feed-in-premiums and low-cost loans to stimulate investment and ensure financial viability; binding farm-scale and community renewable energy targets for each county; minimum community share ownership targets in medium to large scale local renewable projects, guaranteed priority and affordable access to the electricity network and markets; fiscal measures through the carbon tax and PSO[22] levy; and practical support from local authorities with regard to planning and implementation.
- The profits or gains arising from the sale of renewable energy should be exempt from income tax for an extended period, as is the case with forestry[23].
- To address the issue of finance, a green energy state guaranteed fund should be established to guarantee individual investors a tax free 2% annual return provided they invest funds for a minimum of 10 years. Individuals/communities/co-operatives would be eligible to draw down these low-cost funds (2.5%) for a 10 to 15-year term in order to develop approved renewable energy projects.
- The development of **energy co-ops/producer organisations** must be prioritised and financially supported. This will create economies of scale and help drive down the cost of technology and funding. Critically, it would ensure that ownership is retained locally and the benefits are not creamed off by speculative investors or large multinationals.
- The introduction of net metering is necessary for the development of a prosumer strategy whereby individuals and small businesses below 1MW would generate their own electricity and deliver excess to the grid, receiving credit for it at full retail price.
- The maximum capacity export levels for micro generation must be increased from 6kw (single phase) and 11kw (3-phase) to 50kw in line with many other EU countries.
- The Government must work with local authorities to streamline the planning process and ensure that restrictions and requirements must be appropriate to scale. One-stop advice clinics should be provided to assist project developers to submit successful applications.
- Tiered supports are required for the development of anaerobic digestors ranging from farm scale (up to 0.5MW), community/small co-op scale (0.5MW – 2MW) and large co-op (5MW).
- Given the low impact of ground mounted solar farm structures, the land area still available for grazing under the panels must be deemed eligible for the BPS payment.
- The immediate and mandatory introduction of E10 petrol, which includes 10% ethanol and 90% gasoline, is required to stimulate the use of biofuels.

EU measures

- A dedicated EU bioeconomy programme is required to facilitate investment and the establishment of community and farm-based supply-chains. This funding must come from sources outside of the CAP.
- The European Investment Bank has a role in providing a targeted minimum funding allocation to community based and locally-led bio-based/renewable projects, rather than large scale commercial entities.

7.5 Hemp Production

Declining commodity/grain prices coupled with the loss of the sugar beet sector have resulted in a fall in associated tillage farm incomes and an almost 20% reduction in the arable crop area since 2012.

A significant body of research conducted by Teagasc found that hemp (Cannabis Sativa) production is ideally suited to Ireland due to our temperate climate and soil type. It is a valuable break crop and much of the existing machinery on tillage farms is suited to its cultivation and harvest. More importantly, the opening up of the medicinal cannabis market offers opportunities for the creation of significant value added-both for farmers and processors. Ireland is well positioned to become a major player in the developing multibillion-euro international market for industrial hemp, CBD[24] oil and medicinal cannabis.

However, in order for hemp to realise its full production and economic potential, the proper regulatory framework needs to be put in place. There is currently no legal exemption in Ireland under the Misuse of Drugs legislation for any level of THC[25]. This and the other issues below are major barriers to the processing of hemp for industrial or medicinal purposes.

22 Public Service Obligation
23 Section 232 of the Taxes Consolidation Act, 1997
24 Cannabidiol Oil
25 Tetrahydrocannabinol

IFA Position:

- Existing legislation must be amended to exempt finished products where the THC content is equal to or less than 0.3%. This would eliminate the grey area concerning the production and sale of CBD products.
- Registered growers must be permitted to sell flower to approved processors to allow for the extraction of cannabinoids. The residue after extraction could be incinerated/destroyed so as to satisfy Garda requirements.
- The introduction of a five-year licensing programme would dovetail with arable farming programmes while also reducing the administrative and control burden for the regulatory authorities.
- Ireland should approve varieties with a much higher CBD content (while respecting the 0.3% THC limit) of up to 15%, as this would potentially treble returns.

8. Retail Regulation

IFA has campaigned for many years both at home with Governments and in Europe, for a rebalancing of power in the food supply chain, to deliver a viable price for farmers, and a return on their work and investment.

8.1 Independent Food Retail Regulator

The EU Directive on Unfair Trading Practices (UTPs)[26] must be transposed into Irish law by May 2021.

IFA Position:

- As provided for in the EU Directive, the Government must immediately create an Independent Food Retail Regulator to tackle the imbalance in the food chain.
- The Regulator's remit must be extended to tackle other UTPs in food chain including; unsustainable discounting, below costing selling, annual tendering by retailers and misleading retail labelling and branding. This is possible as Member States can choose to go beyond the scope of the Directive.
- Following the public consultation[27], stakeholders in the food chain must be consulted on how the Directive will operate in practice.

8.2 Market Transparency & Price Reporting

The EU Commission has recognised that greater market transparency at all levels in the food chain is necessary, so that the margins and profitability of processors and retailers are clearly visible, and has therefore introduced mandatory price reporting[28] by Member States.

IFA Position:

- The role of the Independent Food Retail Regulator must be expanded to include mandatory reporting of margins in the food chain.

8.3 Country of Origin Labelling

IFA Position:

- Country of Origin labelling legislation[29] has been introduced for fresh meat but must be properly enforced by the HSE and FSAI on all food-service and butchers in Ireland.

26 Directive of the European Parliament and the Council, COM(2018)173, on unfair trading practices in business-to-business relationships in the food supply chain

27 December 2019 – Department of Agriculture, Food and the Marine

28 Commission Implementing Regulation (EU) 2019/1746 of 1 October 2019 amending Implementing Regulation (EU) 2017/1185 laying down rules for the application of Regulations (EU) No 1307/2013 and (EU) No 1308/2013 of the European Parliament and of the Council as regards notifications to the Commission of information and documents

29 Commission Regulation (EU) No 1337/2013

9. Sectoral & Farm Business Development Measures

9.1 Livestock

Beef and livestock farming is hugely important to the Irish rural economy, worth up to €3bn pa. It is the largest farming sector in terms of farm numbers with beef farming in every rural parish in the country. Incomes on livestock farms are unacceptably low, at an average of only €8,311 for cattle rearing to €14,560 for other cattle enterprises for 2018. To address this, higher cattle prices are clearly required and direct payments must be restored and increased.

