



IRELAND

CAP Rural Development Plan 2000-2006

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Introductory Note

The CAP Rural Development Plan 2000-2006 for Ireland has been approved recently by the EU Commission. It is reproduced in full here. In all the Plan provides for total public expenditure of £3.9 billion (€4.99 billion) including £1.9 billion from the Guarantee Section of the European Agricultural Guidance and Guarantee Fund. The Plan provides four support measures covering early retirement, compensatory allowances, agri-environment, and afforestation.

The Plan forms part of the National Development Plan (NDP) 2000-2006. Its support measures will be complemented by other NDP-related initiatives in the agricultural, food and related rural development areas. Those initiatives will be covered in various Operational Programmes and, together with the CAP Rural Development Plan, provide for an indicative total public expenditure of £4.8 billion (€6.1 billion) over the seven year period 2000-2006.

The measures set out in the CAP Rural Development Plan will, inter alia, help improve agricultural structures, support farm incomes and enhance the environment. Those measures are fully consistent with the priorities for agriculture, food and rural development that have been identified at both national and EU level. In terms of its financial and policy impact, the Plan constitutes an integral and essential component of Ireland's strategy to address those priorities.

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Introduction

Administrative Region

This Plan¹ covers the whole of **Ireland** which will be divided into two new Regions at Nuts II level as follows:

- **an Objective 1 Region** comprising the *Border, Midlands and Western Regions* (covering the geographical area of Counties Donegal, Leitrim, Cavan, Monaghan, Louth, Sligo, Offaly, Longford, Westmeath, Laois, Galway, Mayo and Roscommon).
- **an Objective 1 Region in transition** comprising the *Southern and Eastern Regions* (covering the geographical area of Dublin, Kildare, Meath, Wicklow, Clare, Limerick, Tipperary, Kilkenny, Carlow, Wexford, Waterford, Cork and Kerry).

Because Ireland is still an Objective 1/Objective 1 Region in transition, the Plan applies only to the following four Guarantee funded measures:

- Early Retirement
- Compensatory Allowances
- Agri-Environment
- Afforestation of Agricultural Land.

Separate Programmes are being drawn up relating to those other agricultural, rural development and forestry measures which, in Objective 1/Objective 1 Regions in transition, are eligible for cofinancing from the Structural Funds. Compatibility and coherence between the Programmes and the various actions are dealt with in Chapter 3.

¹The format of this Plan generally follows the headings set down in the Model Annex attached to the European Commission's Implementing Regulation (EC) No. 1750/1999 on laying down Detailed Rules for the Application of Council Regulation (EC) No. 1257/1999 on Support for Rural Development.

In accordance with the above regulations, the Plan was submitted to the Commission by end December 1999 and, following formal negotiations with the Commission, the text was revised and submitted for approval in July 2000.

1 Description of the Current Situation

Agriculture and Forestry's Contribution to the Economy

(a) Agriculture

Primary agriculture accounted for 4.7% of GDP at factor cost in 1998, and the agri-food sector as a whole (including agriculture, food, drinks and tobacco) accounted for 11.5% of GDP. The importance of primary agriculture to the economy has reduced in recent years, in line with the trend in all industrialised countries. Nevertheless, agriculture remains more important to the Irish economy than it is to 13 of the other 14 Member States, and its contribution to GDP is twice the EU average.

Employment in agriculture accounts for 8.7% of total employment and the agri-food sector as a whole contributes 11.8% of total employment. The agri-food sector accounted for 10.2% of Irish exports in 1998. A study based on 1998 exports estimated that the agri-food sector accounted for 27% of net foreign earnings.

Gross Agricultural Output

In the period between 1975 and 1990, gross agricultural output grew significantly in both volume and value terms – by an average of 2.7% per annum in volume and 9.2% in value. However, between 1990 and 1998, volume has increased by an average of only 0.4% per annum. Output value grew slightly in the early 1990s, but has fallen since the BSE crisis in 1996, resulting in 0.1% average annual growth.

Gross Agricultural Output 1975-1998				
	1975	1990	1996	1998
GAO (current prices) £m	865.2	3,219.5	3,538.4	3,270.4
Value Index of GAO at current prices (1990=100)	26.9	100.0	109.9	101.6
Volume Index of GAO (1990=100)	67.5	100.0	107.0	106.8

Source: CSO Agricultural Output, Inputs and Income

Further detailed statistical data in line with EU Document VI/12006/00 is at Annex I.

Structural Analysis

In May 1999, the Minister for Agriculture and Food set up an Agri-Food 2010 Committee “to prepare a strategy for the development of Irish Agriculture and Food over the next decade, following the agreement on Agenda 2000 and in the light of changes and challenges which are likely to evolve nationally and internationally over that period”.

As part of its preparatory work that Committee carried out a SWOT analysis (strengths and weaknesses/opportunities and threats). On the *agriculture* side, the main strengths identified were:

- strong farming tradition and the long-standing recognition by the Government of the key role of agriculture in the economy and rural development
- Ireland's grass-based system
- the co-operative structure of the dairy industry
- Ireland's disease-free status
- continuous back-up support both nationally and at EU level for research, advisory and training facilities together with substantial investment aid for various on-farm structural measures over the past number of years.

As regards weaknesses, they identified

- lack of commercial viability because of small farm size
- low level of productivity due to poor age structure and low education level of farmers
- lack of land mobility
- regional imbalances in structures, resources and incomes
- limited awareness of the environment and land management issues.

In terms of opportunities, among the most important ones highlighted were

- secure policy framework under Agenda 2000 for the next 7 years
- Ireland's green image matches consumer preference.

As regards threats, among those listed were

- uncertainty about longer term policy due to proposed World Trade Organisation negotiations, EU enlargement and EU budgetary pressures
- tightening of safety, environmental and animal welfare regulations
- market disruption arising from food safety issues.

The strategy for the *forestry* sector "Growing for the Future" covered, inter alia, a swot analysis of the sector.

The strengths of the forestry sector are:

- role of forestry in carbon sequestration and combating greenhouse gases
- rural nature of forestry
- forestry is a sustainable resource
- commitment by Government to sector soil productivity
- disease free status
- soil productivity.

The principal weaknesses of the sector are:

- poor perception of forestry

- lack of land mobility
- level of farmers trained in forestry management
- structural imbalances at regional level.

Some of the more important opportunities for the sector are:

- adoption of sustainable forest management
- farmer interest in afforestation
- improvement and enhancement of semi-native/native forest estate.

The principal threats facing the sector are:

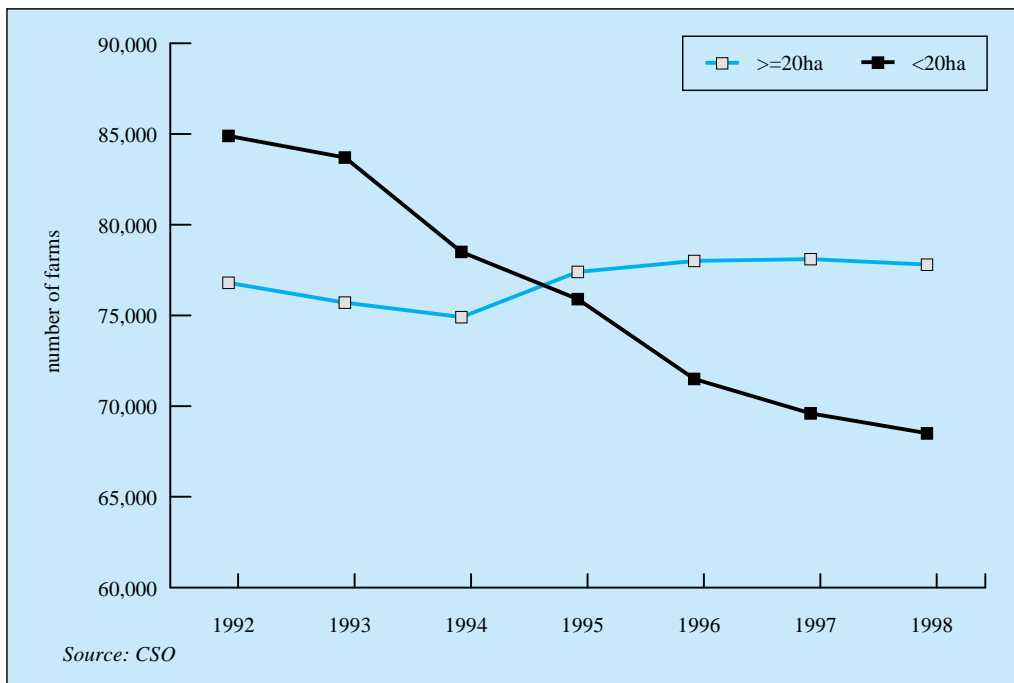
- uncertainty re “real value” of premium given the long term nature of forestry
- reduced level of afforestation
- variations/swings in annual planting levels.

In relation to one of the major weaknesses of small farm size, research work carried out by the Agri-Food 2010 Committee demonstrates that significant structural changes have been taking place in Ireland (and, indeed, throughout the EU) over the last 25 years.

While the total number of farms has shown a gradual decline over the years, the following Table shows that the number of small farms (less than 20 hectares) is falling by 3.3% per year while the number of larger farms is stable:

(i) Farm Numbers/Size

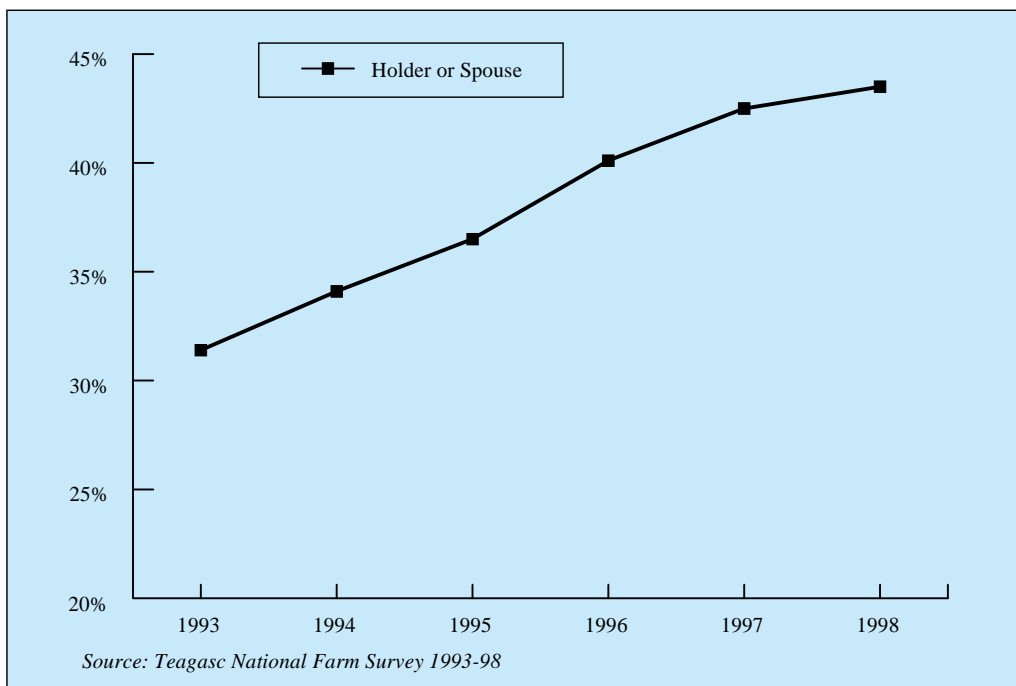
Farm Numbers 1992-1998



Side by side with the reduction in farm numbers is the increasing importance of part-time farming as well as off-farm income and the need for farmers to integrate with the wider rural development scene. The following Table demonstrates this:

(ii) *Off-farm Employment*

Off-farm job holder or spouse 1993-1998



Age Structure

As regards the poor age structure, this is a persistent weakness despite substantial incentives in recent years to encourage land transfer. Farmers over 65 years of age control nearly 20% of farm land. Elderly farmers tend to have small farms, low incomes and are often reluctant to adapt to new farming methods. The following Tables demonstrate the position:

Age Structure of Irish farmers 1998		
	Number of farmers	% of total
<35	17,100	11.7%
35-44	27,900	19.1%
45-54	35,000	24.0%
55-64	33,500	22.9%
>65	32,600	22.3%
Total	146,100	100%

Source: CSO Labour Input Surveys

% of farmers under 35 and over 65 1975-1998			
% of farmers	1975	1992	1998
<35	6.4%	12.5%	11.7%
>65	24.5%	23.3%	22.3%

Source: CSO Farm Structures Surveys, Census of Agriculture, Labour Input Surveys

Ireland's age structure compares quite favourably with the EU average of 28% of farmers over 65 (1995). However, the EU average is heavily weighted by the Mediterranean countries, which have a high number of small farms with elderly owners. When compared to countries such as Germany (7% over 65), Finland (7%) and Austria (10%), Ireland's age structure clearly remains a serious problem.

Involvement of Women

The 1991 Agricultural Census shows that women make up 30% of the agricultural labour force and carry out an almost proportional amount of the total work (27%)¹. It shows that the labour input is usually substantial with almost 40,000 women contributing the maximum measurement (1 Annual Work Unit which represents an 1800 hour working year) to the farm enterprise. The vast majority of female labour is contributed on farms where the female worker's husband is recorded as the holder. 16,414 females are recorded as farm holders (i.e. 9.6% of land holdings are owned by women) and almost half of these holders are aged 65 years or more.

Education/Training Levels

The low levels of educational attainment in Irish agriculture were highlighted in an ESRI report, produced for Teagasc in 1999 which looked at the likely future demand for agricultural training. That report shows that in 1997 as many as 72% of those at work in agricultural occupations (excluding farm labourers) had progressed only as far in the initial stage of second level education and of these almost 60% had only achieved primary level. Of course, the older age profile of farmers already referred to above is a major contributory factor.

Teagasc have a substantial adult education programme already in operation and their proposals for the future are outlined in the new draft Employment and Human Resources Development Operational Programme under the National Development Plan. In addition, a Task Force on Agricultural Education and Training was established by the Minister for Agriculture, Food and Rural Development at the end of 1999 to examine the training needs of the agriculture sector in the light of changing social and economic circumstances. The task force is expected to conclude its deliberations shortly and the report will be examined to see what actions need to be taken to remedy the situation particularly as many smaller farmers will need to consider ways of increasing their income through off-farm activities.

Land Usage and Mobility

The total land area in agriculture is around 4.4 million hectares, and this has shown little change in recent years. Land use has also been remarkably stable, with 90% of agricultural land area consistently used for pasture, hay, silage or rough grazing.

¹ The more recent farm structure surveys present data in terms of holder and spouse rather than male/female so a more recent situation is not available, but there is little likelihood that the situation has changed to any extent.

The average land price has increased substantially since 1990, while the aggregate area sold each year has declined.

Land Prices and Area Sold		
	1990	1998
Land price (£/ha)	3.968	6.801
Area sold (ha)	33,282	8,656

Source: CSO Land Prices and Area Sold

The Agri-Food Committee remarked that apart from the lack of mobility of land, there was also a growing concern about a perceived lack of willing successors for many farms, as young people from farm families choose other options in Ireland's rapidly growing economy, while there is no realistic route into farming for those from non-farming families.

Agricultural Incomes

Average income from farming activities can be measured in a number of different ways:

Average Income from Agriculture (IR£)			
	1975	1991	1998
Average Income per farm (CSO)	2.096	9.071	12.757
Average Income per AWU (CSO)	1,471	6,098	9,322
Average Family Farm Income (Teagasc)	1,656	6,053	11,042
Average Industrial Wage	n/a	12,265	15,649

Source: CSO Agricultural Output, Inputs and Income; Labour Input Surveys; Industrial Earnings; Teagasc National Farm Surveys

All three measures of average farm income are consistently below the average industrial wage. However, it should be borne in mind that the Household Budget Survey shows that, on average, only 53% of farm household income now comes from farming activities.

Food and Agricultural Policy Research Institute (FAPRI) Ireland projections, based on current policies, show that aggregate farm income should be fairly stable in nominal terms to 2007 which shows that average farm income should also be stable in real terms due to declining farm and farm labour numbers. At the same time, income from off-farm employment should increase.