Cattle Prices

Cattle prices must increase to viable levels, in order to provide a return above the costs of production and fairly reflect the price return from the market back to farmers.

IFA Position:

- An immediate increase in cattle prices to reflect higher market returns.
- Delivery of real and tangible results for farmers from the Beef Task Force.
- Contract prices from factories and retailers.
- Removal of any specifications not required in the market.
- Increased competition through more live exports.
- A new brand for Irish grass-based beef with PGI[30] status.
- A higher price premium for quality beef.
- A fairer share of the final price paid back to the farmer.
- Additional market access and promotions.
- Increased funding and reduced restrictions for Producer Organisations.

Brexit Compensation

IFA Position:

- **A Beef Exceptional Aid Measure (BEAM) II scheme worth €160m is required (with the unnecessary restrictions of BEAM I removed) to compensate livestock farmers for beef price losses[31] since 12th May 2019**. This would use the €110m Brexit contingency fund announced in Budget 2020 for the Department of Agriculture and additional EU/national funds.
- **The €25m underspend in BEAM I must paid out to beef producers**,who suffered Brexit losses from September 2018 to 12th May 2019, by increasing the payment rates. Finished cattle sold in marts and cattle exported to Northern Ireland must be included.

Live Exports

Live exports provide essential price competition and market balance through alternative market outlets for calves, weanlings, cattle and sheep. The live export trade operates to the highest animal welfare, health and transport standards with full Department of Agriculture veterinary supervision guaranteeing the protection of animals.

All animals exported live are individually inspected and supervised by independent Department veterinary surgeons. All live export transport vehicles, ferries, ships and lairages are strictly inspected and transport is closely monitored with journey logs, temperature monitoring sensors, control posts and resting stops, satellite navigation and drivers/attendants with animal welfare training.

Customers of Irish livestock insist on the highest standards of animal welfare, animal health and transport. In 2019, Ireland exported 298,000 live animals of which 200,000 were calves (+ 24%), 67,000 weanlings (+ 3%) and 30,000 adult cattle (+ 22%).

IFA Position:

- The Government must fully support and protect the live export trade with a clear plan to grow live exports and not limit them.
- As an island nation, the Government must guarantee farmers and exporters full market access to the EU single market, including maximum **ferry and lairage facilities** as well as access to other important international markets such as Turkey, North Africa and the Middle East.
- Controls on the live export trade must always be scientifically based. There can be no new restrictions on the trade.

Market Access

IFA Position:

- The Government and Bord Bia must secure **increased market access** for beef and live cattle and the removal of access restrictions (age, TB, BSE and others) on important growing markets, such as China and the USA with the **objective of increasing returns to producers**.

30 Protected Geographical Indication

31 Up to December 31st 2019

Suckler Cow Support

The national suckler cow herd of almost 1m head is critically important to the high-quality Irish beef sector. The suckler beef sector also delivers essential socio-economic and environmental services and public goods, as well as providing a major carbon sink.

The support schemes for suckler cows (BDGP and BEEP) have proven to be essential in terms of economic support and in improving efficiencies on environmental performance and delivery.

The supports secured by IFA to date include the BDGP (€45m), BEEP (€20m) and an additional €20m for BEEP + in Budget 2020. Total support is currently €160 - €175 per suckler cow, when BDGP of €95 on the first 10 cows (€80 on the remainder) and €40 per cow on BEEP is combined with the €40 per cow in BEAM support.

IFA Position:

- **€300 per suckler cow** in targeted support from a combination of national and EU CAP funding.
- For 2020, the BEEP scheme must increase to €80 per cow and the BDGP to €150 per cow.
- An enhanced environmental scheme must be introduced immediately to acknowledge the carbon sink provided by agriculture and to support vulnerable sectors.

Classification, Trim and Weights

IFA Position:

- The Department of Agriculture controls on beef carcase classification, trim and weights at the meat factories must be increased and an independent appeals system must be introduced for mechanical classification.

9.2 Sheep

Sheep farming is the second largest farming enterprise in terms of farmer numbers, with 34,000 flock owners and is particularly important in mountain and hill areas. The sector has an output value of up to €450m, with exports of 54,809t to 35 different countries, worth €294m in 2019.

With pressure on lamb prices and direct payments, sheep farm incomes are very low at an average of €13,397 for 2018.

Sheep farming delivers major socio-economic and environmental benefits to rural areas. In hill and mountain areas, it is essential in terms on environmental preservation and biodiversity, where it is not possible to farm other enterprises.

IFA Position:

- A **targeted direct payment of €30 per ewe** for sheep farmers, from a combination of CAP and national funding. This would include a roll-over and increase in the **Sheep Welfare Scheme to €15 per ewe** and CAP Pillar II funding.
- The option of targeted coupled payments and **Eco-scheme payments** in CAP Pillar I.
- In CAP Pillar II, a strong environmental payment of €10,000 per farm, an increase in ANC payments and higher payments for Designated and Commonage lands.
- Immediate **market access** to the important Chinese and US markets as well as other new lamb markets.
- On **EID**[32] **tagging**, a roll-over of the €100 funding per farmer for the cost of tagging for the next 3 years, increased grant aid for electronic readers and a single tag for the sale of finished lambs in the marts.
- **Abolish all non-statutory charges:** associated with scrapie, SRM[33] charges and clipping charges.
- The on-going problem of **dog attacks** must be tackled through a properly funded dog warden service, implementation of micro-chipping of all dogs and a central data-base.