Emerging Structures

The Agri-Food Committee's analysis of the structural situation in farming was that the combination of falling numbers, increased farm size, poor structures, low levels of education, lack of land mobility and poor income have led to a new pattern emerging in which there are a number of distinct groups of farmers. Two of these may be described as core groups who will play a key

role in the future of agriculture, while three other groups can be described as transitional. The core groups numbering 83,000 in total are:

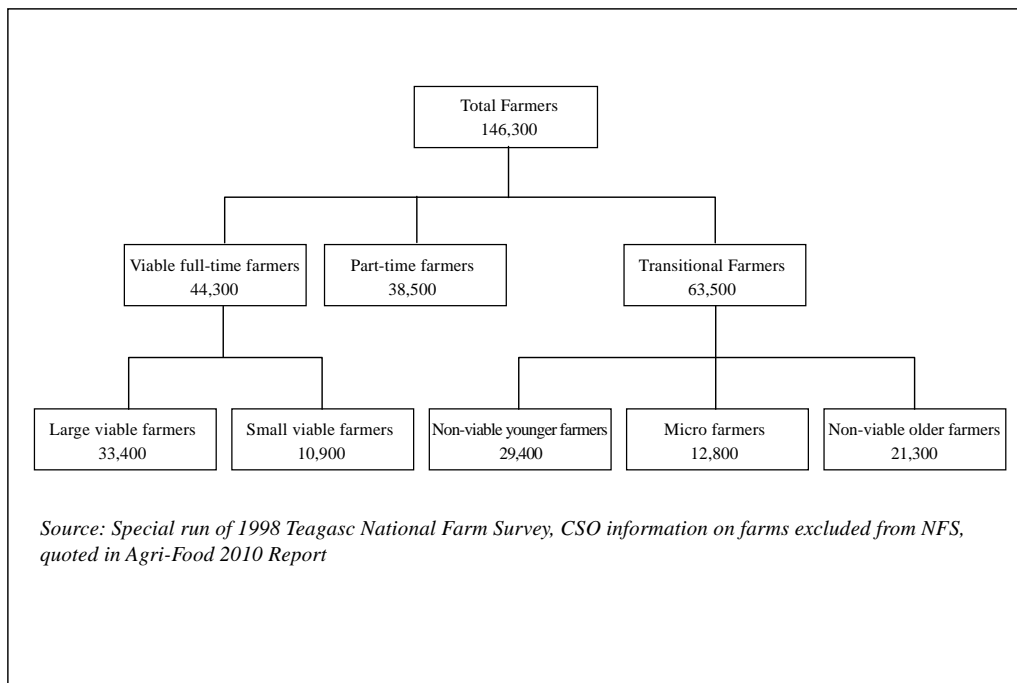
- *Viable full-time farmers*: Dairy farmers account for half this group, with the rest in intensive enterprises and large-scale tillage and livestock. Approximately 44,000 farms are in this category, but 11,000 of these are relatively small and only marginally commercial.
- *Part-time farmers*: They combine suitable enterprises – usually beef – with full or part-time off farm work. There are 39,000 farmers in this category which is growing, and likely to grow more rapidly as off-farm job opportunities increase.

There are about 63,000 farmers in transitional groups:

- *Non Viable Younger Farmers*: Approximately 29,000 farmers have non-viable farms but a relatively good household age structure. Their best, and possibly only, chance of survival on the land is to become part-time farmers.
- *Micro Farmers*: There are a further 13,000 farmers who could probably be classed as part-time but whose farm enterprise is so small (gross margin less than £2,000) that they may alternatively be viewed as non-farmers. They are a declining group but this trend may change with the rise of ‘hobby farming’. As they control little land and have little output, this group are not particularly relevant to the future of the agriculture sector.
- *Non Viable Older Farmers*: There are 21,000 older farmers in this category. Their farms are not viable and, for the most part, they do not have potential inheritors living on their farms.

The following Table demonstrates the position:

Categories of Farmers 1998



Next Steps

The Agri-Food 2010 Committee has recently reported to the Minister for Agriculture, Food and Rural Development who has started a process of consultations with all interests concerned. There are 20 substantive recommendations which will have to be examined in depth by all sides to chart the way forward. In the interim, the Department of Agriculture, Food and Rural Development will move forward in the context of its own Strategic Plan as well as the Agenda 2000 Agreement and the National Development Plan/Community Support Framework for Ireland, 2000-2006.

Agriculture's Overall Strategic Plan

In relation to its Strategic Plan, the DAFRD is charged with the role of maximising

“the contribution of the agri-food sector to economic and social development and to sustainable employment, advancing food safety and animal health and welfare, protecting the environment and promoting rural development and to ensuring that a high standard of service to the Government and its clients is provided.”

In this regard, the DAFRD's Statement of Strategy identifies its current role, problem areas and then sets out its major goals and strategies. The policy goals are broken down as follows:

Policy Goals	
Food Industry	To promote the growth of a competitive, consumer-oriented and added-value food-processing sector
Food Safety	To achieve the highest possible standards of food safety
Agriculture	To promote the development of an efficient primary agricultural sector, while ensuring the retention in so far as is practicable, of the highest number of farm households
Rural Development	To support a vibrant rural economy through appropriate rural development policies, including income support for farmers
Environment	To foster the development of environmentally sustainable systems of production and processing
International Framework	To negotiate the optimum framework for the agri-food sector, rural development and rural environment at EU and the wider international level
Animal Health and Welfare	To achieve the highest possible standards of animal health and welfare
Plant Health	To achieve the highest possible standards of plant health

CAP Market Support Measures

In relation to Agenda 2000, it has to be emphasised that the scope of the CAP market measures and corresponding support far exceeds support for structural/accompanying rural development measures. For example, in 1998 the Department of Agriculture, Food and Rural Development spent about £1.9 billion in direct and indirect support to Irish farmers comprised of over £1 billion pounds in direct payments to farmers; some £500 million in market support measures, including export refunds and intervention and £400 million in other measures and administration. Total EU financing for this expenditure amounted to over £1,500 million – £1,350 million of which came from the FEOGA Guarantee Fund and £186 million from FEOGA Guidance.

It is within the above framework that agricultural structural policy at EU and national level will be pursued. The overall general strategy proposed in the agricultural structural area together with the specific objectives of this Plan are described in Chapter 3.

(b) Forestry

Main Indicators	1994	1996	1998
Trade balance in wood and wood products			
—imports £m.	398	400	508
—exports £m.	119	115	159
Production cubic metres	1.9 mil	2.1 mil	2.3 mil
Afforestation hectare/year	19,237	20,981	12,928
Number of farmer planters	1,292	1,509	871

Direct employment in forestry is estimated at 7,000 (silviculture, harvest/haulage, primary processing, distribution and administration and support). While direct employment is relatively small, it represents an important source of employment in areas where relatively few alternative employment prospects exist. Total direct and indirect employment has been estimated at 16,000.

Legal Framework

The legislative framework for forestry is set out in the Forestry Acts, 1946 to 1988. Other relevant legislation is the Local Government (Planning and Development) Acts and the European Communities (Environmental Impact Assessment) Regulations, in relation to application of the planning and EIA procedures to forestry development above certain thresholds.

Forest Cover

Total forest cover in Ireland is now over 600,000 hectares or 9% of the country's land area. Ireland is still the least forested country in the EU where the average forest cover is over 30%.

Ireland's forests of 600,000 hectares are stocked to varying intensities and reflect varying levels of silvicultural management and treatment. Forestry is essentially concerned with wood production and in this regard economic and strategic analyses focus on what is known as the 'Productive or Planted Forest Area'. In Ireland's case, this now amounts to 494,000 hectares.

In addition to the aforementioned 'Productive or Planted Forest Area' of 494,000 hectares, the following features of the national estate require to be acknowledged, not least because of the increasing international emphasis on the non-wood benefits of forestry:

- broadleaf scrub/undeveloped woodland
- unstocked woodlands
- woodlands not regularly managed
- preservation of wildlife habitat.

These areas cover in excess of 100,000 hectares of land and, while they would not tend to generate significant wood production benefits, they provide other benefits such as recreation and amenity.

Ireland's current rate of afforestation is one of the highest in the EU. Within Ireland the forest cover between counties varies considerably. The most afforested county is Cork and the least afforested counties are in North-East Leinster. As a result of variations in annual levels of afforestation over the decades and the long rotation (length of time to optimum maturity) of forest species, just over 50% of our productive forests are under 25 years of age and as such have not yet reached maturity (which for Sitka spruce is at about 40 years).

Maintenance of Forest Area

The forest area is maintained through control of felling by the Forest Service of the Department of the Marine and Natural Resources. In the case of most felling licences issued, replanting is a standard condition. The annual reforestation (replanting) rate is currently of the order of 7,000 hectares.

Ireland's soils and climate are favourable for growing trees and a growth rate of over three times the EU average has been recorded for Sitka spruce. Because of this, the afforestation programme has in the past concentrated almost exclusively on this species, to the extent that it currently accounts for about 60% of the forest estate, as against 20% for other conifer species and 20% for broadleaves.

The existing broadleaf woodlands include the remnants of our indigenous forest (about 5,200 hectares of which is protected in national parks and nature reserves) and old woodland and scrub. Broadleaf forest cover as a percentage of the national estate is low in comparison to most EU countries where the average is about 40%. Broadleaf cover in Austria is 24%, in Germany 31% and in the UK 33%. Broadleaves are important because of their high-value timber and their environmental role and their planting is supported with obvious success by the current grant and premium schemes. Broadleaf afforestation was almost 20% of all afforestation in 1995, up from an average of 2 - 3% in the mid-1980s.

Import of Tropical Hardwoods

The development of an indigenous sustainable forestry resource is also important in the context of the international timber trade, particularly in relation to tropical timber, which accounted for £37 million out of a total of £144 million of timber imports in 1994. Increasing concerns about the sustainable management of tropical forests point to the wisdom of developing indigenous timber resources, particularly of hardwoods (broadleaves).

Overall Strategic Plan – Forestry

The Strategic Plan for the Development of the Forestry Sector in Ireland, published in 1996 entitled "Growing for the Future" examined the state of the industry and outlined a development path for the sector to the year 2030. The overall aim of the strategic plan is developed further in Chapter 3.

(c) Rural Development

The following Tables set down some data on the structure of the rural population:

Rural population 1971-1996					
	1971	1981	1986	1991	1996
Rural population	1,422,634	1,528,620	1,543,865	1,515,019	1,518,096
Rural as % total population	48%	44%	44%	43%	42%

Source: CSO Census of Population

In three of Ireland's eight regions under the 1994-1999 round of Structural Funds, over 60% of the population still live in rural areas. The population density for Ireland as a whole is 52 persons per square kilometre, compared to an EU average of 115. However, several regions have much lower population densities.

Population by region 1996									
	Dublin	Border	Mid-East	Mid-lands	Mid-West	South-East	South-West	West	STATE
Population density (persons per sq. km)	1,147	33	57	31	38	41	44	25	52
Rural population ('000s)	26.1	277.1	168.4	134.7	183.7	229.4	253.2	245.5	1,518.1
Rural as % total population	2%	68%	48%	66%	58%	59%	46%	70%	42%

Source: CSO Census of Population 1996

As has already been demonstrated, an increasing number of farm families are availing of off-farm employment opportunities to supplement their farm incomes. For many of these families, off-farm employment offers the best means of sustaining a viable farm household. Development policies, which contribute to the creation and sustainability of employment in rural communities, are, therefore, as important for farm families as for non-farm rural households.

White Paper on Rural Development

The importance of the wider rural development issue was highlighted back in 1997 when the National Economic and Social Forum produced a report calling for, *inter alia*, the preparation of a White Paper on Rural Development. The then Minister for Agriculture and Food decided to accept this recommendation and the White Paper was finalised and published in August 1999 after a lengthy consultation process.

The White Paper on Rural Development² sets out a strategy for rural development including:

- a dedicated focus on rural development policy through appropriate institutional mechanisms, including the designation of the Department of Agriculture and Food as the lead Department for Rural Development policy matters and the term "Rural Development" to be added to its title

² 'White Paper on Rural Development: Ensuring the Future – A Strategy for Rural Development in Ireland', Department of Agriculture and Food, 1999.

- a regional approach to development
- service and infrastructure provision
- sustainable economic development
- human resources development
- a focus on poverty and social exclusion.

The implementation of this strategy will have significant implications for agriculture and the food industry over the next decade. In addition, the White Paper commits the Government to exploiting the potential of all its natural resources, including forestry, with a view to ensuring the latter's optimum long-term contribution to the national economy in terms of sustainable development, creating employment and income and wealth generation in rural areas. The new National Development Plan gives practical expression to the commitments contained in the White Paper and approved by Government. Further details are set down in Chapter 3.

(d) *Less Favoured Agricultural Areas*

The Compensatory Allowances Schemes, as implemented in Ireland, is based on Council Directive 75/268/EEC of 28 April 1975 on mountain and hill farming in certain less favoured areas which sought to ensure

- the continuation of farming
- the maintenance of a minimum population
- the conservation of the countryside

in less-favoured farming areas by the payment of a compensatory allowance commensurate with the severity of the permanent natural handicaps affecting farming activities and depending on the type of activity. The classification of designated disadvantaged agricultural areas in Ireland under various Council Directives since 1975 covers 5,155,206 hectares of total land, of which 3,657,206 hectares are utilisable agricultural area. The latter figure does not include roads, water, woods, forest, swamps, rocks, unused rough grazing, unused bogs and buildings. This represents 74.79% of the total area of Ireland and 73.83% of total UAA respectively.

Council Directive 75/272/EEC first listed the areas designated as disadvantaged in Ireland and subsequent reviews and amendments of the lists are contained in the Annexes to Directive 85/350/EEC, Directive 91/466/EEC and Directive 96/52/EEC as last amended by Commission Decision C(1999) 709 of 23 March 1999.

Council Regulation 1257/99 on Support for Rural Development sets out three categories of Less-favoured areas

- mountain areas (Article 18) of which there are none classified in Ireland
- other less-favoured areas (Article 19) characterised by
 - the presence of infertile land
 - the economic results of farming being appreciably below average
 - low population densities

under which 99.5% of the Less Favoured Areas in Ireland are classified

- areas affected by specific handicaps (Article 20) where unfavourable natural production conditions (island position, excessive ambient salinity, violent wind and low soil potential) exist and which account for only 0.5% of Irish Less Favoured Areas.

The criteria used for designating these areas in Ireland are set out in Council Directive 85/350/EEC. These eligibility criteria are

- Infertile land: Less than 7.8% of area must be ploughed
 Less than 1 livestock unit per forage hectare
- Farm income: Family farm income per male farm worker must not exceed 80% of national average
- Population: No greater than 27 inhabitants per square kilometre
 Minimum of 30% of the total working population engaged in agriculture.

All the criteria must be met simultaneously before an area can be designated as disadvantaged.

Modulation of Compensatory Allowances according to the degree of natural handicap within the Less Favoured Areas has always been allowed and this resulted in the poorer regions/counties on the western seaboard of Ireland being classified as More Severely Handicapped (MSH), with other defined regions being classified as Less Severely Handicapped (LSH), including the coastal areas with specific handicaps. To qualify for More Severely Handicapped Area status (accounting for 79.03 % of total LFAs), LFAs had to show the following criteria

- land potential must not exceed 4 on a land assessment scale of 1 to 9
- a level of average agricultural income per annual work unit of less than 60% of the national average income.

The List of EU agreed More Severely Handicapped Areas are contained in the Directives listed above which classify the Less Favoured Areas in Ireland (see map at Annex 4) and it is proposed as set down in Chapter 4 (Specific Measures) to continue with this classification and with a modulation based on this differentiation of areas.

Within the Less Favoured Areas there are some 1.163m hectares of land which are currently designated as mountain type grazings. In determining what constitutes mountain grazing the following criteria were used:

- The land must be of poor quality with vegetation which is of an inferior type such as heathers, sedges, bracken, mosses etc. This type of vegetation is normally associated with moorland and mountainous areas.
- The soil type is normally a gley type or peat with impeded drainage and a low pH and is totally unsuitable for any type of arable production.

Normally, the mountain grazing is on elevated areas although lowland bogs are also classified as mountain grazing.

These mountain grazing areas are delineated on the Land Parcel Identification system (LPIS).

(e) *State of the Environment – Agriculture and Forestry*

(a) Agriculture

Irish agriculture and forestry occupy over 70% of the land area of this country and their impact on the physical environment is, therefore, very great. Much of this impact is positive. Our rural landscape, which is widely admired and is a valuable tourist resource, is to a large extent a by-product of our agricultural systems. However, there is also concern about the negative impacts which agriculture, like other economic activities, can have.

National Strategy for Sustainable Development

The National Strategy for Sustainable Development published in 1997, (*Sustainable Development: A Strategy for Ireland*), recognised that integrating the environment needed to be brought centre stage in economic and sectoral performance and it defined an agenda to reinforce and deepen environmental integration. This included specific objectives and measures to be included in a series of action programmes for sustainable agriculture, forestry, use of marine resources, energy policy, industrial development, transport and tourism.

In relation to agriculture, there has been a significant policy response to addressing many of the commitments made in the National Strategy, viz. a reduction in application rates of fertilisers, introduction of nutrient management planning and reduction in stocking densities in overgrazed areas. In addition, the introduction of the Rural Environment Protection Scheme (REPS) which got under way in 1994 as part of the 1992 CAP Reform and the Scheme for the Control of Farm Pollution (CFP) which is being implemented under the Operational Programme for Agriculture, Rural Development and Forestry, 1994-1999, (OPARDF) have made a major contribution to achieving sustainable development. By end 1999, 45,000 farmers had joined REPS and 14,000 farmers had provided storage capacity for animal waste, fodder or had housed animals under the CFP scheme.

Much more work still needs to be done, however, and, in this regard, the main environmental challenges that Ireland now faces have been identified by the Department of the Environment and Local Government in the Community Support Framework for Ireland 2000-2006 under the next round of Structural Funds as follows: (a) meeting commitments to control greenhouse gases and other emissions to the atmosphere, (b) halting the decline in the quality of rivers and lakes caused by excessive inputs of nutrients, (c) reducing and managing waste, (d) protecting the urban environment from degradation due to transport and other pressure, (e) protecting the natural resources of the countryside, coastline and marine areas and their flora and fauna and (f) improving the strategic management of land use. These challenges are developed further in Chapter 3.

Nitrates Directive (EU Council Directive 91/767/EEC)

The Nitrates Directive has the objectives of reducing water pollution caused or induced by nitrates from agricultural sources and preventing further such pollution. Nitrates are a health hazard in

waters which are used as sources of drinking water. Nitrates are also nutrients which contribute to eutrophication of waters (although in the Irish context phosphorus is identified as the main limiting factor in this regard in inland waters). The Directive requires —

- the establishment of a code of practice, to be implemented on a voluntary basis by farmers, to protect waters from pollution by nitrates
- the identification of waters polluted by nitrates from agricultural sources
- the identification of the land areas contributing to the pollution and the designation of these lands as Nitrate Vulnerable Zones (NVZs)
- the establishment of compulsory action programmes in relation to designated NVZs within one year of designation: a primary consideration is the management of manures and fertilisers, and
- the implementation of these action programmes within four years of their establishment.

In 1996, a Code of Practice to Protect Waters from Pollution by Nitrates was issued jointly by the Department of Agriculture and Food and the Department of the Environment. This book contains advice and recommendations for farmers as to—

- storage of organic fertilisers
- standards and specifications for construction of storage facilities
- when to apply organic and chemical fertilisers to land
- appropriate rates of application of fertilisers, and
- precautions to be taken to avoid causing water pollution.

Monitoring: At the request of the Department of the Environment and Local Government, an extensive programme of monitoring of surface freshwaters and groundwaters was carried out by local authorities in 1992/1993 and again in 1997/1998. The results of the 1997/1998 monitoring indicated elevated nitrate levels in certain waters which warranted further investigation.

Expert Panel: In light of these findings, an Expert Panel was established which carried out a comprehensive evaluation of the results in the context of the Nitrates Directive. The panel comprised representatives from—

the Department of Agriculture, Food and Rural Development
the Department of the Environment and Local Government
the Environmental Protection Agency, and
the Geological Survey of Ireland.

The panel has recently recommended that certain groundwaters be identified as affected waters in the context of the Nitrates Directive. These recommendations are developed further in Chapter 3.

Natura 2000

Natural Heritage Areas (NHAs) are the proposed national framework to provide protection for areas of both wildlife and geological importance in Ireland. All other nature conservation

designations overlap with NHAs. The NHA network are areas initially identified following ecological survey in the 1970's as Areas of Scientific Interest (ASIs) from a wildlife conservation perspective. In the early 1990s, the ASIs were re-surveyed to ascertain which, if any, retained their special wildlife interest and these were advertised as proposed NHAs. NHAs, which will cover approximately 850,000 hectares (see map at Annex 4) will be given a legal basis by way of a forthcoming amendment of the Wildlife Act 1976.

The conservation of biodiversity in Ireland has been strengthened and expanded by EU law. The EU Habitats Directive (92/43/EEC) requires Member States to designate and participate in the EU Natura 2000 Network of sites for the conservation of species and habitats which are of EU importance. This network will consist of Special Areas of Conservation (SACs) established under the Habitats Directive together with Special Protection Areas (SPAs) established under the EU Birds Directive (79/409/EEC). The SACs deal with non-bird habitats and species, and the SPAs with bird species and habitats (particularly wetlands).

Both the Birds and the Habitats Directives have been transposed into national law by way of Regulations. However, the European Communities (Natural Habitats) Regulations 1997, introduced following detailed negotiations with farming and conservation organisations, are more significant as they provide not only for the designation of SACs but also for the protection measures that apply to SPAs as well as SACs.

SPA designations began in 1985 and, by 1997, there were 109 SPAs covering 230,000 hectares (map at Annex 4 shows the locations of existing SPAs). Based on the extensive survey of NHAs conducted from 1992-1994, candidate SACs that met the scientific criteria set out in the Habitats Directive were identified. SACs are being introduced by Dúchas, the Heritage Service of the Department of Arts, Heritage, Gaeltacht and the Islands with public advertising of proposed sites and notification to land owners of prohibited actions. Proposed candidate Special Areas of Conservation are shown at Annex 4 of this Plan. Ireland has publicly advertised 363 proposed candidate Special Areas of Conservation, 264 of which have been formally transmitted to the EU Commission. The remaining sites are undergoing a system of appeal. The Irish Authorities believe that the long term viability of the Natura 2000 Network is dependent on securing the co-operation of landowners, and land right holders, whose lands are included in the Network. Accordingly, sites are not transmitted until all outstanding appeals have been processed.

Ireland is committed to formally transmitting the Irish Natura 2000 sites to the European Commission by 7 January 2001 to conform with the deadline set down in the new Community Support Framework for Ireland, 2000-2006 agreed with the Commission on 7 July 2000. The CSF document also gives a clear and irrevocable commitment to guarantee consistency of its programmes with the protection of sites as provided under Natura 2000. These commitments are equally binding in relation to measures under the CAP Rural Development Plan. In the interim, the European Communities (Natural Habitats) Regulations, 1997 provide full protection to the relevant sites from their date of public advertisement. Dúchas Conservation Rangers regularly monitor activities taking place in candidate SACs transmitted to the Commission and in proposed candidate SACs that have been publicly advertised and have yet to be transmitted. All SACs and SPAs are visited a minimum of twice a year, the larger sites being monitored on an ongoing basis.

The agri-environment scheme REPS and, particularly, Measure A thereof (detailed in Chapter 4) is a measure which facilitates the implementation of the conservation of Natura 2000 sites, thus

assisting the implementation of the EU Habitats and Birds Directives in Ireland. Farmers with land in SACs and SPAs who are participating in REPS must farm their land in accordance with an approved agri-environmental plan which will specify the restrictions and other conditions necessary to protect the ecology of the site thus protecting such areas from deterioration during the course of participation in REPS. Details of the conditions applying to such areas are set out in Chapter 4 and penalties for non-compliance are set out in Chapter 5.

Measures to Combat Overgrazing

In order to eliminate a problem of overgrazing of sheep on commonage areas, a new Supplementary Measure A was approved by the Commission in 1998 under the Rural Environment Protection Scheme (REPS) to compensate farmers in those areas for following an agri-environmental plan which would reduce sheep numbers to sustainable stocking densities and which would have special conditions to allow for the regeneration of degraded areas. The plans would conform with framework plans to be drawn up for each commonage.

Ireland (Department of Agriculture, Food and Rural Development and Department of Arts, Heritage, Gaeltacht and the Islands) immediately put in place a training programme for over 100 REPS planners and environmentalists who would undertake the task of preparing commonage framework plans. A detailed manual for the production of commonage framework plans in upland and peatland habitats was also prepared. The preparation of the manual and the training of planners and environmentalists proved to be a major time-consuming exercise. Commonage framework plans were drawn up in 10 pilot areas and the results of these pilots were then assessed by the two Departments. Work on the preparation of the detailed commonage framework plans commenced in January 1999, priority being given to preparing plans for commonages in the six western counties where overgrazing had been identified as the most serious.

When the scale of the task of preparing the individual commonage framework plans was fully realised, Ireland decided that since it was inevitable that detailed framework plans would not become available until 2000, some measure would have to be taken to address the main issue in relation to cross compliance on commonages i.e. the overgrazing problem in commonage areas in the six western counties. Any such cross compliance measure would have to be put in place *before* the application period for 1999 Sheep Headage and Ewe Premium which ran from 8 December 1998 until 8 January 1999. Ireland decided to draw up an interim national framework plan for all commonages.

This interim commonage framework plan incorporated all of the environmental measures in the agri-environment programme already agreed with the Commission. In addition, the interim plan required an immediate 30% reduction in sheep numbers in all commonages in the six western counties. Some 5,000 farmers with commonage land in the counties concerned were identified and informed of the arrangements. Of the 5,000 farmers identified some 1,500 were already participating in REPS. The meat factories agreed to dispose of the sheep and, in the period 11 November – 12 December 1998, some 140,000 sheep were permanently removed from these commonages. Payment of 1999 and 2000 sheep headage to the farmers concerned was limited to the number applied on subject to an overall ceiling of 70% of 1998 entitlement and a maximum of 200 sheep (in the case of sheep headage). Similar provisions applied in the case of entitlement to Ewe Premium in 1999 and 2000.

Full cross-compliance will be introduced with effect from 2001. It will be a condition of the 2001 schemes that farmers with commonage land must be participating in an approved REPS plan (including Measure A) or a National Plan to be operated by the Department of Arts, Heritage, Gaeltacht and the Islands, or have applied to participate in such a scheme before payment can be made under the Ewe Premium, Suckler Cow or Disadvantaged Areas' Compensatory Allowance Schemes.

The success of the measures taken to combat overgrazing can be seen in that sheep numbers qualifying for headage in the 6 western counties fell by 10.35% between 1998 and 1999 compared to 7.2% in the entire LFAs.

(b) Forestry

International concern for the protection of the environment and an awareness of the importance of forests in this context has been increasing in recent years. The world's forests play an essential role in life and economic development, in the protection of ecosystems, freshwater, biodiversity and genetic material, and in climate balance. Their protection, management and sustainable development has, therefore, become an international issue.

Historical events have left Ireland with small areas of indigenous forest, much of which is now protected by conservation measures. About 5,200 hectares of semi-natural forests are protected in national parks and nature reserves. In addition, the Natural Heritage Areas (NHAs) listed by the National Parks and Wildlife Service include other important woodland ecosystems.

As the forestry programme is based on planted forests and still relies to a great extent on the afforestation of previously unplanted areas, the changes in local environments which this alternative land use involves are the major environmental concerns of the forestry programme. It is a specific provision of the Government's current programme that forestry development must be compatible with the protection of the environment. Planting in areas which are protected or qualify for protection under EU Directives 79/409 and 92/43 on the Protection of Wild Birds and the Protection of Habitats is possible only with the agreement of Dúchas, the statutory body with responsibility for such areas.

Environmental Developments during the 1993-1999 Programming Period

In relation to forestry there has also been significant action on the commitments outlined in the National Strategy with the intended launch of the National Forestry Standard and a Code of Practice for the sector in July 2000 together with the launch of new/revised environmental guidelines on landscape, water quality, archaeology, harvesting and biodiversity.

The following environment related developments occurred during the 1993-1999 programme period:

- the introduction of guidelines covering forestry and fisheries, forestry and archaeology and forestry and landscape in 1993
- the threshold for environmental impact assessment (EIA) and planning permission requirement was reduced from 200 hectares to 70 hectares in 1996

- a formal consultation procedure with local authority planning departments was introduced in 1996 in respect of all proposed developments over 25 hectares
- a new 20% diverse grant and premium category was introduced in 1997 which effectively eliminated the practice of mono-culture for conifer species
- also in 1997 the planting specifications for the noble broadleaved species was adjusted to effectively double the density of plants per hectare
- the Planning and Development Bill (1999) proposes the delisting of forestry as an exempted activity under planning law.
- In September 1999, in case C-392/96, the Court of Justice found, *inter alia*, that Ireland's transposition was deficient. In compliance with the Court's decision, environmental impact assessments (EIA's) will be introduced for initial afforestation projects in designated sensitive environmental areas at reduced thresholds in line with the above judgement. As regards compliance with this judgement, the Commission is committed to taking any necessary action, including within the framework of Article 228 of the Treaty. At the same time, the Irish authorities have already indicated their commitment to satisfying the judgement.

Environmental Consultation with Statutory Agencies (Forestry)

During the 1994-1999 period, an elaborate consultation procedure on environmental issues was put in place with the statutory agencies concerned. The agencies and related procedures are outlined as follows:

National Monuments Service (NMS), Dúchas

Cases with monuments on site or within close proximity of the boundary are forwarded to the National Monuments Service for comments. Standard setback distances of 15 or 30 metres from the monument(s) are normally applied. Legal protection for sites, monuments and artifacts, whether already identified and listed or newly discovered, is provided in the National Monuments Acts 1930 to 1987. National Monuments are in State ownership or guardianship and no activity likely to cause disturbance or damage is permitted.

Many such sites have been discovered during afforestation operations. The normal procedure in these cases is the suspension of operations pending assessment by a qualified archaeologist.

National Parks and Wildlife Service (NP & WS), Dúchas

Cases within a proposed Natural Heritage Area (NHA) or a Special Area of Conservation (SAC) or within close proximity of the boundary are forwarded to the National Parks and Wildlife Service. Sites within NHAs or SACs have to date not been grant-aided. The EU Habitats Directive 1992 (92/3) provides for an EU network of conservation sites through NHAs and SACs. The EU Council Birds Directive (79/409) requires wild birds and associated habitats to be protected.

Local Authorities

- In cases where, in the judgement of the Forest Service Inspector, the site may impact on the County Development Plan the proposal will be referred to the local authority
- Afforestation projects over 70 hectares require an Environmental Impact Assessment and Planning permission
- Proposed sites greater than 25 hectares are forwarded to the relevant County Council for their comments
- Proposals covering areas listed in The Inventory of Outstanding Landscapes which are of particular landscape or amenity importance are also referred to the local authority.

Regional Fishery Boards

Sites with fisheries considerations are referred to the relevant Fisheries Board as follows;

- proposal > 5ha and sensitive,
- proposal > 40ha and non sensitive or
- proposal > where the Forest Service inspector recommends referral.

In smaller cases, the comments of the Forest Service Fisheries Expert and the Inspector are sufficient.

Fishery Boards seldom refuse applications as forestry in riparian zones using sympathetic species selections can have a positive effect on fish life in rivers and streams. They generally attach strict conditions regarding the use of fertilisers, chemicals and drainage.

The following Tables outline the number of consultations and the number of proposals refused in the period 1995-2000:

Applications on which consultation with statutory agencies took place 1995-99

No of Referrals	From August 1995	1996	1997	1998	1999
NMS	33	147	151	189	376
NP&WS	0	165	137	140	219
County Council	30	372	423	414	790
Total Fishery Considerations	154	919	993	1,217	2,271
Sensitive/Non Sensitive	14/140	273/646	200/793	256/961	557/1,714
Total no of referrals	217	1,603	1,704	1,960	3,656
Total no of cases	191	1,211	1,248	1,456	2,526

Most applications were allowed to proceed, many under conditions imposed by the statutory agencies. Currently c. 70% of all applications are referred to statutory agencies under the consultation procedure.

Applications refused³ following consultation with statutory agencies 1996-99.

No of Refusals	1996	1997	1998	1999
NMS	7	7	23	8
NM & WS	57	35	29	8
County Council	90	34	33	14
Fishery Boards	11	4	6	3
Forest Service Inspector	1	1	4	4
Irish Aviation Authority	1	1	0	0
Total no. cases	144	70	89	34

Public Notifications in Local Newspapers

Under the public notification scheme, pre-planting applications for areas greater than 2.5 hectares are published in the provincial newspapers. This notification system has been in operation since March 1997.

Period 2000-2006

Environmental obligations and proposals for the future related to this Plan are developed further in Chapters 3 and 4.

³ The same application may be refused by more than one of the statutory agencies.

2 Results of the Programming Period, 1994-1999

Community Support Framework for Ireland, 1994-1999 (CSF)

The objectives of the CSF were

- to ensure the best long-term return to the economy by increasing output, economic potential and long-term jobs and
- to integrate the long-term unemployed into the economy.

Four priority areas were selected for funding viz

- productive investment
- economic infrastructure
- human resources
- local initiatives.

In a Mid-Term Evaluation of the CSF in 1997, the Economic and Social Research Institute (ESRI) indicated that “the CSF represented a notable success story and that funds had been deployed effectively to support and enhance what has been a remarkable economic recovery.”

Latest forecasts indicate that total co-financed public expenditure under the CSF is projected at just over £6.4billion with an estimated contribution from the Structural Funds of around £4.6billion.