9.3 Dairy

Dairy farming delivers sustainable family farm incomes, but comes with high investment and debt on farm, and cashflow-challenging volatile incomes. The dairy sector contributes significantly to the wider rural economy, with expenditure on farm inputs and services, and employment on farm, in milk processing and ancillary services.

The importance of the contribution from the dairy sector must be recognised by the adoption of policies which do not burden dairy farmers unfairly, and the sector's ability to continue to contribute to the rural economy must not be impeded.

IFA Position:

- **Retention of the nitrates derogation** is essential to allow the industry to realise its natural advantage.
- Farmers engaging with climate mitigation measures must be supported to offset their cost.
- Government must ensure fair and proportional environmental measures in the CAP.
- Financial tools and taxation measures are required to manage **income risk and volatility** at farm level.

32 Electronic Identification Tagging
33 Specified Risk Material

Collaborative Approach on Environment

Collaboration between the dairy sector, local authorities, the EPA and Government through the Dairy Sustainability Forum has resulted in a new approach on water quality which is yielding dividends. The Agricultural Sustainability Support and Advice Programme (ASSAP) engages farmers on a voluntary basis and is delivering results on water quality.

IFA Position:

- Persist with the **ASSAP programme** to address water quality and secure vital improvements.
- Extend the scheme, or use a similar voluntary, collaborative approach if addressing other environmental issues including air quality, biodiversity and GHG[34] emissions.

Managing Dairy Calves

Dairy farmers take full responsibility for all calves born in their herds. Best practice care and rearing of all calves, optimal genetic quality and value for purchasers, contract rearers or fatteners are all essential from an economic and welfare perspective.

IFA Position:

- Better breeding policies are necessary to increase the beef value of the calves not required for dairy replacement.
- The Calf Investment Scheme[35], which grant aids calf-feeding equipment must be properly resourced to fully cater for all applications.
- **Live calf exports** are essential for the dairy sector, operating to the highest animal welfare standards.

9.4 Pigs and Poultry

Pig and poultry farmers who operate above production thresholds set by the EU, are licenced. This work is carried out by the EPA[36] who are exceeding their remit by collecting information on the land-spread areas of farmers who use pig and poultry manure.

The retention of the nitrates derogation is critical for both pig and poultry producers who depend on the export of pig slurry and poultry litter.

The development charges applied by different counties vary considerably and this can be a major barrier to producers investing in improved facilities to grow their enterprises and reduce anti-microbial usage.

Current EU proposals regarding tariff rate quotas (TRQs) for poultry would require EU poultry traders to import large volumes of individual products (e.g. breast, wings, 5th quarter, etc.) to get a licence, instead of combining their import of all individual poultry products as at present. This would create significant difficulties for smaller importers with specific requirements and advantage large-scale importers.

IFA Position:

- **Nitrates:** The current nitrates derogation must be retained. The Government needs to promote and reward farmers who use organic manure in place of chemical fertilisers in the next nitrates review with the EU.
- **EPA:** The Government must direct the EPA to refrain from seeking information in its inspections of pig farms, to which they are not entitled by law.
- **Development Charges:** The charges imposed by all local authorities should be reduced and standardised, to ease the financial burden on producers investing in modern facilities.
- **TRQs:** The Government must oppose EU proposals to change the import requirements for poultry TRQs.

Pig and Poultry Investment Scheme (PPIS)

The pig and poultry investment scheme under TAMS originally had a fund of €17m which was undersubscribed.

IFA Position:

- The Government must secure an amendment to the TAMS PPIS to increase the investment limit for pigs and poultry.

34 Greenhouse Gas Emissions

35 Department of Agriculture, Food and the Marine 2019

36 Environmental Protection Agency

African Swine Fever (ASF) Controls & Disease Risk

ASF has devastated pig production in the world's largest producer, China, across Asia and into Eastern Europe where the disease is moving dangerously close to the German border. The IFA has been in constant communication with the National Disease Control Centre (NDCC) and made a number of proposals, many of which have been acted on.

IFA Position:

- **Increased vigilance** by the Department of Agriculture is required at all ports and airports, including testing of imported pigmeat, at point of entry. Travellers need to be targeted to increase awareness of the dangers of ASF and how to reduce disease risk.
- The Government must strengthen legislation and increase enforcement against anti-farming activists who deliberately disregard biosecurity measures, the welfare of animals and property of farmers in the name of anti-meat/anti-farming campaigns.

9.5 Animal Health

Irish farmers have a proven track record of raising the health status of the national herd through high levels of investment in disease eradication and control programmes and the application of the highest animal welfare practises.

This investment and commitment of farmers must be supported by Government directly and indirectly through the provision of the resources required to support farmers and the protection of our established good farm practise from unnecessary bureaucracy and controls.

Farmers are playing their part by proactively addressing Antimicrobial Resistance (AMR) at farm level. These efforts must be recognised by Government by providing the resources to implement any on-farm changes necessary and by reducing the cost of important preventative medicines such as vaccines.

TB Eradication & 30-day Pre/Post Movement Test

Irish farmers are exposed to a disproportionate and unfair cost burden in the TB programme in comparison to other farmers throughout the EU. This cost must be addressed by Government, both in terms of providing additional resources for the national programme and preventing unnecessary EU controls from being imposed on Irish farmers.

IFA Position:

- The EU delegated regulation proposing a 30-day pre/post-movement test for TB for all animals from herds that are over six months tested must be amended to facilitate trade without pre-movement testing from all herds within 12 months of TB test.
- The existing **compensation schemes** must be enhanced to reduce the financial impact of the TB programme on farmers and their families.
- The **Wildlife Control Programme** must be resourced to proactively deal with all species of wildlife that are susceptible to TB and achieve eradication of TB within the shortest feasible timeframe.

EU Veterinary Medicinal Products Regulation

The new EU Veterinary Medicinal Products Regulation which comes into force in 2022 must not create a two-tier prescribing process for anthelmintics on the island of Ireland.

IFA Position:

- The Government must ensure the new regulations facilitate the supply of anthelmintics by Licensed Merchants without the need for a prescription issued by a veterinary practitioner, similar to the system in Northern Ireland.

Other Priorities

IFA Position:

- **VAT on vaccines:** Government must reduce the VAT rate on vaccines to 0%, a saving of €10m annually for farmers.
- **Industry-led Disease Programmes:** Government must ensure the funding required by farmers to implement industry-led disease programmes, such as BVD, Johnes, IBR eradication/control, is provided to support farmers.
- **Veterinary Services:** Government must identify and address the issues contributing to the reducing number of Veterinary Practitioners entering large animal practice to ensure all farmers have access to a competitive veterinary service.
- **Fallen Animals:** Government must provide the supports necessary to reduce the costs of fallen animal disposal for farmers and ensure a reliable collection service is available throughout the country.

9.6 Grain

Tillage farmers are experiencing a continual decline in their incomes, which has resulted in a 20% reduction in the tillage area since 2008. Targeted supports must be put in place to ensure the revitalisation of this important sector, which underpins Ireland's export-orientated livestock, dairy and drinks sectors.

IFA Position:

- Greater flexibility is required in farm schemes so that tillage farmers can qualify for **higher grant rate payments**, particularly in relation to TAMS and GLAS.
- Measures must be introduced to address the issue of quality assured Irish grain being undermined by imported feedstuffs, which do not conform to the regulatory and environmental standards demanded by the EU.
- The introduction of a support measure similar to the 2018 Fodder Incentive Scheme[37] should be considered.
- The coupled payment for protein crops must be retained and increased under the next CAP.
- There must be a greater emphasis on the production and use of **native grains** in our food, feed, and beverage industries. This is particularly important in relation to the PGI status of Irish Whiskey.

Plant Protection Products

The EU re-registration process for licencing plant protection products has resulted in tillage farmers losing a number of key products. Other key active ingredients are also under review. Any loss of products such as *Glyphosate* would undoubtedly compound the problems faced by the tillage and horticulture sectors.

IFA Position:

- Currently available active ingredients must be re-authorized for use.
- Irish and EU growers require a level playing field whereby they are not compelled to compete with imported grains and other crops produced under environmental and regulatory controls which fall below EU standards.
- The Government must ensure that the EU applies parity of treatment in licencing products with the introduction of an equivalence in standards, for products imported into the EU.

New Breeding Techniques (NBTs)

The importation of GM cereals, particularly maize, into Ireland while preventing Irish growers access to NBTs such as gene-editing sets a double standard which is not fair for Irish growers. These new techniques are important to mitigate the new challenges arising from climate change and plant health issues.

IFA Position:

- Any decision to restrict the use of NBTs must be based on comprehensive scientific evidence.

9.7 Horticulture and Potatoes

IFA Position:

- **Annual funding of €10m** for the Scheme of Investment Aid for the Development of the Commercial Horticulture Sector is critical to the expansion of the sector and to meet the demand for investment, evidenced by the oversubscription of the scheme in previous years.
- The Government must take on board the recommendations of the Oireachtas Joint Committee Report on Climate Action[38], supporting the expansion of the Irish Horticulture sector and commit the extra resources required for research and development and advisory services.
- Glasshouse growers of food crops, using CO_2 enrichment, should be granted a Carbon Tax relief / rebate.
- The use of peat needs to be retained as a substrate in the horticulture sector as there are no viable alternatives at present.
- Compensation must be provided for the disposal of ash plants in the amenity horticulture sector, arising from the Ash-Dieback disease.

Healthy Eating

IFA recognises the rationale of the introduction of the Sugar Sweetened Drinks Tax in 2018 for the promotion of healthy eating. The annual revenue of the tax is estimated at €35m for 2019.

IFA Position:

- Part of the €35m annual sugar tax revenue must be directed towards the **promotion** of the consumption of fresh and healthy Irish produce.

37 Fodder Production Incentive Measure for Tillage Farmers 2018 – Department of Agriculture, Food and the Marine
38 Report of the Joint Committee on Climate Action Climate Change: A Cross-Party Consensus for Action March 2019

9.8 Organic Farming

There are currently circa 1,600 certified organic producers in Ireland and a deficit in Irish organic produce on the domestic market as well as export opportunities. The Organic Farm Scheme is a key support measure that assists farmers in the conversion process to organic farming. However, the scheme which also supports the delivery of enhanced environmental and animal welfare benefits, is now closed and over-subscribed.

The major requirement for investment to exploit current market opportunities is in the horticulture sector, which is capital intensive.

Organic producers are seriously concerned over the lack of a marketing strategy for organic foods, where there is an oversupply of some organic products and severe under-supply of others.

IFA Position:

- **Organic Farm Scheme:** The Government must immediately re-open the scheme and secure increased and continued funding under the new CAP. Opening the scheme for longer periods will improve sectoral balance and reduce imports.
- The scheme must provide an increased payment for the first 3ha for horticultural enterprises.
- **Organic Capital Investment Scheme:** Funding for this scheme must be increased with a higher investment ceiling. The definition of a young farmer must be increased to 50 years for this scheme.
- **Marketing of Organic Produce:** The Government must direct Bord Bia to develop a marketing strategy plan to target specific opportunities for organic produce on both domestic and international markets. This plan must include the development of an Irish organic label.

9.9 Farm Forestry

The forestry sector has a central role to play in Ireland's Climate Action Plan, which sets out an afforestation target of 8,000 ha per annum. Despite this target, Ireland's afforestation programme has been in decline with annual planting running at approx. 4,000 ha. Farmers' confidence in forestry as a land use option has been eroded by Government policy decisions taken in recent years.

Despite the huge potential of the sector, farmers are increasingly frustrated by the pace of progress to resolve barriers to planting and mobilisation within the sector. New measures are needed to reverse the decline in afforestation, while ensuring a balanced regional spread of forestry.