In common with the population as a whole, farmers benefited significantly from the substantial expenditure which took place over the period of the CSF on improved infrastructure etc. but, in particular, the major Operational Programme for Agriculture, Rural Development and Forestry (OPARDF), the Food Sub-Programme under the main Operational Programme for Industrial Development and the Community Initiative LEADER II, provided valuable sources of investment aid for the agricultural, related rural development, forestry and food sectors. The following sets out the details:

(a) *OPARDF*

Financial Impact (ECU/Euro) 1994-1999

	Total Public Funds Allocated	Total EU Element ¹	Total Public Funds Spent at 31/12/1999
Sub-Programme 1: Structural Improvement			
Measure 1: On Farm Investment	331.518	223.155	319.911
Measure 2: General Structural Improvement	47.281	29.148	46.041
Measure 3: Farm Diversification	39.554	26.108	36.281
Measure 4: Compensatory Headage Allowances	944.632	468.085	944.632
Measure 5: Research	40.432	30.072	40.097
Measure 6: Advisory Service for Farm Viability and Rural Enterprise	47.481	35.611	47.481
Measure 7: Human Resources ²	82.702	55.815	81.976
TOTAL SUB PROGRAMME 1	1,533.600	867.994	1,516.419
Sub-Programme 2: Forestry			
Measure 1: Second Instalment Grants	10.591	8.158	9.473
Measure 2: Forestry Development	74.347	53.847	69.032
Measure 3: Human Resources ²	12.015	9.011	11.098
TOTAL SUB PROGRAMME 2	96.953	71.016	89.603
Evaluation and Technical Assistance	1.195	0.889	0.831
Recoupment on Objective 5(a) Expenditure	—	58.754	—
TOTAL OPERATIONAL PROGRAMME	1,631.748	998.653	1,606.853

1 FEOGA unless otherwise stated

2 ESF

Indicators of Progress at OPARDF Programme Level

	Unit	Baseline Year	Baseline Revised	1994	1998	1999	1999 Original CSF Target	Note
Net value added per AWU	IR£	1993	9,760	10,321	14,690	12,431	11,080	1
Ratio of total intervention to total output	%	1991	25.98%	1.51%	4.02%	1.57%	8.00%	2
Population density of rural areas	per km ²	1991	24		24		24	3
Serious pollution from agricultural waste	km of river	1990	36	22	27		28	4
No. of fish kills due to agriculture	incidence	1991	22	11	12		15	5
Gross forestry output	IR£m	1993	108	112	280		185	

Note

1. CSO, Input, Output and Income from Agriculture (1999 Preliminary estimate) AWU: CSO, Agricultural Labour Input. This is calculated by applying deflators for the various inputs and outputs to the actual current price data. This approach was employed to remove the price effect from the NVA data and the targets were set accordingly but this method generates extreme results because of the type of price movements which occurred in the 1994-1999 period.
2. Total Agricultural Output: CSO; Input, Output and Income from Agriculture.
3. CSO: Census of Population 1996. Baseline and target were revised to reflect changes in definition of rural from population “outside County Boroughs” to population “outside towns of more than 1,500 inhabitants”. The latter is used in Census of Population as “aggregate rural”. The “target” rural population level has been adjusted to reflect the stabilisation in rural population levels identified in the 1996 Census compared to the slight decline anticipated previously.
4. Environmental Protection Agency, Water Quality in Ireland 1995-1997.
5. Marine Institute, Fisheries Research Centre, (Annual Reports) 1991 & 1994 and Central Fisheries Board 1998.

Comment on Indicators

The above indicators were agreed jointly with the European Commission as the most appropriate for measuring achievements under the CSF in relation to the OPARDF. However, these indicators are general in nature and pertain to the agricultural sector as a whole which is affected significantly by many other developments, including the development of the economy in general, world markets for agricultural products, CAP market measures, the environment including weather conditions etc. It is, therefore, necessary to supplement these indicators by developments at measure level under the OPARDF and the following gives an indication of the main outputs under the Programme.

Physical Indicators under the OPARDF: (at end 1999)

- 32,070 farmers have received support for on-farm investment (mainly related to environmental improvements but covering also dairy hygiene and animal welfare)
- the structural viability of over 10,000 farms has been enhanced through supporting the setting up of 4,400 young farmers and helping around 6,000 small to medium sized producers to expand their milk quotas
- 445 farmers have received investment aid for horticulture and potato facilities
- 4,000 farmers have received investment aid for alternative enterprises (e.g. housing/handling facilities for horses, agri-tourism, etc.)
- approx. 100,000 farmers in the less favoured areas have received annual income support payments through the Compensatory Allowances Measure
- additional planting of over 100,000 hectares of forestry

- an increase in wood production to 2.4 million cubic metres
- about 5,000 young farmers have been trained under Teagasc training programmes and 13,500 adults have also benefited
- about 50,000 farmers have benefited from Teagasc advisory services which addressed both conventional farm enterprises and alternative farm and rural enterprises under the OPARDF
- some 8,000 people have benefited from forestry training courses
- some 600 km of forest roads have been constructed
- the Forest Inventory and Planning System (FIPS) is nearing completion
- harvesting capacity has been increased to 2.4 cubic metres.

Performance Indicators under the OPARDF

Here again, this area has proved to be problematic and while Performance Indicators were laid down for most measures, it proved difficult to interpret them when they were collected. Accordingly, the following Table attempts to quantify what each measure achieved in a practical sense and also to indicate (rather than try to quantify) the longer term benefits to be gained from the measures:

Outputs and Beneficiaries

<i>Funded Items</i>	<i>Likely Performance benefit</i>	<i>Number of Beneficiaries 94-99</i>
Land and Buildings Developments	improved efficiency,	About 10,800 Farmers
Animal Housing, Waste Storage, Feed Storage	environmental risk reduction improved efficiency	16,005 Farmers
Milking Facilities, Cow Housing Improvement	hygiene regulation compliance improved efficiency	5,270 Farmers
Young Farmer Installations	younger farm operators	4,400 New Entrants
Quota Expanded	extra income	6,000 Producers
Housing Facilities For Horses, For Deer	alternative enterprises established or expanded	3,250 Farmers and Rural Dwellers
Breeding Incentive Payments	improvements in foal quality	Approximately 1,000 Farmers
Horticulture & Potato Equipment, Facilities	improved margins, added value, retained markets	445 Producers
Packing Equipment for Organic Products and Marketing Campaigns	better presentation of organic produce and market and distribution development	32 Producers 17 Groups/Organisations
Tourist Amenity and Accommodation Development and Marketing Campaigns	improved tourism products and market developed	127 Individuals and 188 Groups
Development Officers Employed,	service developments for Farm Relief Co Ops	20,500 Farmers Receiving Services 400 Additional Operators Involved
Compensatory Payments	income supplemented in LFAs net outward migration reduced	100,000 per annum Outward Migration 1993 21.8 (per 1,000) 1996 -5 (per 1,000)

<i>Funded Items</i>	<i>Likely Performance benefit</i>	<i>Number of Beneficiaries 94-99</i>
Young Farmers Education	skills development	1,500 per annum
Farmer Training	skills development	2,500 per annum
Advisory Services	improved knowledge on main enterprise issues	44,000 clients approximately
Advisory Services for Rural Enterprises	enterprise options examined and some established	6,500 clients
Forestry Development Supports	forestry infrastructure and forestry "culture" developed	3,000 approximately
Forestry Training	skilled operatives, more knowledgeable growers	8,000

Results of Evaluations

The Mid-Term Evaluation was the main independent evaluation to be carried out in the period. In addition, a considerable number of independent evaluations of individual measures were carried out under the OPARDF in the 1994-1999 period and details are set out in a booklet "Follow-up to Evaluation Recommendations under the OPARDF" which was presented to the April 1999 meeting of the OPARDF Monitoring Committee. The recommendations contained therein are too numerous to itemise in the context of the CAP Rural Development Plan, especially as the only relevant measure is the Compensatory Allowances Scheme which has been moved to the Guarantee Fund but which has also been fundamentally revised. The various recommendations are being considered and adapted, as appropriate, in the context of the drawing up of the CSF and supporting Operational Programmes for the period 2000-2006.

(b) Other Structural Funds Activities, 1994-1999

(i) Food Sub-Programme

As already indicated, over the 1994-1999 period, public support to the food industry has been provided through the Food Sub-Programme under the Operational Programme for Industrial Development. Taking account of adjustments made in the Mid-Term Review of Structural Funds, the Sub-Programme allowed for total expenditure of £584m, including £250m in EU and national funds. Expenditure covered capital investment, support for marketing, research and development and training. The food industry uses almost exclusively indigenous raw materials. Through its sourcing of those materials and the provision of direct and indirect employment, it makes a very important contribution to the agricultural sector and the overall rural economy.

However, the Food Industry Development Group in its report of February 1999, while acknowledging improvements under the Sub-Programme, pointed to a number of issues still remaining to be tackled. These include the limited progress made along the value added chain, scale-related difficulties and the need for continuing emphasis on food safety and quality. The measures in the draft Productive Sector Operational Programme for the coming period address these concerns.

(ii) LEADER II

Thirty-four Local Action Groups and three collective bodies are involved in implementing business plans under LEADER II. By end of December 1999, £66m had been spent out of a total public funds allocation of £94m and a further £27m had been committed. LEADER Groups report that such expenditure has resulted in the creation of 4,730 full time equivalent jobs along with 3,423

full time equivalent jobs being sustained. Almost 1,600 new businesses and 550 community associations have been created and training has been provided to over 3,000 bodies.

The External Evaluator for this Community Initiative found that the approach to the implementation of the Programme in Ireland facilitated the achievement of the innovative approach to rural development which is central to the Programme. Because the new LEADER+ Initiative will be much more narrowly focused than in the past, it has been decided to mainstream existing LEADER measures under Ireland's two new Regional Operational Programmes in the coming period.

(c) Accompanying Measures 1994-1999

(Funded by FEOGA Guarantee – outside of the Structural Funds)

Financial Impact (Guarantee Year – ends 16 October)

Measure	Total Public Expenditure £m						
	1994	1995	1996	1997	1998	1999	Total
REPS*	–	20.747	45.58	97.418	127.019	142.000	432.764
Early Retirement	2.0	22.47	40.35	53.49	65.23	68.58	252.12
Forestry	32	34	36	34	34	42	212
Total	34	77.217	121.93	184.908	226.249	252.58	896.884

*Rural Environment Protection Scheme – Ireland's response to the Agri-Environmental Accompanying Measure under CAP Reform 1992.

Indicators of Progress

(I) Early Retirement

	1994	1995	1996	1997	1998	1999	Total
Public Expenditure (IR£m) (Guarantee Year)	2.0	22.47	40.35	53.49	65.23	68.58	252.12
Number of farmers joining	1,003	2,477	1,400	1,566	1,433	1,024	8,903
Number of farm workers joining	0	3	4	1	4	1	13
Age structure of farmers and farm workers (cumulative)							
55-59 years	329	1,103	803	1,512	1,759	1,795	1,795
60-64 years	468	1,638	3,138	2,965	3,663	4,009	4,009
65-70 years	197	742	951	1,972	2,469	3,112	3,112
Cumulative number of hectares released	28,834.73	108,146.41	152,821.71	209,266.62	251,369.79	269,357.00	269,357.00
Cumulative number of hectares released for agricultural purposes	28,784.56	107,967.06	152,560.73	208,923.44	251,026.61	269,013.82	269,013.82
Cumulative number of hectares released for non- agricultural purposes	50.17	179.35	260.78	343.18	343.18	343.18	343.18

(Note: Figures for the number of farmers joining the Scheme relate to FEOGA years. As of 31 May 2000, the total was 9,130. Some 340 applications received before the closing date of 31 December 1999 were under examination, and those later deemed valid will form part of the ongoing commitment under this Scheme)

Results of Evaluations

As part of an overall evaluation on the Scheme of Installation Aid for Young Farmers, an evaluation of the Early Retirement Scheme was conducted by DAFRD's Analysis and Evaluation Unit in 1997.

This study produced the following conclusions:

- Participants in the Early Retirement Scheme had brought forward their intended retirement by up to six years and the average age of transferees was 31.2 years. This indicated that the scheme was contributing towards the transfer of holdings to younger, more energetic and more innovative farmers, with beneficial effects on rural development and counteracting rural decline.
- The average size of farms received by transferees under the scheme was 31.9 hectares. The national average size of holding was 26 hectares. The average size of transferees' holdings (including enlargement or other lands) increased by 54.5% to 49.3 hectares with consequent greater viability.
- Over half of all farms were transferred permanently by deed of transfer (i.e. not leased), contributing to the permanence of structural reform.
- The 1997 study raised the issue of "dead weight" in the scheme arising from a certain incidence of transfer, which did not contribute to a lowering in the age profile. This issue has been taken into account in the preparation of the proposed new scheme. To underpin the trend towards replacing older farmers with younger ones, the scheme will reduce the upper age limit for transferees from 50 to 45 at the outset and will reduce it further to 40 by the year 2005.
- The majority of applicants (61%) have retired from farming on smaller holdings between 5 and 30 hectares. However, over 73% of expenditure under the current scheme was expended in the Objective 1 in transition area. There has been a high uptake on dairy farms in particular, which are traditionally in the more prosperous farming areas and the larger average size of such holdings brought the overall average size of farms transferred to 31.9 hectares. Poorer drystock farmers have not taken up the ERS to the same extent. Probable barriers to entry in their case include:
 - the requirement that both the transferee and transferor be farming as a main occupation – both farmers and potential transferees are more likely in these cases to have to take on off-farm employment
 - the enlargement clause for the transferee – the acquisition of enlargement land may be beyond the means of potential transferees
 - the fact that the pension is not payable beyond the age of 70 – which reduces the incentive for farmers nearing that age to join the scheme
 - the lack of direct heirs – many participants in the scheme transfer their holdings to sons (or daughters), but, for a range of socio-economic reasons, small drystock farmers are less likely to be married with children.

The proposed new scheme takes into account the absence from the provisions of Council Regulation (EC) No. 1257/1999 of the requirements that the transferee enlarge the holding and practise farming as a main occupation. These changes are likely to some degree to remove the factors inhibiting participation by smaller farmers and by potential transferees who would find it

difficult to enlarge a holding or to practise farming on it as a main occupation. However, it must be borne in mind that the new scheme requires that a transferee be economically viable.

Indicators of Progress (II) Rural Environment Protection Scheme

Details of participation in the scheme since 1994 are included in the following Table:

Guarantee Year	Participants	Expenditure IR£m*	Hectares
1994	27	—	824
1995	6,028	20.747	198,377
1996	19,647	45.580	652,347
1997	28,563	97.418	961,068
1998	36,464	127.019	1,239,308
1999	41,209	142.000	1,416,816

*Guarantee Year

Results of Evaluations

The last amendment of the REPS programme, adopted in 1998, stated as a condition of approval that Ireland should “undertake an evaluation of the socio-economic, agricultural and environmental impacts of the programme”. Accordingly, Ireland submitted an independent evaluation in June 1999 to the European Commission covering all aspects of the scheme including design and appropriateness of measures, administration, uptake, controls, monitoring and impacts.

A positive Commission Decision (agreed by the STAR Committee on 14 October 1999) approving an amendment to the REPS aimed at extending the contribution from the fund after the year 1999 for running contracts stated that “The evaluation of the REPS programme conducted by Ireland has shown that the programme corresponds to the purposes of Regulation (EEC) No. 2078/92, in particular those specified in Article 2(1) point (a) thereof”.

The evaluators pointed to areas where the impact of the scheme was likely to be significant viz.

- increased awareness of environmentally sensitive practices in the farming community
- has safeguarded wildlife habitats
- contributed to the survival of smaller and more marginal farms, with farming in an extensive way that exerts least pressure on the environment
- improved management, reducing applications of chemical fertiliser and reducing nutrient run-off
- increased awareness of archaeological/historical sites

- reduced level of chemical nitrogen use
- reduced phosphorous application levels
- improved balance between chemical inputs and use
- improved use of lime to provide more favourable crop growing conditions
- reduction in use of pesticides
- improved fodder conservation, animal housing and waste storage facilities
- aided the conservation of rare breeds
- increased awareness of organic production
- increased on-farm investment
- increased farm viability.

However, they also indicated that the lack of baseline data prevented a proper analysis of the specific impacts of the scheme. In this regard detailed indicators have now been prepared for the new scheme but the outcome of ongoing work by the European Commission on common environmental indicators is awaited.

As recommended in the evaluation, the new scheme detailed at Chapter 4 is closely modelled on the existing scheme but with adjustments made to take on board in particular the incorporation of the Supplementary Measure A scheme for targeted areas into the main scheme, thus more appropriately reflecting the mandatory aspect of the measure.

Indicators of Progress

(III) Forestry

The main objective of the Forestry Sub-Programme of the OPARDF was to promote rural development and to provide the raw material supply for an expanded and improved forestry-based industrial sector. The main measures implemented with a view to realising the above objective were afforestation, reconstitution and woodland improvement, forest roads, forest harvesting grants, technical assistance and back-up measures. These measures achieved the following main effects:

- increased wood production from 2 million cubic metres in 1989 to 2.4 million cubic metres in 1999,
- increased the forest estate by over 100,000 hectares
- generated within the period of the programme an increase of some 1,600 jobs (gross) in planting and harvesting, transport and forest processing sectors, and
- construction of over 600 kilometres of forest roads.

Some 10,000 beneficiaries received the annual loss of income premium.

	1994	1995	1996	1997	1998	1999	Total
Expenditure under Council Regulation 2080/92 (£m) (Guarantee Year)	32	34	36	34	34	42	212
Afforestation							
<i>No of beneficiaries</i>							
Full- time farmers	956	1,217	1,153	870	704	833	5,733
Part-time farmers	336	593	356	210	167	215	1,877
Non-farmers	541	295	180	188	114	119	1,437
<i>Total</i>	1,833	2,105	1,689	1,268	985	1,167	9,047
<i>Area planted in hectares</i>	19,459	23,710	20,981	11,434	12,928	12,668	101,180

Area Planted under the CAP Afforestation Programme 1993-1999

Up to 1996 the annual planting target was set at 30,000ha. In 1996 the strategy for the sector set an annual planting target of 25,000 ha. up to the year 2000 and 20,000 ha thereafter.

Year	Area
1993	15,998
1994	19,459
1995	23,710
1996	20,981
1997	11,434
1998	12,928
1999	12,668
Total	117,178

At the end of 1999 the level of forest cover by county in hectares and as a percentage of land area was as follows:

Forest Cover

County	Ha's	% Planted
Carlow	6,386.04	7
Cavan	9,127.67	5
Clare	40,234.35	13
Cork	70,447.00	9
Donegal	51,478.95	11
Dublin	5,530.18	6
Galway	54,937.27	9
Kerry	40,402.80	5
Kildare	9,225.601	5

<i>County</i>	<i>Ha's</i>	<i>% Planted</i>
Kilkenny	17,493.06	8
Laois	23,532.46	14
Leitrim	20,741.31	14
Limerick	18,817.32	7
Longford	5,459.10	5
Louth	3,228.585	4
Mayo	48,134.61	9
Meath	4,908.33	2
Monaghan	5,398.24	4
Offaly	14,333.91	9
Roscommon	17,559.74	7
Sligo	17,808.63	10
Tipperary	44,592.37	10
Waterford	28,796.15	16
Wexford	15,406.40	7
Wicklow	39,518.74	20
Total	613,498.8	9

The following Table shows the breakdown of planting between **conifer and broadleaf species** and illustrates the increase in both the planting of diverse conifers since 1997 and broadleaf planting since 1990

Breakdown of planting by species

<i>Year</i>	<i>Conifers%</i>	<i>Diverse Conifers</i>	<i>% of broadleaf</i>
1990	98		2
1991	96		4
1992	91		9
1993	88		12
1994	83		17
1995	81		19
1996	81		19
1997	Sitka Spruce 58	22	20
1998	Sitka Spruce 51	29	20
1999	Sitka Spruce 52	28	20

In 1996 the National Strategy for the sector outlined afforestation targets by species at 60% for sitka spruce/lodgepole pine, 20% for diverse conifers and 20% for broadleaf species. As can be seen from the Table the targets for diverse conifers and broadleaf species are already being achieved.

Results of Evaluations

National Review

An Internal Review of the CAP Afforestation programme resulted in the introduction of the following amendments to the programme in 1997:

- the elimination of conifer monoculture
- the introduction of a 20% diverse category to promote species diversification
- the introduction of an incentive to promote planting by farmers on better quality enclosed land
- the introduction of a higher plant density programme for broadleaves
- the updating of premium and grant rates.

3 Objectives, Strategies and Priorities, 2000-2006

Chapter 1 has already detailed the present situation in agriculture and forestry in Ireland and Chapter 2 has set down how the Structural Funds and the Accompanying Measures attached to the 1992 CAP Reform have contributed to the situation. Chapter 3 brings this whole process forward and details the objectives, strategies and priorities to be tackled in the coming period to deal with the persistent weaknesses of small farm size, poor age structure, low educational levels, lack of land mobility, low income and the environmental problems.

As already indicated at the beginning of this document, because Ireland is still an Objective 1/Objective 1 Region in transition, this CAP Rural Development Plan relates to four measures only (early retirement, compensatory allowances, agri-environment and forestry). However, these measures need to be first put into context in relation to agricultural structural development at EU level and particularly in relation to Ireland's overall development plans over the coming period.

Background

Agenda 2000

The Agenda 2000 Agreement of March 1999 provides the framework for all structural activities throughout the EU in the period 2000-2006. In relation to agriculture, that framework is built around

- (a) the importance of improving the competitiveness of the European agricultural and agri-food sectors on internal and world markets. The agreed package of market support measures under the CAP Guarantee side is the main basis for the European Union's strategy to achieve competitiveness and it provides for a phased reduction in price supports for beef, milk and arable crops. A level of compensation, through increases in direct payments will be paid to farmers because of the reductions in price supports. Lower prices will reduce the gap between EU and world prices, thus making EU products more competitive on the world market
- (b) the recognition of the need for an integrated rural policy, including the environment, to accompany the reform process. In this regard, the new Council Regulation (EC) No. 1257/1999 on Support for Rural Development provides the framework for progress in this area.

As regards (a) two future major developments, viz. the start up of negotiations in relation to Agriculture under the World Trade Organisation and the gradual accession of the Central and Eastern European countries will have a fundamental bearing on how agriculture progresses in the next decade both internationally and at European level. However, in the absence of any concrete developments at this early stage on either front, it is necessary to move forward in the whole market and structural areas under CAP in accordance with the Agenda 2000 Agreement.

As regards (b), Ireland fully supports the need for an integrated rural development policy and the publication of the White Paper on Rural Development, already referred to in Chapter 1, demonstrates the Government's commitment to such a policy. The achievement of this integrated process has been built into the new National Development Plan for the period 2000-2006.

National Development Plan, 2000-2006

The key objectives of the Plan, which was approved by the Irish Government in November 1999 are

- sustainable economic and employment growth
- promotion of balanced regional development
- tackling Ireland's infrastructural deficit as a major potential constraint on competitiveness, economic progress and social development, with special attention to the role of public private partnerships
- development of human resources with particular emphasis on education, training, skills and employability in general
- the introduction over the period of the Plan of appropriate policies in the related areas of physical planning, spatial planning and land use to facilitate the efficient delivery and use of infrastructural investment and to assist balanced regional economic growth
- the promotion of social inclusion, with particular reference to measures to re-integrate the socially excluded into the economic mainstream.

The above objectives are being addressed through four priority areas:

- Economic Infrastructure
- Human Resources and Employment
- Productive Sector
- Specific Regional Dimension.

The Plan envisages total expenditure of over 54 billion euro over the seven year period with 3.2 billion euro of that amount coming from the EU.

In relation to the regional dimension, there is a specific chapter in the Plan related to rural development with a commitment to substantial public investment over the period which will directly impact on rural areas. In addition, rural areas will also substantially benefit from investments proposed across the country as a whole related to employment and training, roads, housing, health and regional transport.

White Paper on Rural Development

The success of the Government's strategy for rural development as set down in the White Paper and incorporated into the National Development Plan depends crucially on the extent to which the institutional arrangements support the process. Rather than creating further structures which might lead to overlap or duplication of effort, the intention is to integrate and better co-ordinate the activities of existing structures and so improve the effectiveness and efficiency of public service

to rural communities. In this regard, attention will be given to the avoidance of overlap between agencies, including LEADER Groups, and to exploring mechanisms capable of combining rural development and rural partnership activities in rural disadvantaged areas specifically. The County Development Boards, which are being established following the Government's decision to implement the recommendations of the Task Force on the Integration of Local Government and Local Development Systems, will make a key contribution to the integration of policies at county level. This will be achieved through the preparation of County Strategies in consultation with, and with the participation of, local authorities, State agencies, Government Departments, local development bodies and the social partners, including the voluntary and community sector.

Report of the Food Expert Group

A Food Industry Development Group established under the aegis of the Department of Agriculture and Food was mandated to formulate an action plan for the food industry. The Group – which included representatives of the social partners – took account of recent performance, the future environment for the industry, and likely opportunities and challenges. In its report of February 1999, the Group acknowledged the achievements under the Food Sub-Programme already mentioned in Chapter 2 but pointed to issues that still remain – the limited progress along the valued-added chain, scale-related difficulties, the need for continuing emphasis on food safety and quality, particular problems (over-capacity, inefficiencies, etc.) in certain sectors. The Group identified competitiveness and market orientation as the keys to future growth and emphasised that development must be underpinned by a continuing commitment to training, research and development, food safety, quality standards and quality assurance. These findings were subsequently endorsed by the Agri-Food 2010 Committee which has already been referred to in Chapter 1 in relation to agriculture.

Strategic Plan for the Development of the Forest Sector

As already mentioned, the Strategic Plan for the Development of the Forestry Sector in Ireland was published in 1996, entitled “Growing for the Future”. It examined the state of the industry and outlined a development path for the sector to the year 2030. The overall aim of the Strategic Plan is

“To develop forestry to a scale and in a manner which maximises its contribution to national and social wellbeing on a sustainable basis and which is compatible with the protection of the environment”

The Strategic Plan sets out proposals for action in relation, inter alia, to the following subsectoral areas:

- planting levels and yield class
- species diversity
- environmental considerations
- farm forestry
- amenity and recreation
- harvesting and sawmilling
- forest product industries

- research
- inventory and planning
- education and training
- legislation.

Integrated Rural Development

Whilst the rural development policy agenda is defined in the White Paper on Rural Development as ‘‘all Government policies and interventions which are directed towards improving the physical, economic and social conditions of people living in the open countryside, in coastal areas, towns and villages and in smaller urban centres outside of the five major urban areas’’, it is necessary to focus on specific areas in agriculture, food processing and related rural development (including forestry) – this mirrors the approach adopted in the new Council Regulation (EC) No. 1257/99 on Support for Rural Development.

Objectives, Strategies, Priorities

Taking account, therefore, of Agenda 2000, the National Development Plan, the White Paper on Rural Development, the Report of the Food Expert Group and the Strategic Plan for the Development of the Forest Sector, the objectives, strategies and priorities in the specific areas mentioned above have been formalised as follows:

- to ensure that primary agriculture and the food processing sector become more competitive and market oriented
- to ensure quality and food safety at all stages of the food chain and to respond to changing consumer requirements
- to foster environmentally sustainable systems of production
- to provide other sources of income for farmers through diversification of activities (including forestry) both on and off farm, and
- to promote rural development generally by harnessing voluntary and community effort at local level.

Nine key strategic areas have been identified to contribute to the achievement of the above objectives:

1. improving farm structures
2. improving animal breeding, welfare, hygiene and quality
3. focusing on quality products and food safety at processing level and assisting the further development of the food industry
4. developing rural services and rural enterprise support and promoting alternative enterprises on and off farm

5. provision of direct income support for farmers in designated disadvantaged agricultural areas
6. promoting forestry planting by farmers
7. forestry development back-up measures
8. improving the environment
9. provision of back-up research, advice and training in the agriculture and related rural development area (including food and forestry).

The full extent of the priority measures proposed, the Operational Programmes involved and the financial allocations are set out in the following Table:

Allocations under National Development Plan 2000-2006 for Agriculture and related Rural Development (including Food and Forestry)		
Measure	Total Public Allocation Countrywide € m (current prices)	EU Element € m (current prices)
Productive Sector Operational Programme		
(a) Food		
—RTDI	115.5	
—Capital Investment	168.4	
—Marketing	66.6	
(b) Agriculture		
—RTDI only	61.9	
(c) Forestry		
—RTDI only	17.2	
Total	429.6	—
Employment and Human Resources Development Operational Programme		
(a) Food	42.9	
(b) Agriculture	92.1	
(c) Forestry	17.0	
Total	152.0	—

Allocations under National Development Plan 2000-2006 for Agriculture and related Rural Development (including Food and Forestry)		
Measure	Total Public Allocation Countrywide € m (current prices)	EU Element € m (current prices)
Regional Operational Programmes (Border, Midlands and Western Region and the Southern and Eastern Region)		
(a) Sub-Programme on Agricultural Development		
Installation Aid for Young Farmers	37.8	
Farm Waste Management	229.7	95.68
Improvement of Dairy Hygiene Standards	45.4	10.48
Improvement of Animal Welfare Standards	13.7	
Animal Carcase Disposal	1.4	
Development of Grain Storage Facilities	9.6	
Improvement of Cattle Breeding Infrastructures	3.4	
Improvement of Equine Breeding Infrastructures	6.9	
Development of Horticulture Sector	19.2	
Development of Potato Sector	5.5	
Development of the Organic Sector	8.2	
Improvement in Equine Quality On farm	2.8	
Housing/Handling Facilities for Alternative Enterprises	16.5	
Teagasc Advisory Services	68.8	
Farm Relief Services	4.1	
Area-based Rural Development Initiative	75.7	31.74
Western Investment Fund	34.4	
Rural Development Fund	8.2	
Total	591.4	137.9
(b) Sub Programme on Local Enterprise Development (part)		
Woodland Improvement	35.5	25.11
Harvesting	9.0	6.39
Forestry Development	26.6	
Forest Roads	12.8	
Total	83.9	31.5
Total Covered under the Community Support Framework	1,256.9	169.4
Guarantee Funded CAP Rural Development Programme		
Rural Environment Protection Scheme	2,044.8	1,233.1
Compensatory Allowances	1,490.7	435.1
Early Retirement	764.6	369.9
Forestry	687.9	350.8
Total Covered under the CAP Rural Development Programme	4,988.0	2,388.9
Full Total	6,244.9	2,558.3

CAP Rural Development Plan

The foregoing text has placed Irish agricultural and related rural development structural policy within the context of overall structural policy under the National Development Plan which flowed from the Agenda 2000 Agreement.

The CAP Rural Development Plan reflects only four of the many structural measures proposed in the 2000-2006 period. Nevertheless, the CAP Plan is of fundamental importance and, in terms of both financial and policy impact, it far outweighs the other structural measures proposed in the agriculture and related rural development area.

Objectives of the CAP Rural Development Plan

The four measures viz

- (i) Early Retirement
- (ii) Compensatory Allowances
- (iii) Agri-Environment and
- (iv) Afforestation

are specifically targeted at certain weaknesses and include proposals to address these weaknesses as follows:

- improvement of agricultural structures by attracting young people into farming
- improvement of incomes for farmers in designated disadvantaged areas through the EU annual income support payments
- improvement of the environment through an ambitious agri-environment programme
- the provision of a further source of income for farmers and rural dwellers through access to a substantial sustainably managed afforestation programme, compatible with the protection of the environment.

Objectives of Individual Measures under the CAP Plan

The objectives for each measure are taken from Council Regulation (EC) No. 1257/99 in the first instance and are set down beneath. In addition, and as already indicated, other structural measures, coming within the terms of the Council Regulation are also planned in those areas outside of the CAP Plan:

(i) *Early Retirement*

- to provide an income for older farmers who decide to stop farming
- to encourage the replacement of such older farmers by farmers able to improve, where necessary, the economic viability of the remaining agricultural holdings
- to re-assign agricultural land to non-agricultural uses where it cannot be farmed under satisfactory conditions of economic viability

It is also proposed to operate a Scheme of Installation Aid for Young Farmers under the CSF to complement the Early Retirement Scheme.

(ii) *Compensatory Allowances*

- to ensure continued agricultural land use and thereby contribute to the maintenance of a viable rural community
- to maintain the countryside
- to maintain and promote sustainable farming systems which in particular take account of environmental protection requirements

Other measures are also planned which will contribute to ensuring an adequate income for farmers in less favoured areas. Various diversification measures on and off farm are proposed in the draft Regional Programmes under the CSF.

(iii) *REPS*

The objectives are to promote

- ways of using agricultural land which are compatible with the protection and improvement of the environment, the landscape and its features, natural resources, the soil and genetic diversity
- an environmentally-favourable extensification of farming and management of low intensity pasture systems
- the conservation of high nature-value farmed environments which are under threat
- the upkeep of the landscape and historical features on agricultural land
- the use of environmental planning in farming practice.

(iv) *Forestry*

- sustainable forest management and development of forestry which is compatible with the protection of the environment
- maintenance and improvement of forest resources
- extension of woodland areas
- maintenance of a viable rural community.

In addition to the CAP forestry measure, support from the Structural Funds will be used to develop the following measures:

- woodland improvement
- harvesting
- forestry development
- forest roads.

Quantification and Impact of the Objectives of the CAP Plan

In order to standardise evaluation procedures the Commission are providing common indicators across all measures. As all of these have not yet become available, certain draft indicators are proposed in this Plan, as follows:

- physical and financial indicators completed, where possible, in the format produced by the Commission as per EU document VI/12006/00
- draft composite indicators for all measures, including forecasts, where feasible.

REPS: The specifications for the new Rural Environmental Protection Scheme will require baseline data for REPS farms, relating to environmental and other indicators, to be collected at the time of application as part of the applicants' Plans and to be monitored subsequently. The scheme is administered by way of a computer system to which the administrative Division and all local Farm Development Service (FDS) Offices have access. The system is being extensively modified to accommodate the proposed new scheme and, as part of this modification, it will record these data and facilitate their subsequent analysis.

Forestry: Targets for Species Diversity

For the programming period 2000 to 2006 the target for broadleaf planting in 2006 is being set at 30% of overall planting.

The species targets will be reviewed in 2004. The review will inter alia consider the annual planting by species, the availability of land suited to broadleaves and the overall planting levels.

The following factors will contribute to meeting the species target:

1. Ensuring the compulsory 10% broadleaf planting requirement, site permitting, is fully implemented on all sites
2. The inclusion of areas proposed under the Native Woodlands Scheme which has the potential to increase the national broadleaf content by 5% to 10% of annual planting
3. Broadleaf planting records will be published on a county basis. As in the past, increased broadleaf planting will take place in the South and East where site conditions are more favourable
4. Continued monitoring of national broadleaf planting content and review on a bi-annual basis, with the possibility of increasing the 10% compulsory broadleaf requirement if necessary
5. The recovery in overall planting levels will provide more of the better quality land which is a prerequisite for broadleaf species
6. The introduction of biodiversity guidelines increases the emphasis on broadleaf planting.