Maximising the economic return from harvesting operations, particularly thinnings, is key to achieving afforestation and timber production targets.

IFA Position:

- **The 8% forest premium cut taken from forest owners in 2009 must be reinstated, and the farmer premium differential be reintroduced.**
- The forestry portfolio must be the responsibility of the senior Minister for Agriculture in order to demonstrate the Government's commitment to ambitious planting targets.
- **Felling licence delays:** The Government must act speedily to resolve delays caused by the extension of the Appropriate Assessment Procedures (AAP), which require applications to be screened for effects on Natura sites within 15km.
- A Harvesting Plan Grant must be introduced to assist forest owners with the increased costs and requirements associated with applying for a felling licence.
- An **Ash Dieback Reconstitution scheme** is required to appropriately compensate the forest owners, including the reinstatement of a 15-year premium on re-established woodlands and an option not to replant under certain circumstances.
- The restrictions on planting productive **marginal land** must be removed so as to include the 180,000 ha of unenclosed land[39] outside of environmental constraints that satisfies the eligibility criteria of the Afforestation and Woodland Creation scheme.
- A Forest Owner Producer Organisation Scheme is required to support the preparation and implementation of production and marketing plans for forest owner organisations.
- Farmers require the introduction of a **Payment for Ecosystem Services (PES)** in recognition of the range of environmental services provided by forests, including carbon sequestration. This would incentivise farmers to plant at the scale required and provide income beyond the fifteen-year forest premium, as well as in subsequent crop rotations.
- The replanting obligation under the Forestry Act must be relaxed for farmers under certain circumstances.
- The development of a national Forest Certification scheme is necessary to overcome the obstacle to private forest owner certification that mirrors similar successful schemes operating in other European countries.

39 COFORD Land Availability for Afforestation 2016

9.10 Aquaculture

Aquaculture Licensing

In 2017, the *Review of the Aquaculture Licensing Process* identified 30 recommendations for reform of the licensing system. To date, none these recommendations have been completed despite commitments made by the Minister and the Department of Agriculture.

IFA Position:

- The Government must set out an **implementation plan** that prioritises and gives clear timelines for each recommendation in the licensing review.
- The Department of Agriculture must put in place a service level agreement with the Aquaculture Licence Appeals Board (ALAB) and make available the necessary funding for it to process appeals efficiently.

Marine Spatial Planning

The aquaculture objectives outlined in the draft *National Marine Planning Framework* address a number of key aspects that could aid reform of the current aquaculture licensing system, however the Department of Agriculture, Food and the Marine is not referenced in the proposed legislative framework.

IFA Position:

- Any legislative framework related to the marine planning system must include the Aquaculture sector if it is to succeed in enabling a better integrated marine management.

Shellfish Water Quality

Ireland has 64 designated shellfish areas which the EU requires to be protected in order to support shellfish life and growth. There are physical, chemical and microbiological requirements that designated shellfish waters must either comply with or try to improve as part of the EU Water Framework Directive.

IFA Position:

- Adequate funding must be made available to ensure the continued roll-out of tertiary treatment for all coastal Wastewater Treatment plants (WWTP), specifically those adjacent to bays and harbours where shellfish production is carried out to high food safety standards, supporting rural jobs, enterprise and compliance.

9.11 Equine

IFA Position:

- **Irish Equine Centre:** The Government must provide increased support for the Irish Equine Centre to allow for the centre's upgrading.
- **30-Day Foal Notification:** Since January 2019, breeders are required to notify Weatherbys Ireland within 30 days of the birth of a foal born in Ireland and bred for racing. IFA supports the principle of the 30-day foal notification, the purpose of which is equine welfare, transparency and traceability. The Government must direct Weatherbys Ireland to operate a similar notification system in Ireland, as Weatherbys UK applies.

9.12 Designated Natura Areas

The designation of land as either SAC, SPA or NHA[40] imposes severe restrictions on farmers' ability to derive an income from their land.

IFA Position:

- Farmers are entitled to **full compensation** on all designated land while those designations apply.
- **Funding for the NPWS[41] Farm Plan Scheme** must be increased from the current level of €1m to €10m annually.
- The scheme must apply in all designated areas with payments related to the degree of restriction.
- Farmers in the RDP[42] agri-environmental schemes must be eligible for participation in both the NPWS Farm Plan Scheme on their designated land and for rural development funding on the remaining non-designated part of their farm.
- Following discussion over the last two years, the Government must finalise a new agreement on designated land including compensation, appeals and arbitration.
- A derogation must be available to allow family members build a family home on designated land.

40 Natural Heritage Area
41 National Parks and Wildlife Service
42 Rural Development Plan

9.13 Hedge Cutting & Gorse Burning

IFA Position:

- The Government must introduce in 2020 a pilot programme of gorse burning under supervision in the month of March and hedge cutting of roadside hedges in August, as provided for under the Heritage Act 2018.

9.14 Farm Finance & Taxation Priorities

Future Growth Loan Scheme

This fund of €300m is aimed at eligible Irish businesses and the primary agriculture and seafood sectors to support strategic long-term investment, minimum of €50,000 up to €500,000. The fact that security is not required means that these loans have been very popular with farmers.

IFA Position:

- The Future Growth Loan Scheme must be continued with the provision of additional funding to meet demand.
- All banks should maximise the drawdown of European Investment Bank funding to make available low-cost finance to farmers.

Stamp Duty

Stamp duty has increased from 2% to 7.5% for commercial property, which includes farmland. Agriculture is a low margin, highly capital-intensive business, which requires investment in its primary asset, land.

IFA Position:

- Agricultural assets must be removed from the commercial definition and revised in line with the residential stamp duty charge of 1% up to €1m, and 2% thereafter.