N.B. It should be noted also that each of the agricultural measures must conform to certain minimum environmental standards as stipulated under the new Council Regulation (EC) No. 1257/1999 on Support for Rural Development under Agenda 2000. These standards and the manner in which it is intended ensuring that they are complied with through Good Farming Practice are set down in Annex 2. The imposition of minimum environmental requirements across all measures will ensure that Ireland's priority objective of integrating the environment into all elements of the National Development Plan is achieved.

(a) Physical and Financial Indicators**(Commission Document VI/12006/00)**

	Table	Year	2000	2001	2002	2003	2004	2005	2006
Early retirement (Ch. IV, art. 10-12)	d.1.2.	Number of beneficiaries	9,538	10,159	10,793	11,321	11,465	10,960	10,462
		Average amount of support per beneficiary (€)	10,086	10,237	10,080	9,822	9,899	10,538	11,030
		Number of hectares released ('000s)	25.5	38.3	41.5	41.5	41.5	38.3	38.3
		Amount of public expenditure Total (€m)	96.2	104.0	108.8	111.2	113.5	115.5	115.4
		of which EAGGF	69.9	50.0	50.0	50.0	50.0	50.0	50.0
Less-favoured areas and areas with environmental restrictions (Ch. V, art. 13-21)	e.1.2.	Number of beneficiaries ('000s)	91	91	90	89	87	85	82
		Number of hectares	52	52	52	52	52	52	52
		Average amount of compensatory payments, per hectare (€)							
		Amount of public expenditure Total (€m)	154.9	228.6	227.3	224.7	218.4	218.4	218.4
		of which EAGGF	45.1	65.0	65.0	65.0	65.0	65.0	65.0
	e.2.2.	Total extent of agricultural areas with restrictions based on Community environmental protection rules		–	–	–	–	–	–
		% of these areas enjoying a compensatory payment for environmental restriction (Article 16)		–	–	–	–	–	–

	Table		Year	2000	2001	2002	2003	2004	2005	2006	
Agri-environment (Ch. VI, art. 22-24)	f.1.2.	Number of beneficiaries	Total	49,500	54,500	60,500	64,000	67,000	69,000	70,000	
			of which	natural resource objective							
				biodiversity objective							
				landscape objective							
			of which organic farming	800	880	930	960	980	990	1,000	
		Number of hectares under contract ('000s)	Total	2,066	1,944	2,121	2,173	2,256	2,324	2,589	
			of which	natural resource objective							
				biodiversity objective							
				landscape objective							
			of which organic farming	27.2	29.9	31.6	32.6	33.3	22.7	34.0	
		Average premium per hectare (€/ha cofinanced)	Total	135.4	135.4	135.8	135.7	133.3	131.7	118.6	
			of which	natural resource objective							
				biodiversity objective							
				landscape objective							
			Average organic farming premium/ha	181.0	181.0	181.0	181.0	181.0	181.0	181.0	
Amount of public expenditure	Total (€m)	279.8	263.3	288.1	294.9	300.7	306.1	307.0			
	of which PACSE	156.6	162.4	160.6	175.0	182.5	180.2	185.0			

	Table	Year	2000	2001	2002	2003	2004	2005	2006	
Afforestation of agricultural land (Ch. VIII: art. 29, 30, 32)	h.i.2.	Total number (private + public) of beneficiaries	1,300	1,600	1,800	2,000	2,000	2,000	2,000	
		Total number (private + public) of hectares	14,000	16,000	18,000	20,000	20,000	20,000	20,000	
		Total amount of costs borne by the beneficiaries								
		Average amount of support per beneficiary								
		Amount of public expenditure	Total (€m)	91.2	94.4	96.2	98.5	100.5	102.3	104.8
	of which EAGGF	46.8	47.9	49.0	50.1	51.2	52.3	53.5		

(b) Overall Indicators

(i) Early Retirement Scheme

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
<i>Expected Financial Expenditure (:m)</i>					
No. of transferors under ERS		2	1994-99	9,380	8,300
No. of transferees under ERS		2	1994-99	11,000	8,200
To what extent has aid for early retirement contributed to the earlier transfer of farms?	IV.1				
Average difference in age between transferor and transferee (years)		1	1994-97	30	= 28 years
Average age of transferors in ERS		1	1994-97	61	59
Transferors aged:			1994-97		
55-59 years (%)				37.4	—
60-64 years (%)				46.9	—
65-70 years (%)				15.7	—
Average age of transferees in ERS		1	1994-97	31	28
Transferees aged:			1994-97		
less than 25 years (%)				20	22
25-35 years (%)				55	73
35 years and over (%)				25	5
Surface area released early (ha)		1	1994-99	283,800	265,000
No. of holdings released under the scheme		2	1994-99	9,380	8,300
Cumulative no. of ha released for agricultural purposes		2	1994-99	283,450	260,000
Cumulative no. of ha released for non-agricultural purposes		2	1994-99	343	5,000
To what extent has aid for early retirement contributed to the earlier transfer of farms. In particular, to what extent has there been synergy between “early retirement” and “setting up of young farmers” in terms of an earlier change of holders?	IV.1.1				

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Ratio of (number of beneficiaries of setting-up aid replacing beneficiaries of early retirement aid) to (all cases of assisted retirement)		2	1994-97	1:2 (50%)	3:5 (60%)
Ratio of average age of beneficiaries of early retirement aid replaced by beneficiaries of setting-up aid to average retirement age of all farmers receiving early retirement aid		2	1994-97	n/a	60:40
To what extent has the economic viability of the remaining agricultural holdings improved?	IV.2				
% of transferees with certificate in farming or higher equivalent		1	1994-97	50	50
% of transferees with 180 hours training		1	1994-99	40	45
Average off-farm income (income units) of transferees as % of average industrial wage on joining the scheme		1	1994-99	n/a	65
Increase in average size of holding after transfer (ha)		1	1994-97	18	10
Change in number of income units from farming after merger (transferee)		3	n/a	n/a	–
Change in number of total income units after merger (transferee)		3	n/a	n/a	–
Average size of holding being transferred by transferor (ha)		1	1994-97	32	32
Average size of transferees' merged holding (ha)		1	1994-97	49.3	40
Decrease in number of holdings remaining after transfer		1	n/a	n/a	Decrease
Specialist milk production on merged holding (%)		1	1994-97	23	40
Specialist cattle – mainly rearing on merged holding (%)		1	1994-97	49	30

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Specialist cereals, oilseeds and protein crops on merged holding (%)		1	1994-97	3	5
Transferees with off-farm income on joining scheme (%)		1	n/a	n/a	—
% of total income (IUs) from off-farm		1	n/a	n/a	—
Gender of transferor (%Female)		1	1994-99	54	55
Gender of transferee (%Female)		1	1994-99	5	10
% of area transferred by lease		1	1994-99	50	50
Was the income offered to the transferors appropriate in terms of encouraging them to abandon farming and subsequently offering them a fair standard of living?	IV.3				
Average ERS pension (€)		2	1994-99	10,734	12,717
Average ERS pension (farm workers) (€)		2	1994-99	3,150	4,289
No. of workers availing of ERS		2	1994-99	13	40
Number of transferors penalised under ERS		2	1994-99	100	50
Context indicators					
Average farm size (ha AAU)		4	1998	29,5	35
% of farmers under 40 years of age		4	1998	21	25
% of farmers over 55 years of age		4	1998	45	40
% of farmers with off-farm employment		5	1998	30	40

n/a — historical data not available. The baseline will be established from data collected during 2000-2006.

(ii) *Compensatory Allowances*

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
<i>Expected Financial Expenditure (:m)</i>					
To what extent has the scheme contributed to offsetting the natural handicaps in LFAs in terms of high production costs and low production potential Degree to which income deficit per hectare is compensated by compensatory allowances. Family Farm Income (FFI) per ha including compensation payments, in LFAs as a percentage of non-LFAs	V.1	5	1998	28%	increase
		5	1998	70%	70%
To what extent have compensatory allowances helped in ensuring continued agricultural use of land Change in UAA in LFAs (ha, million) Change in UAA in LFAs (%)	V.2	2	1998	3.66	Decrease due to forestry
		2	1998	0%	Decrease due to forestry
To what extent have compensatory allowances contributed to the maintenance of a viable rural community? Net migration in rural areas (per 1,000) Family farm income in LFAs (:) Change in number of beneficiaries in LFAs	V.3	4	1991-96	(5.0)	(5.0)
		5	1998	11,454	Increase
		2	1998	88,655	-8%
To what extent has the scheme contributed to the protection of the environment by maintaining or promoting sustainable farming that takes account of environmental protection requirements in LFAs Number of farmers compliant with the statutory requirements detailed in Annex 2	V.4	2	n/a	n/a	100%

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Other Programme Indicators					
% of LFA farmers paid extensification premia		2	1999	91	Increase
Farmers in LFA with stocking rates equal to or less than 2.0 LU/ha		2	2000		
Total Forage area in LFA stocked at equal to or less than 2.0 LU/ha		6	2000		
Farmers in LFA paid high rate of extensification <1.4 LU/ha		2	2002		
Total Forage area in LFA receiving high rate of extensification <1.4 LU/ha		6	2002		
Farmers in LFA paid low rate of extensification 1.4-1.8 LU/ha		2	2002		
Total Forage area in LFA receiving high rate of extensification 1.4-1.8 LU/ha		6	2002		
Number of LFA farmers in REPS		2	1999	26,430	48,760
% of LFA farmers in REPS		2	1999	30%	55%
% beneficiaries in More Severely Handicapped Areas		6	1998	87	87
% beneficiaries in Less Severely Handicapped Areas		6	1998	13	13
Average amount of payment under Compensatory Allowances per holding (€)		2	1998	1,768	1,889
Average amount of payment under Compensatory Allowances per hectare (€)		2	1998	52	52
% of family farm income from compensatory allowances in LFAs		5	1998	16	16
Gender of applicant (%F)		2	1999	10.75	10.75
Context Indicators					
% of all farmers claiming direct aid (livestock) that were paid extensification		2	1999	85	Increase

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Number of all farmers with stocking rates equal to or less than 2.0 LU/ha		2	2000		
Total forage area stocked at equal to or less than 2.0 LU/ha		6	2000		
Number of farmers paid high rate of extensification <1.4 LU/ha		2	2002		
Total forage area receiving high rate of extensification <1.4 LU/ha		6	2002		
Number of farmers paid low rate of extensification 1.4-1.8 LU/ha		2	2002		
Total forage area receiving high rate of extensification 1.4-1.8 LU/ha		6	2002		
Number of farmers in REPS		2	1994-1999	45,000	70,000
Family Farm Income ∴		5	1998	14,020	Increase
Difference in Family Farm Income (County vs. LFAs) ∴		5	1998	2,566	Decrease
Risk of farm household being in poverty %		7	1997	12.5	10

n/a – historical data not available. The baseline will be established from data collected during 2000-2006.

(iii) Rural Environment Protection Scheme

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
<i>Expected Financial Expenditure (€m)</i>					
Management of Grassland, Nutrients, Pesticides and Watercourses					
Programme Indicators					
Soil samples of P index level (%) ¹		8	1994-99	21.4	decrease
Soil samples of P index level (%) ²		8	1994-99	36.7	increase
Soil samples of P index level (%) ³		8	1994-99	22.2	increase
Soil samples of P index level (%) ⁴		8	1994-99	19.6	decrease
Average soil P level (mg/l)		8	1994-99	7.2	decrease
Average lime requirement (t/ha)		8	1994-99	TBD	decrease
Holdings requiring investment in housing/waste management facilities(%)		9	1994-99	58	decrease
Average length of watercourse to be protected (m)		9	1994-99	21	no change
Change in level of machinery investment/ha 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of investment in farm buildings/ha 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of farm building maintenance costs/ha 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of land improvement and land maintenance costs/ha 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of total lime expenditure 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of fertiliser expenditure/ha 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Change in level of pesticide expenditure/ha on REPS tillage farms 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Change in level of total inorganic N used 2000 vs. 2006 (%)		5	1994-99	TBD	decrease

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Management of Grassland, Nutrients, Pesticides and Watercourses					
Change in level of total inorganic P used 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Change in level of stocking rate/ha 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Context indicators					
Non-REPS soil samples of P index level 1 (%)		8	1994-99	16.1	decrease
Non-REPS soil samples of P index level 2 (%)		8	1994-99	30.7	increase
Non-REPS soil samples of P index level 3 (%)		8	1994-99	24.8	increase
Non-REPS soil samples of P index level 4 (%)		8	1994-99	28.4	decrease
Non-REPS Average soil P level (mg/l)		8	1994-99	9.32	decrease
Non-REPS National average lime requirement (t/ha)		8	1994-99	na	decrease
National sales of chemical P (tonnes)		10	1999	50,513	decrease
National sales of chemical N (tonnes)		10	1999	442,916	decrease
Average soil P level nationally (mg/l)		8	1998	7.96	decrease
Slight/Moderate Pollution of EPA River Water Quality Baseline (%)		11	1995-97	32	decrease
Change in level of machinery investment/ha on extensive non-REPS farms ² 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of investment in farm buildings on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of farm building maintenance costs/ha on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Change in level of land improvement and land maintenance costs/ha on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	increase

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Management of Grassland, Nutrients, Pesticides and Watercourses					
Change in level of total lime expenditure on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	no change
Change in level of fertiliser expenditure/ha on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of pesticide expenditure/ha on non-REPS tillage farms 2000 vs. 2006 (%)		5	1994-99	TBD	increase
Change in level of total inorganic N use on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Change in level of total inorganic P use on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	decrease
Change in level of stocking rate/ha on extensive non-REPS farms 2000 vs. 2006 (%)		5	1994-99	TBD	decrease

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Management of Habitats, Biodiversity, Landscape and Farm Appearance					
Programme Indicators					
Average no. of habitats per farm on non-target area ³		9	na	na	increase
Average total length of hedgerows/farm (m)		9	na	na	no change
Average total length of stonewalls/farm (m)		9	na	na	no change
Average total length of other divisions/farm (m)		9	na	na	no change
Average no. of bird species/farm (l)		12	1999	na	increase
Average no. of bird breeding species/farm		12	1999	na	increase
Average no. of traditional stone farm buildings for retention		9	na	na	no change
No of Applicants availing of plastics recycling facility		13	2000	na	increase
Context indicators					
Change in total bird population (%)		14	2000	na	increase
Total no. of bird species		14	2000	na	increase
Total no. of farmers availing of plastics recycling collection facility		13	1999	na	30,000
Protect Features of Historical and Archaeological Interest					
Programme Indicators					
Average no. of features/farm on Sites and Monuments Register (SMR) ⁴		9	na	na	increase
Average no. of new features/farm not previously recorded on SMR		9	na	na	increase
Context Indicator					
Total no. of features on SMR nationally		15	1999	na	increase

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Environment Training and Management					
Programme Indicators					
Participants attending REPS training courses in REPS Scheme (%)		16	1994-99	68	increase
Total no. of planners approved		16	1994-99	1,100	increase
Total no. of Planning Agencies approved		16	1994-99	279	increase
Total no. of Demonstration Farms		16	1994-99	50	increase
Context Indicator					
Proportion of participants attending REPS training courses not in REPS Scheme (%)		16	1994-99	32	decrease

(l) See provisions relating to measure A of REPS which includes appropriate provisions (Chapter 4).

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Measure A – Conservation of Natural Heritage					
Programme Indicators					
Average area of commonage target area per farm (ha)		9	na	na	no change
Average area of non-commonage target area per farm (ha)		9	na	na	no change
Average area of non-target area per farm (ha)		9	na	na	no change
Average total reduction in ewe equivalents required/farm (No.)		9	na	na	decrease
Average maximum ewe equivalent allowed on target area (No.)		9	na	na	increase
Station ⁵ vegetation very severely damaged (%)		17	na	na	decrease
Station vegetation severely damaged (%)		17	na	na	decrease
Station vegetation moderately to severely damaged (%)		17	na	na	decrease
Station vegetation moderate to undamaged (%)		17	na	na	decrease
Station vegetation undamaged (%)		17	na	na	decrease
Total no. of participants in Measure A		16	na	na	14,000
Context Indicators					
Participants not in REPS adhering to a Duchas farm plan (No.)		18	na	na	increase
Total area of commonage not in REPS adhering to a Duchas farm plan ⁶ (ha)		18	na	na	increase

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Supplementary Measure 3 – Rearing Animals of Local Breeds in Danger of Extinction					
Programme Indicators					
No. of registered Kerry breeding females (LU)		16	na	na	Increase
No. of registered Irish Maol breeding females (LU)		16	na	na	Increase
No. of registered Irish Draught breeding females (LU)		16	na	na	Increase
No. of registered Galway ewe breeding females (LU)		16	na	na	Increase
Total no. of participants		16	1994-1999	200	350
Context Indicator					
Total no. of active registered Kerry breeding females in herdbook		19	1998	472	increase
Total no. of active registered Irish Maol breeding females in herdbook		20	1998	12	increase
Total no. of active registered Irish Draught breeding females in herdbook		21	1998	697	increase
Total no. of active registered Galway sheep (breeding females) in herdbook		22	1998	730	increase

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Supplementary Measure 4 – Long Term Set-Aside					
Programme Indicators					
Area paid (ha)		16	1994-99	125	increase
No. of participants		16	1994-99	100	200
Supplementary Measure 5 – Organic Farming					
Programme Indicators					
No. of participants		16	1994-99	700	1,000
Area with full organic status (ha)		16	1994-99	14,500	increase
Area undergoing conversion to organic status (ha)		16	1994-99	8,000	increase
Context indicators					
Total no. of organic farmers nationally		10	1999	na	increase
Total area with full organic status (ha)		10	1999	na	increase
Total area undergoing conversion to organic status (ha)		10	1999	na	increase
Other General REPS indicators					
Programme Indicators					
Proportion of female applicants (%)		16	na	na	No change
Proportion of male applicants (%)		16	na	na	No change
Proportion of Joint applications (%)		16	na	na	No change
REPS Farms <20ha (%)		16	1994-99	TBD	increase
Farms with an off-farm income (%)		5	1994-99	TBD	increase
Farm holders with off-farm income (%)		5	1994-99	TBD	increase
Average size of REPS farm business (ESU) ⁷		5	1994-99	TBD	decrease
Change in gross output/ha ⁸ 2000 vs 2006 (%)		5	1994-99	TBD	increase

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Other General REPS indicators					
Change in direct costs/ha 2000 vs 2006(%)		5	1994-99	TBD	increase
Change in overhead costs/ha 2000 vs 2006(%)		5	1994-99	TBD	increase
Change in gross margin/ha 2000 vs 2006(%)		5	1994-99	TBD	increase
Change in family farm income/ha 2000 vs 2006 (%)		5	1994-99	TBD	increase
No. of farms in REPS		16	1994-99	TBD	70,000
Applicants compliant annually with Basic REPS scheme (%)		16	1994-99	93	increase
Applicants compliant annually with REPS Supplementary Measures (%)		16	1994-99	95	increase
Penalty costs as a percentage of Programme Costs (%)		16	1994-99	1.1	decrease
REPS Contracts terminated for breach of contract (%)		16	1994-99	0.23	decrease

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
Context Indicators					
Total Irish Farms < 20ha (%)		10	1999	47	decrease
Extensive non-REPS farms ² with off-farm income (%)		5	1994-99	TBD	increase
Extensive non-REPS Farm holders with off-farm income (%)		5	1994-99	TBD	increase
Average size of extensive non-REPS farm business (ESU)		5	1994-99	TBD	increase
Change in gross output/ha on extensive non-REPS farms 2000 vs 2006 (%)		5	1994-99	TBD	increase
Change in direct costs on extensive non-REPS farms 2000 vs 2006 (%)		5	1994-99	TBD	increase
Change in overhead costs/ha on extensive non-REPS farms 2000 vs 2006 (%)		5	1994-99	TBD	increase
Change in gross margin/ha on extensive non-REPS farms 2000 vs 2006 (%)		5	1994-99	TBD	increase
Change in family farm income/ha on extensive non-REPS farms 2000 vs 2006 (%)		5	1994-99	TBD	increase
Total no. of farms nationally		10	1999	143,900	decrease

n/a – historical data not available. The baseline will be established from data collected during 2000-2006.

TBD – to be determined from a sample of applicants from 1994-1999 REPS Programme for the Mid-Term Evaluation.

List of superscripts for REPS Indicators

¹ P index level 2 or 3 is the ideal soil P index level for efficient agricultural production with minimum adverse environmental effects.

² Extensive non-REPS farms are farms recorded in the NFS that produce less than 170kg of organic nitrogen/ha (UAA⁹) per year and are potential REPS clients.

³ Target areas consist of proposed Natural Heritage Areas (pNHAs), commonages or any farmland-based Special Protection Areas (SPAs) or candidate Special Areas of Conservation (cSACs) designated under the Habitats and Wild Birds Directives.

⁴ The Sites and Monuments Register (SMR) lists and locates on maps all known upstanding archaeological monuments and the sites of levelled or buried monuments in Ireland.

⁵ Station is a location (usually 10m x 10m) on commonage land where a detailed record of vegetation condition is made.

⁶ Dúchas Farm Plan is an alternative to Measure A of the REPS Scheme that involves conservation of target areas. Dúchas is the Heritage Service of the Department of Arts, Heritage, Gaeltacht and the Islands.

⁷ ESU: a measurement of the size of the farm business where 1 ESU = 1200 ECU of Standard Gross Margin

⁸ REPS Payment included in calculation

⁹ UAA: Area under crops and pasture plus the area (unadjusted) of rough grazing. It is the total area owned, plus area rented, minus area let, minus area under remainder of farm.

(iv) Forestry

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
<i>Expected Financial Expenditure</i> (:m)					
To what extent are forest resources being maintained and enhanced through the programme – particularly by influencing land-use and the structure and quality of growing stock?	VIII.1.1				
Area of assisted plantings (ha/year)		23	1999	13,000	20,000
Areas reforested (ha/year)		23	1999	7,000	7,000
Anticipated yield thanks to assistance/ assisted output (m ³ /year (million))		23	1999	2.4	2.8
Change in species distribution of growing stock due to assistance (%)		23	1997-99	Sitka spruce 54 Other conifers 26 Broadleaves 20	Sitka spruce 50 Other conifers 20 Broadleaves 30
To what extent are forest resources being maintained and enhanced through the programme – particularly by influencing the total carbon storage in forest stats?	VIII.1.2				
Cumulative carbon storage (forests planted since 1990 Kyoto) – millions of tonnes/year		23	2000	2.7	4.5
To what extent have the assisted actions enabled forestry to contribute to the economic and social aspects of rural development – by maintenance and encouragement of the productive functions on forest holdings?	VIII.2.1				
Ratio of afforestation premiums to net income from previous land use (%)		5	2001	na (1)	100
Share of holdings with less than 50ha of woodland being connected to association of forest holders or similar organisations thanks to assistance (%)		23	2001	na (1)	5
Additional outlets for products of small dimension/low quality (m ³)		24	2001	na (1)	100,000

	EU Document Chapter	Source of data	Baseline Year	Baseline	Forecast 2006
To what extent have the assisted actions enabled forestry to contribute to the economic and social aspects of rural development – by maintenance and development of employment and other socio-economic functions and conditions? Activity on holdings from own execution of assisted planting/improvement works plus anticipated work at the holding derived from the assisted action in the mid-term (hrs/ha/year) Additional attractive/valuable area or sites due to assistance (ha)	VIII.2.2	25	2002	na (2)	>baseline
		23	1999	0	3,000
To what extent have the assisted actions contributed to the ecological functions of forests – by maintenance, conservation and appropriate enhancement of biological diversity? Area planted/regenerated/improved with native tree species (ha) Critical sites maintained/improved due to assistance (ha/year) – of which in or linked to NATURA 2000 sites (ha)	VIII.3.1	23	2000	0	3,000
		23	2000	0	3,000
		23	2000	0	800
Soil types planted (ha)		23	2001	na(1)	–
Enclosed land planted (ha)		23	1999	9,678	–
Unenclosed land planted (ha)		23	1999	4,124	–
Number of consultations		23	1999	3,656	–
Number of EIAs		23	2001	na (1)	–

- (1) Baseline to be established in 2001.
(2) Baseline to be established in 2002.

Index to Sources of Indicator Data

1. Application form
2. Management Statistics
3. Application form and Survey
4. Central Statistics Office (CSO)
5. National Farm Survey – Teagasc
6. Land Parcel Identification System (LPIS)
7. Household Budget Survey – CSO
8. Teagasc
9. 1% Survey of REPS Plans
10. Department of Agriculture, Food and Rural Development
11. Water Quality Survey – Environmental Protection Agency
12. Walsh Fellowship Scheme
13. Irish Farm Films Producer Group (IFFPG)
14. Birdwatch Ireland
15. Department of Arts, Heritage, Gaeltacht and the Islands
16. REPS Database
17. Sample of Station Assessment Cards
18. Dúchas
19. Kerry Breed Society
20. Irish Maol Breed Society
21. Irish Horse Board
22. Galway Breed Society
23. Forest Service
24. Survey
25. Teagasc Survey

Extent to which the Strategy takes account of the Specific Features of the Areas Concerned

The proposed strategy takes into account

- the age structure in farming in the region where 22.3% of farmers are over 65 years of age
- the income disparities between the less favoured and normal areas
- the need to ensure sustainable development and to target zones sensitive from an environmental viewpoint
- the low level of forest cover – 9% of the region's land area.

All measures in this particular CAP Plan are to be applied on a national basis.

The overall strategy already set down covers all of the rural development issues to be addressed in the coming period in the agriculture and forestry areas, including those falling within the terms of the FEOGA Guidance Fund.

The Integrated Approach

The rural development support measures to be applied have been integrated into a single Plan for the region. A separate Plan has been drawn up relating to those other rural development measures which in **Objective 1/Objective 1 Regions in transition**, are eligible for cofinancing from the Structural Funds, with compatibility and coherence ensured between the two Plans – see strategies already outlined in this Chapter.

Integration of Women and Men in the Strategy

The various measures proposed across the Structural Funds and the FEOGA Guarantee Fund are open to men and women equally. However, as ownership of land is mainly in the hands of men (over 90%), they generally have the deciding role in investment developments which take place on farms, including the acquiring of skills etc. That said, many women benefit considerably from the various schemes in operation.

During the implementation of the current Operational Programme for Agriculture, Rural Development and Forestry 1994-1999, (OPARDF), an independent evaluation was carried out to ascertain the involvement of women in the Programme and to make recommendations on how further progress could be made in the equality area. Among the many recommendations made was one related to skills whereby a systematic progressive plan to meet women's training needs should be drawn up. Teagasc – the national Agricultural and Food Development Authority – outlines its proposals in this area in its development plan for the future, 'Teagasc 2000'. The Plan has three target groups – (i) young women entrants, (ii) women who entered farming later in life and (iii) women who fall into the category of socially excluded. The longer term aim is that these special courses will enable women to participate in Teagasc's mainline courses and other activities. Teagasc is consulting with a broad range of women's organisations to ensure progress in this whole area.

More recently, a Task Force on Agricultural Education and Training was established by the Minister for Agriculture, Food and Rural Development to examine the training needs of the agriculture sector in the light of changing social and economic circumstances.

Teagasc have also secured Exchequer funding for capital investment programmes to upgrade the facilities at both their training colleges and the private colleges, including the provision of more suitable accommodation for female students.

The recent White Paper on Rural Development – “Ensuring the Future – A Strategy for Rural Development in Ireland” recommended that a Rural Development Fund be established to finance research in order to provide information and advice to policy makers in the rural development field. Among the many issues to be tackled will be gender aspects. This Fund will now be established within the framework of the Department of Agriculture, Food and Rural Development’s proposals under the Structural Funds area of the National Development Plan and it will operate within the framework of the two new Regional Operational Programmes.

Under the OPARDF, the gender breakdown of persons participating in the various schemes and in training programmes has been monitored. The social partners were also asked for their views from time to time on how equal opportunities can be further promoted but no firm ideas have emerged over the period. However, the concentration of male representation on the Monitoring Committee may not have helped in this regard and this issue will be tackled in all future Monitoring Committees, including the Committee for the four measures involved in this CAP Rural Development Plan.

Further recent developments should help to progress equal opportunities such as the setting up of the Network of Female Farmers by Macra na Feirme and the Advisory Committee on the Role of Women in Agriculture established by the Minister for Agriculture, Food and Rural Development in late 1999. The areas which the Committee has been asked to address by mid-2000 are:

- education and training, including the use of information technology
- the under-representation of women at political and rural organisational level
- social inclusion
- personal finance and other economic and legal issues.

The Advisory Committee, which has now finished its consultation process and will shortly publish its report, will have an input into the Department’s strategy in the rural development area, in particular as regards those issues and policies proposed in the White Paper on Rural Development.

While forestry is traditionally a male dominated industry, equal opportunities are offered to both men and women. Grants are available to applicants regardless of sex, once they satisfy certain criteria. Publicity and awareness measures are targeted at both sexes also.

In looking to the future, the new Structural Funds Regulations emphasise the core objective of ensuring equal opportunities between men and women. In this regard, the Government adopted in March 2000 Gender Impact Guidelines, as an aid to the implementation of the commitments to equal opportunities contained in Ireland’s National Development Plan. These guidelines are intended as a basis for discussion in order to move the process forward and all Departments will be fully involved in planning in this area for the coming period. Departments are committed to working in close collaboration with the Department of Justice, Equality and Law Reform with a view to seeing how these guidelines can be effectively implemented in the agriculture area.

Future Environmental Obligations

The major environmental issues facing Ireland (as identified by the Department of the Environment and Local Government in the new Community Support Framework for Ireland (CSF)) in the coming period have already been identified in Chapter 1 viz.

- (a) meeting commitments to control greenhouse gases and other emissions into the atmosphere
- (b) halting the decline in the quality of rivers and lakes caused by excessive inputs of nutrients

- (c) reducing and managing waste
- (d) protecting the urban environment from degradation due to transport and other pressures
- (e) protecting the natural resources of the countryside, coastline and marine areas, and
- (f) improving the strategic management of land use.

As a first step in addressing the above issues, the Government has agreed that environmental policy must be integrated with all elements of the new National Development Plan for the period 2000-2006. Agriculture and forestry will participate fully in this process.

(a) Greenhouse Gases

Under the 1997 'Kyoto Protocol' to the UN Framework Convention on Climate Change, Ireland had agreed to reduce its CO₂ emissions to 13% above 1990 levels, by the period 2008-2012. This is against a background of the recent Economic and Social Research Institute (ESRI) forecast that Irish greenhouse gas emissions will rise to 32% above 1990 levels by 2010.

In relation to *agriculture*, cognisance will have to be taken of the National Greenhouse Gas Abatement Strategy which is now at an advanced stage of preparation by the Department of Environment and Local Government to ensure that Ireland meets its target under the Kyoto Protocol. It is expected that the Strategy will set target reductions in methane and nitrous oxide to be achieved, and the Department of Agriculture, Food and Rural Development is currently examining a range of options by which these targets can be achieved.

Worldwide, *forests* are the largest landbased sink of carbon. Their potential contribution to the lessening of global warming has been well established. In Ireland the national afforestation programme has the single largest potential to reduce net CO₂ emissions during the Kyoto timeframe. Critical to making this impact will be the attainment of the planting targets under the government's strategic plan for the forestry sector. These targets are important not only in the context of rural development and building the forest industry, but to offset the growth in fossil fuel consumption that is forecast over the next decade.

Currently, there is increasing interest in carbon sequestration by forest crops as a means of mitigating greenhouse gas emissions. A preliminary estimate has been made of the amount of carbon currently stored in Irish forests. An estimate was also made of the amount of carbon which could potentially be stored in forests established since 1990. Forests established since 1990 are eligible for inclusion in the calculation of carbon sequestration for the Kyoto period 2008-2012. The calculations indicate that the average rate of carbon storage in Irish forest plantations is approximately 3.36 tonnes of carbon per hectare per year.

By the year 2012, if planting targets are achieved, carbon sequestration by new (afforestation) forest plantations could offset 31% of the surplus CO₂ emissions in Ireland.

In the case of greenhouse gas (CO₂+CH₄+N₂O) emissions, by the year 2012, if planting targets are achieved, carbon sequestration by new (afforestation) forest plantations could offset 43% of the surplus Irish greenhouse gas emissions.

If a model based on mean annual increment (MAI) is used to estimate carbon sequestration by forest during the Kyoto period (2008-2012) the estimates of carbon sequestered may be higher than those calculated using current annual increment (CAI) because CAI for new or young forest will be less than maximum mean annual increment (MMAI) during that period.

Other important points concerning carbon storage in forest plantations include the following:

To increase the net amount of carbon stored in forest plantations, new land must be continually planted so that carbon fixation by forest growth will be greater than carbon released as a result of the utilization of wood products and soil organic matter decay.

Irrespective of species, an increase in yield class increases carbon storage in all pools.

The soil carbon pool accounts for the largest proportion of carbon storage (ca. 50%) in the tree-soil-product system.

The effects of management practices vary with the amount of disturbance caused to the site.

The species profile of the Irish forest sector allows for carbon sequestration in both the long and short terms. If planting targets are achieved new Irish forests (post 1990) could sequester 6.34 million tonnes carbon equivalent MtCe during the period 2008-2012.

(b) Water Quality

As regards the use of excessive nutrients, the continuation of the Rural Environment Protection Scheme (REPS) should ensure very positive results in this area. The proposed Scheme for the Management of Farm Waste under the new CSF will also contribute to halting the decline in river quality. Of more fundamental importance in the future, however, will be the designation of Nitrate Vulnerable Zones – see text which follows.