Intergeneration Renewal

The average age of farmers is increasing and it is vital therefore that we encourage young farmers into the sector. The retention of the 90% Agricultural Relief from Capital Acquisitions Tax (CAT) is critical to the transfer of economically viable family farms.

IFA Position:

- In order to ensure viable family farm units, the CAT Category A threshold (parent and child) must be increased from €335,000 to €500,000.
- The interaction between CGT Entrepreneur Relief and CGT Retirement Relief must be removed, so that an individual should be able to avail, in full, of the two reliefs over the course of their lifetime, subject to satisfying the qualifying conditions of each relief.
- Agriculture relief must be focused on the inter-family transfer of farms to the next generation.

Climate Challenge & Carbon Tax

Irish farmers must be treated fairly in meeting the climate challenge. This involves giving farmers the opportunity to viably produce renewable energy. It also involves a rational approach to carbon tax which was introduced to discourage the use of fossil fuels. Farmers already pay carbon tax as part of their individual consumption on transportation and home heating fuel usage, however there is no alternative to Marked Gas Oil (agri-diesel) for the agricultural industry at present and the imposition of carbon tax will drive up costs at a time when farmers cannot afford it.

IFA Position:

- Meaningful incentives and reliefs must be put in place to encourage on-farm generation of renewable energy.
- The €6 per tonne increase in **carbon tax in Budget 2020 must be reversed** for agriculture and Marked Gas Oil (agri-diesel) exempted from any carbon tax increases, while there is no viable alternative.

Capital Investment

Increased investment in equipment should be encouraged as part of the Irish agriculture sector's comprehensive response to meeting the COP 2030 climate targets.

IFA Position:

- Farm equipment, which contributes to increased emission efficiency such as low-emission slurry spreading, and capital investment in developing bioeconomy supply chains must qualify for accelerated capital allowances.

Farm Safety Incentives

The fatality rate in Irish agriculture is higher than in any other economic sector. Under the current review of the flat rate VAT scheme, there is an opportunity to create a separate category for Personal Protective Equipment (PPE) to help reduce risk on farms.

IFA Position:

- Agricultural workers must be eligible for flat-rate expenses, in line with similar employees in the sector, at an estimated rate of €651.70[43].
- Non-registered farmers must be allowed reclaim VAT on costs for purchasing and maintaining farm safety equipment to help maintain best safety standards, via the VAT 58 form.

9.15 Charter of Rights for Farmers

Farm Families are heavily dependent on direct payments under the various CAP schemes. The Charter of Rights for Farmers, negotiated by IFA, contains clear objectives to underpin the rights of farmers and ensure fairness and respect for farm families. The Charter includes commitments on payment deadlines, inspections and appeals.

IFA Position:

- The Government must negotiate a **new Charter** in the context of CAP post 2020.
- The new Charter must review all schemes to ensure timely payments to farmers within the deadlines set down.
- **Farm inspections must not hold up payments.**
- Further development of a yellow-card system is required to include the yellow card expiring after a set period.
- A close-out system must apply to allow farmers a period of time to rectify any issues on their farm found on inspection.

9.16 Agricultural Appeals

In the 2016 Programme for Government, a review of the Agricultural Appeals Office was proposed. While the review took place, none of the recommendations have been implemented.

IFA Position:

- The recommendations in the Agricultural Appeals Office review must be implemented and an Independent Chairman, with farmer representation appointed.

9.17 Inputs & Insurance

Fertiliser represents one of biggest input costs for farmers. On tillage farms, it accounts for up to 40% of the variable cost of production. EU farmers are paying €1bn too much for fertiliser through the imposition of combined Anti-Dumping (AD) measures and customs tariffs. This is costing Irish farmers €36m per annum.

IFA Position:

- The Government must press the EU Commission to conduct a full Union Interest Test and explore options to provide redress for farmers.
- The Government must call on the EU Commission to terminate the AD measures on ammonium nitrate in the upcoming expiry review and suspend the duties on urea ammonium nitrate (UAN).
- The Government must press the EU Commission to reduce the customs duties on UAN, currently at 6.5%, to zero.
- **Insurance costs:** The Government must reform the law to reduce the size of insurance awards and associated legal costs and tackle fraudulent claims in order to cut insurance costs to farmers and agri-business.

9.18 Employment Permits

With Ireland's labour market at full employment, farmers in expanding sectors like dairy, horticulture, pigs and poultry have experienced severe difficulties in sourcing labour within the Irish/EU market.

The introduction of a pilot scheme for dairy assistants, horticulture and meat processing workers in 2018 provided a welcome boost. The 500 horticulture permits granted in 2018 are fully utilised, while over half of the additional 100 dairy assistant permits delivered in 2019 have been taken up. Meanwhile, no permits have as yet been made available for pig and poultry farm workers.

IFA Position:

- A further 100 permits for **dairy** farm assistants, and 500 **horticulture** worker permits are required for 2020, as well as a review of the needs of both sectors thereafter to avoid the stop/start of the last two years.
- The **pig and poultry** sectors require a quota of 100 permits for farm workers for 2020.

43 Revenue 2020 Flat Rate Expenses

9.19 Farm Assist & Rural Social Scheme

Farm Assist is a vitally important scheme for low income farm families, allowing them to continue in production during difficult times.

IFA Position:

- In the means test for Farm Assist, the depreciation rate for farm equipment and machinery should be increased to a standard rate of 10% to more accurately reflect the useful life of these assets.
- The income disregards for agri-environmental schemes, included in the means test for Farm Assist, be extended to also disregard forestry premium payments.
- The option of a three-year income test assessment be considered in certain circumstances.
- The **Rural Social Scheme** (RSS) is a vital support to low income farmers. Changes to the eligibility criteria are required to include low-income farmers who are currently eligible for Farm Assist.

9.20 Farm Safety

Awareness and education programmes focussed on prevention, through supporting farmers to change behaviour, are the best way to reduce farm accidents. All-terrain vehicles (ATV)/Quads are becoming more popular on Irish farms, leading to an increase in fatal and serious accidents associated with their use.

IFA Position:

- Meaningful incentives and reliefs are necessary to encourage farmers to purchase side by sides (two persons) or gators (covered) which are inherently safer than ATV/ Quads.
- A **Farm Safety Scheme** with increased funding for health and safety equipment is required under TAMS.
- An annual budget must be allocated to the Farm Safety Partnership Advisory Committee to implement future farm safety action plans.

10. Sustaining Rural Ireland, Providing Services & Infrastructure

10.1 Fair Deal & Support for Older People

Older farmers and other older people living in rural Ireland can experience poverty and social isolation because they rely on small fixed incomes that are vulnerable to increases in the cost of living or unexpected expenses, such as medical care.

The current burden of nursing home care on farm families is threatening the viability of the family farm.

Rural dwellers face higher costs of living than those in urban areas, particularly in expenditure on transport and the necessity to own a car. The needs of older people and low-income farm families need to be addressed.

IFA Position:

- The new Government must immediately reintroduce the **Nursing Home Support Scheme (Amendment) Bill 2019**, and provide for the inclusion of farm land leased to third parties, in line with other Government policy on inheritance under Agricultural Relief[44].
- Older people must be supported to live at home through increased funding for the **Home Care Package Scheme** so that the number of hours provided is increased.
- The total Contribution Approach (TCA) for calculating **Contributory State Pension** payments must be implemented in line with National Pension Framework (2008) agreement, which provides for total contributions of 30 years to qualify for a maximum payment.
- **Qualification for State Pension:** Any review of the state pension age must take into account how the pension can play a positive role in restructuring agriculture by incentivising the earlier outright transfer of land from older farmers to young qualified farmers.
- Credits must be provided to farmers on **Farm Assist** prior to 2007, when they were ineligible to make PRSI contributions under the scheme.

10.2 Recreational Routes – Greenways/Walkways

IFA recognises the role of recreational routes, such as Greenways, Blueways and Walkways, in promoting agri-tourism and economic activity in rural areas. Landowners are the most important stakeholders in the development process, but to-date consultation with landowners has been haphazard and, in some instances, non-existent, except in the case of Walkways.

IFA Position:

- The lead agency for the development of all recreational routes must be the Department of Rural and Community Affairs and not two Government Departments as currently exists.
- The **Walks Scheme** must be extended by a further 40 walks, to bring the total to 120, worth €6m to farmers.
- In the context of **Greenways**, landowners and IFA must be consulted:
  - In advance of route selection and the publication of a defined route corridor.
  - In protecting the integrity of farm holdings and using all available public lands.
  - In developing a code of practice, which sets out the rights and entitlements of landowners.
  - In ensuring landowners are indemnified against any potential claims arising.
  - To ensure all health and safety concerns are adequately addressed.
- All efforts must be made to secure voluntary agreements with landowners. There must be no threat of the compulsory acquisition of land.
- The services of a professional agronomist must be provided to each landowner impacted, to assist in understanding and resolving concerns, at no cost to the landowner.
- Any losses incurred, such as exclusion from farm schemes and BPS losses, must be fully compensated.
- The appointment of a Project Liaison Officer by local authorities, to hold community clinics to address queries and concerns.

44 https://www.revenue.ie/en/gains-gifts-and-inheritance/cat-reliefs/agricultural-relief/what-are-the-conditions-for-agricultural-relief.aspx

10.3 Rural Transport

To achieve greater accessibility to services in rural areas, it is necessary to improve the frequency and reach of public transport services. This would connect isolated families in rural areas to their wider communities, while also creating employment opportunities.

IFA Position:

- The Local Link evening service must be rolled out to operate 12 months of the year in each local authority area.
- Services such a ridesharing, grocery delivery and taxi transportation network s must be introduced in rural areas, similar to the Uber model.

10.4 Restoration of CPO Goodwill Payment

During the recession, the CPO goodwill payment to landowners who facilitate early access onto their lands, well in advance of any legal entitlements, was removed and subsequently re-introduced at a lower rate. The goodwill payment was an important factor in delivering national road projects under budget and ahead of schedule.

IFA Position:

- The CPO goodwill payment must be fully reinstated to €5,000 per acre to restore equity and fairness for the landowners impacted by the re-commencement of the national roads development programme.

10.5 Rural Roads

The Local Improvement Scheme (LIS), which was re-opened in 2017, is an important support to help improve country roads and laneways in rural areas, which are not always maintained by local authorities.

A specific issue needs to be addressed in the forest sector where production is forecast to increase from 3.1mm^3 in 2017 to 7.9 mm^3 by 2035, and targeted road funding is required.

IFA Position:

- LIS funding must be fully restored to pre-2008 levels.
- Each local authority must publish LIS expenditure on a quarterly basis each year and also set out their LIS awareness campaign to maximise uptake.
- Government departments must work with local authorities to develop a national strategy for rural roads. This must include additional funding from the road tax paid by motorists, to ensure rural roads are properly maintained.
- Local authorities impacted by increased forestry production require the introduction of a timber transport scheme to provide additional funding for the upgrade of their road network in the relevant areas.

10.6 Water

The majority of farm families and rural dwellers provide and pay for their water supply either to Irish Water or their group water scheme, or they are self-sufficient through a private water source on their own property. In addition, farmers have also provided access to facilitate local water supplies. Local authorities must act to support farmers to protect waters and to compensate them for losses incurred.

IFA Position:

- Where farmers incur yield and income losses through compliance with regulations in the provision of water to local communities, local authorities must work with Irish Water and provide compensation for these restrictions e.g. exclusion zones.
- The duplication of water quality inspections must be reviewed and eliminated.
- Farmers require an end to unannounced inspections and support for the work of the ASSAP water quality programme, which works with farmers to deliver compliance and build community capacity to address water quality challenges.

10.7 Flooding

Farmers have suffered huge losses over the past number of years through damage associated with flooding. The increased frequency of flooding leaves farmers very vulnerable with flooding taking place at times of the year when previously it did not occur. The Minor Works Scheme to alleviate flooding is too onerous, leading to a significant underspend in many local authority areas.

IFA Position:

- Ongoing funding be made available for the maintenance of our river systems.
- Farmers adjacent to the River Shannon continue to experience flooding problems and the focus must be on river maintenance and dealing with the various pinch points which restrict water flow.
- The full implementation of the CFRAMS[45] proposals must be a priority and areas where plans have not been finalised must be dealt with.
- The Minor Works Scheme must be further simplified with a cost/benefit analysis, which more appropriately assesses farmland.
- Local authorities must ensure maximum annual draw-down of funds available.

10.8 Rural Planning & National Planning Framework (NPF)

The National Planning Framework will guide planning policy in Ireland for the decades ahead.

IFA Position:

- The NPF must acknowledge the importance of farming and vibrant rural communities and recognise the need for **rural housing for farmers and their family** members who have an intrinsic link with the rural community.
- The NPF must support the development of farm-scale and community renewables.
- The NPF must provide guidance so that development charges are waived where the development is required to meet EU or national regulations.

10.9 Rural Crime

Crime is a major concern to farmers and members of the rural community. The proposals below need to be addressed to give greater public confidence in the policing of rural areas.

IFA Position:

- **Greater Garda Visibility:** More patrolling and an increase in Garda vehicles on the roads.
- **Roads Policing:** Tackling and preventing criminals on the roads. Re-establishment of the Community CCTV Scheme in rural areas and the resolution of the ongoing Data Controller/ GDPR issue.
- **Community Policing:** Getting the Gardaí back on the streets and reinstating the local Garda as the 'go to' person for all safety queries and concerns.
- **Garda Boundaries:** Resolution of territorial issues regarding divisional boundaries, whereby the nearest vehicle or Garda responds to the request for assistance.
- **Increased Incident Response Times:** Faster responses to reports of crime and calls for assistance. Timely and efficient feedback to victims of crime with follow-ups to all investigations.
- **Rural Crime Task Force:** A dedicated, coordinated, multi -agency approach as exemplified by the North Dublin Rural Crime Patrol be rolled out nationally.
- **Trespass and Illegal Hunting:** The Garda require a national policy on their approach to handling both the victims and perpetrators of these crimes.
- **Bail/Repeat Offenders/Sentencing Leniency:** The revolving door for repeat offenders who go back into communities is a real concern to rural dwellers and urban communities alike. A review of these practices is a must to assist the Courts and Gardaí in keeping career criminals off the streets.
- **Pulse System:** The pulse system needs to be reviewed so that rural crimes can be recorded separately and accurate statistics reported.
- **Tougher Law on Serious Trespass:** New legislation is required to make trespass for the purpose of theft of farm equipment and livestock, and burglary from farm households a criminal offence to deter criminals from coming onto farms for the purpose of planning serious crimes.

45 Catchment Flood Risk Assessment and Management

10.10 Broadband Availability & Access

Farm families and rural business require access to a fibre broadband service that makes their lives better, lowers the cost of doing business and lessens the regulatory burden that they face.

IFA Position:

- **Rural Fibre Network:** A fibre network that meets the speeds and data usage of today's and future requirements, and demonstrates results to provide consistent high speeds and throughput at peak times.
- **Affordable Fibre Product:** Affordable broadband product offerings for all rural households, with significant wholesale competition to facilitate retail competition.
- **Preservation of Universal Service Obligation (USO):** Preservation of the USO with the existing operators and new operators.
- **Simultaneous Geographic Roll-out:** Roll out of the network simultaneously across all geographic regions and ensure premises that are at a remove from main roads are not penalised financially in the connection process.
- **Completion Timeframes:** The network rollout must be completed in a timely fashion and must have hard 'completion timeframes' with penalties.
- **Stakeholder Transparency:** Completion timelines, pricing, roll-out plans and progress reports should be completely transparent to all stakeholders.
- **Temporary Connection Solutions:** Government should consider a voucher system for temporary solutions (Wireless) while National Broadband Plan qualified premises wait for fibre.

10.11 Local Community Development Companies (LCDC)/Leader

The administrative process of Leader/LCDC has led to a serious underspend of vital EU CAP funding.

IFA Position:

- The LCDC/ Leader process must be reviewed to improve uptake of funds and ensure that vital EU Leader funds support farmers, rural dwellers and communities.

10.12 Tyre Recycling

In 2018, the Government introduced an efficient and cost-effective support scheme for the recycling of waste tyres, which was oversubscribed. The scheme represents good value for money, at €1.50 per tyre.

IFA Position:

- The Government must support the removal of used waste tyres from farms, by providing part funding for the collection and recycling of waste tyres in the remaining counties.

10.13 Litter

Farm families and rural dwellers play a vital role in keeping their communities litter free. However, this excellent work continues to be challenged by the practice of fly-tipping, littering and serial dumping.

IFA Position:

- Litter legislation, which currently places the legal responsibility on farmers and homeowners to clean up the reckless dumping of others, must be amended.
- An Garda Siochána and the Data Protection Commissioner must resolve existing issues, which prevent data-sharing, where CCTV cameras are used to deter criminal activity and illegal dumping in rural areas.
- By-laws must be introduced to strengthen penalties imposed on offenders and serial dumpers.
- County Councils must be required to provide civic amenity sites, including skips on the outskirts of all towns and villages where citizens can safely dispose of rubbish.
- County Councils must be requested to publish monthly reports of anti-dumping enforcement actions and prosecutions.

10.14 Regulation of Lobbying

IFA Position:

- Simplification and reduction in the compliance burden for registered lobby representatives.
- Introduction of similar registration obligations for unregistered groups (who have no employees).
- Access to Leinster House for registered lobbyists, similar to access available in the European Parliament.

Notes

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