Nitrates Directive (EU Council Directive 91/767/EEC):

The background situation in Ireland in relation to this Directive has already been explained in Chapter 1. In the light of the recommendations of the Expert Panel that certain ground waters be identified as affected waters in the context of the Nitrates Directive, the Government is now committed, in so far as ground waters are concerned, to

- making an early decision and public statement as to the location of waters affected by pollution, or susceptible to pollution, by nitrates from agriculture (public statement issued on 1 July 2000)
- the identification and formal designation as NVZs of all the lands which drain into these waters and which contribute to their pollution by nitrates by end 2001 for designation of NVZs
- the establishment and implementation of compulsory action programmes to reduce and prevent pollution of waters by nitrates in NVZs by end-2001 for action programmes to be established and operational
- the enactment of legislation to enable statutory effect to be given to these measures: target date end-October 2000 for making Regulations under EC Act initially: more comprehensive provisions to be made by amendment of the Local Government (Water Pollution) Acts in the context of a Water Services Bill at present in preparation in the Department of the Environment and Local Government.

Furthermore, the Government is committed to continuing the process of examining other potential areas requiring identification and action under the Directive, notably surface freshwaters and marine waters, and, in the light of this examination, to take any further appropriate steps that may be necessary.

Good Farming Practice

The Good Farming Practice Provisions at Annex 2 include a reference to the need to follow good practice to protect waters from pollution by nitrates.

(c) *Protecting Natural Resources*

As regards (c), a number of points arise:

(i) *Overgrazing*

The issue of overgrazing has already been tackled as detailed in Chapter 1. Interim national framework plans for all commonages have already been put in place and these plans required an immediate reduction in sheep numbers in all commonages in the six western counties. The position as regards the completion of the new individual commonage frameworks is that plans for the six western counties are largely complete and will be fully complete by the end of 2000. On current projections, the remainder will be complete by April 2001 (subject to weather conditions in late-2000 and early-2001 which, if they are severe, may have some impact on the work of the planning teams in some areas).

(ii) *Convention on Biological Diversity*

Ireland ratified the Convention on Biological Diversity in March 1996. This Convention comes under the aegis of the Department of Arts, Heritage, Gaeltacht and the Islands. One of the main provisions of the Convention (Article 6), is the preparation of national biodiversity strategies or plans, and the integration of the conservation and sustainable use of biological diversity into other sectoral and cross-sectoral plans, programmes and policies. Ireland's draft plan reviews the state of biological diversity in Ireland, and outlines strategies and, most importantly, specific actions to be carried out for the conservation and sustainable use of biological diversity.

The overall objective of the plan is to conserve, and where possible enhance biological diversity in Ireland. The main sectors which impact on the plan are examined as well as concentrating on the identification of specific measures and the primary responsible authorities.

The Plan examines biodiversity at four levels –

- landscape/ecosystem
- habitat/community
- species and
- genetic diversity.

The final draft Plan covers a wide range of issues, divided into three parts i.e. (i) Context (ii) Inventory of Biological Diversity in Ireland and (iii) Conservation and enhancement of biological diversity. The public consultation process of the draft Plan is complete and publication is expected by year end.

(iii) *Natura 2000*

The detailed background note in Chapter 1 on the designation of Natura 2000 sites highlights the requirement that all such sites must be formally submitted to the Commission by 7 January 2001 and the Good Farming Practice checklist at Annex 2 incorporates the need for checks and cross reporting to the Department of Arts, Heritage, Gaeltacht and the Islands as regards the proper maintenance of these sites.

(iv) *Sustainable Forest Management*

The long-term strategy for forestry in Ireland commits the sector to expanding the forest estate within the principles of Sustainable Forest Management. This implies maintaining the environmental, social and economic value of forestry without damage to the environment.

In order to ensure that these goals are achieved, forest development and management will take place in the context of a *National Forestry Standard*. This standard is structured around a suite of *Environmental Guidelines*, a *Code of Best Forest Practice* and amended legislation, supported by effective monitoring. The National Forestry Standard, the Environment Guidelines and the Code of Best Forest Practice will be available from the Forest Service from July 2000.

National Forestry Standard

This will include criteria, indicators and measures for sustainable forest management based on those set out by the Third Ministerial Conference for the protection of Forests in Europe at Lisbon 1998. Broadly they relate to:

- maintenance and enforcement of forest resources
- maintenance of ecosystem health and vitality
- maintenance and encouragement of productive functions
- maintenance, conservation and enhancement of biodiversity
- maintenance and enhancement of protection
- maintenance of other socio-economic and cultural functions.

Indicators express how these criteria are being met in terms of changes in area, categories of forest and other habitat, timber growth, health, development of controls and planning processes.

THE CODE OF BEST FOREST PRACTICE

The Code identifies the three basic values of Sustainable Forest Management

- environmental
- economic
- social

and relates them to the performance of forest operations. Each forest operation is identified as follows by:

- objectives
- key factors
- operation description
- potential adverse impacts
- best practice
- useful references in relation to each operation are given.

Short list of forest operations

- choice and management of forest reproductive material, including seeds
- nursery practice
- planning new planting sites
- selecting species

- site preparation
- planting
- weed control
- managing forest pest and diseases
- maintaining plantations
- tending plantations
- harvesting of thinnings
- harvesting of final crops
- transport operations
- forest road construction and maintenance
- reforestation
- woodland improvement, biodiversity and specialised woodlands
- planning
- training, competence and information.

FORESTRY GUIDELINES

Entitlement to aid under the afforestation measure is conditional on compliance with the archaeology, biodiversity, water quality and landscape guidelines.

1. ARCHAEOLOGY: These revised guidelines deal with—

- law
- planning procedures
- sources of records of known archaeological sites
- impacts of the forestry cycle
- type of sites
- contacts needed in the process
- importance is placed on identifying archaeological sites and protecting them
- impacts of planting, drainage, harvesting (including thinning) are described
- site types are described and illustrated
- this extends to more recent monuments such as post modern and relatively modern structures such as old farmhouses and townland boundaries.

2. BIODIVERSITY: This new set of guidelines recognises the importance placed world wide on biodiversity in its many contexts. They give the background arising from the UN Convention in Biodiversity 1993 and the subsequent developments of sustainable forest management. They deal with the 3 conceptual levels

- ecosystem diversity
- species diversity and
- genetic diversity

Irish forests are described in terms of diversity parameters.

Management issues and planning are categorised, such as –

- landscape
- site suitability
- species
- provenance
- structure and age
- dead material in forests
- open spaces
- water
- water areas
- troublesome species.

3. FORESTRY AND WATER QUALITY: The Forestry and Fisheries Guidelines have been revised, widened and updated. The basis of these guidelines is the ‘‘catchment’’ and their classification in water quality management, underpinning this is adequate consultation. Sensitive areas are identified, Riparian and Buffer Zones defined, and their management described.

Forestry operations described with specific reference to water issue. Recommendations are made with regard to:

- cultivation
- drainage
- fertilisation and storage
- use of chemicals, herbicides and fuels
- road making, bridges and culverts
- harvesting
- recommendations on survey, mapping and identification are made.

4. HARVESTING: New guidelines on harvesting focus specifically on this operation. They outline the impacts on

- water
- forest soils

- landscape
- historic sites
- forest health
- conservation

and describe the impacts, with technical information as to how these occur.

5. LANDSCAPE: Revised landscape guidelines present forest landscape design in response to landscape character.

Objectives of landscape design are introduced with a description of landscape character based approach. Design criteria such as extent, disposition, crop generation and composition of forests are described and typical forestry development scenarios including small parcel and ladder style developments as well as larger areas. Approaches to roads, views, waterbodies and courses are described along with texture and colour aspects of forest blocks.

Four forest design types are described

- rolling moorland
- rolling fertile farmland mosaic
- drumlins
- mountain and farmland interface.

The forest cycle is outlined in terms of operations from site preparation through establishment and management to harvest as it impacts on landscape along with guidelines to mitigate, or prevent adverse impacts and to create improvements. These relate to each forest design type.

The use of machinery and the construction of roads and water crossing can affect water quality. Felling coupe size and pattern will be of significance on the landscape. Forest soils are vulnerable to wheel impact and crop removals. Historic sites require careful planning of operations. Forest health and conservation are also vulnerable to machine activities and felling practices.

The guidelines also describe the statutory control of felling. An important section is devoted to harvest thinning and operating guidelines. Strategic, tactical and operational approaches are described. Operating guidelines include felling, extraction, roading, servicing and site restoration.

Agenda 2000 and the Environment

Under the Agenda 2000 Agreement, the integration of environmental concerns is central to the CAP Reform element and, in future, all farmers receiving EU aid under CAP or under the Structural Funds must practice farming in accordance with minimum EU and national environmental requirements.

- (a) Specifically under Council Regulation (EC) No. 1257/1999 on Support for Rural Development, the following is the position:

- Article 5 states that all farmers receiving capital investment aid must comply with “minimum standards regarding the environment, hygiene and animal welfare”
- Article 14 states that all farmers in receipt of Compensatory Allowances must “apply usual good farming practices compatible with the need to safeguard the environment and maintain the countryside, in particular by sustainable farming”
- Article 23 states that all farmers receiving agri-environmental aid (REPS) must demonstrate that their Plan “shall involve more than usual good farming practice”
- Article 29 states that support for forestry shall contribute to the maintenance and development of the economic, ecological and social functions of forests in rural areas
- Article 31 states that support for the afforestation of agricultural land is conditional on planting being adapted to local conditions and compatible with the environment.

(b) Commission Regulation (EC) No. 1750/1999 which lays down detailed rules for the implementation of the above Regulation makes the following provisions

- Article 19 states “A farmer who gives an agri-environmental commitment as to one part of a farm shall adhere to at least the standard of usual good farming practice throughout the farm”
- Article 28 states “For the purpose of Council Regulation (EC) No. 1257/99 and of this Regulation, ‘usual good farming practice’ is the standard of farming which a reasonable farmer would follow in the region concerned.

Member States shall set out verifiable standards in their rural development plans. In any case, these standards shall entail compliance with general mandatory requirements”

(c) In addition, under the horizontal Council Regulation (EC) No. 1259/1999 on Commission rules for Direct Supports Schemes under the CAP, Member States must take appropriate environmental measures to ensure the protection of the environment.

The proposed manner of implementation by the DAFRD of the requirements at (a) above in relation to the CAP Plan are set down in Annex 2 which describes how Good Farming Practice is to be implemented under the CAP Rural Development Plan. The adoption of a Forestry Standard encompassing sustainable forest management and the new suite of environmental guidelines will allow the DMNR to meet the requirements at (a) above.

In relation to (b) above on direct CAP supports, the Department of Agriculture, Food and Rural Development forwarded details to the Commission at the end of December 1999 indicating how it was proposed to implement this Regulation (viz. by ensuring that minimum national and EU environmental legislation was being met). The Commission’s reply of 6 April 2000 indicated that they were currently establishing implementing rules for the horizontal Council Regulation.

Future Requirements

The implementation of the various measures contained in the Plan is without prejudice to any Commission action taken against Ireland under Article 226 of the Treaty in relation to any environmental Directive mentioned in the Plan.

Environmental Indicators of Progress for Agriculture and Forestry

A number of environmental evaluations have been carried out under the CSF as a whole in the 1994-1999 period as well as the evaluation of REPS (1999) already mentioned. Most evaluations point to a significant lack of environmental indicators across all areas of activities – not just agriculture or forestry. Indeed, the Commission is acutely aware of this problem and, specifically in relation to agriculture, they are developing common indicators to measure the effects on the environment of EU/national agricultural structural policy. In the interim, Ireland is also involved in this process and has prepared draft indicators for all measures contained in the CAP Rural Development Plan.

Description and Effects of other Measures

The proposed strategies for all structural measures have already been covered.

Areas Covered by Specific Territorial Measures

The measures in this Plan apply throughout the whole region with the following exceptions:

Compensatory Allowances

- the Naturally Less Favoured Areas are defined in the list of less-favoured areas for Ireland contained in the Annexes to Directive 85/350/EEC, Directive 91/466/EEC and Directive 96/52/EEC as last amended by Commission Decision C (1999) 709 of 23 March 1999
- no amendments to the list of less favoured areas are proposed
- it is not proposed to define Areas with Environmental Restrictions as provided for under Article 13 (b) of Regulation 1257/99.

Agri-Environment

Certain measures under REPS will be limited to farmers in certain target zones:

- Natural Heritage Areas (a national designation of sites predating, but largely overlapping, the Natura 2000 sites) (see maps at Annex 4)
- Any farmland-based Special Protection Areas (SPAs) or Special Areas of Conservation (SACs) as designated under the Habitats and Wild Birds Directives (see maps at Annex 4)
- Commonages.

Measures for target area land are mandatory for all participants in REPS. However, for participants who opt for payment on target land only, compliance with Good Farming Practice (as set out in Annex 2) on the non-target area of the holding is mandatory.

Time-Scale and Uptake

It is proposed that the 4 measures will run for the entire period of this Plan, (i.e. 2000 to 2006). The expected uptake under the Measures is shown under the Physical and Financial Indicators already mentioned in this Chapter.

4 Specific Measures

The measures to be implemented under the Plan and Total Public Funds involved (including the EU element) are as follows:

Measure (Appropriate Article in Council Regulation (EC) No. 1257/99)	Total Public Funds Allocated .m	Total Public Funds Cofinanced .m	EU element <input type="checkbox"/>	Rate of cofinancing %
(a) Early Retirement (Articles 10.1 and 10.2)	764.6	693.1	369.9	75% for Year 2000. 50% for 2001-2006
(b) Compensatory Allowances (Article 14)	1,490.7	870.2	435.1	50%
(c) REPS (Article 22)	2,039.9	1,644.1	1,233.1	75%
(d) Forestry (Article 31)	687.9	467.7	350.8	75%
(e) Evaluation	4.9	—	—	—
Total	4,988.0	3,675.1	2,388.9	—

N.B.The detailed Indicative Financial Tables are at Chapter 8

Article 35.2 (b) of the Commission Implementing Regulation (EC) No. 1750/1999 provides that certain “Main Features” of the Measures as laid down in the Annex to the Implementing Regulation can only be amended through the STAR Committee procedure.

Where these Main Features occur in this Section, they are denoted by a .

Any “Other Elements” can be amended by the Monitoring Committee and notified to the Commission.

(a) Early Retirement

Introduction

As indicated at Chapter 3, the strategy for developing the agriculture sector in the coming period includes emphasis on improving farm structures (viz. age of farmers, economic viability etc). The priority measures to be implemented, in line with the policy areas agreed under the Council Regulation on Support for Rural Development, include the Installation Scheme for Young Farmers (under the Structural Funds) and the Early Retirement Scheme.

The main changes proposed to the Early Retirement Scheme, which has been operating under the CAP Accompanying Measures, are as follows:

- allowing part-time farmers to be eligible both as transferors and transferees but, to be deemed economically viable, transferees must, on transfer of the holding, have a total income of at least 50 income units of which at least 20 units must be derived from farming (see under point 4 – Criteria to Demonstrate Economic Viability)
- introduction of an income limit for transferors of 200 income units (farming and off-farm), except in the case of a free and definitive transfer of the holding to a family member, where no income limit will apply
- introduction of an upper off-farm income limit for transferees of 100 income units
- reduction on a phased basis by one year at a time of the maximum age at which pension ceases to be payable from 70 to 66
- initial reduction in the maximum age of transferees from 50 to 45 and then phased reduction in each succeeding year to 40 years of age by the end of 2005
- introduction of a requirement that transferees implement Good Farming Practice (as defined in Annex 2)

1. Total Cofunded Public Allocation, including EU Contribution □□

(.m)

	2000		2001		2002		2003		2004		2005		2006		Total		EU element as % of Total Public
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	
Early Retirement ¹																	50%
Cofinanced	93.1		100.0		100.0		100.0		100.0		100.0		100.0		693.1		
Non-Cofinanced	3.1		4.0		8.8		11.2		13.5		15.5		15.4		71.5		
Total	96.2	69.9	104.0	50.0	108.8	50.0	111.2	50.0	113.5	50.0	115.5	50.0	115.4	50.0	764.6	369.9	

⁽¹⁾ A Cofinancing rate of 75% is proposed for Early Retirement for the Year 2000 only.

2. Aid Intensities and/or Amounts and Differentiation Applied

	Amounts
Farmers	€5,403 plus 338€/ha up to a maximum of 24 ha per annum
Farm Workers	€3,500 per annum

3. Eligibility Conditions

Transferor

A transferor must

- (i) be between the ages of 55 and 66 on the date of valid application for admission to the scheme (or on the date of retirement where retirement took place after 31 December 1999 and before the date of commencement of the scheme)
- (ii) have practised farming for at least ten years immediately before retirement
- (iii) be farming an area of not less than 5 hectares of UAA
- (iv) have total income (from farming and off-farm sources) of not more than 200 income units (except in the case of a free and definitive transfer of the holding to a family member, where no income limit will apply).

An applicant who is not the owner/leaseholder of the agricultural holding involved will be admitted to the scheme only if he/she is in actual joint management of the holding with the owner/leaseholder. The income of each person in joint management must be aggregated and converted to income units in determining eligibility. Each party must undertake to cease all commercial farming definitively, but only one pension will be payable.

Transferee

On the date of retirement of the transferor, a transferee must

- (i) be between 18 and 45 years of age, if the transfer takes place before 31 December 2001. The upper age limit will be reduced, by one year at a time, to 40 as in the following Table:

Date of Transfer	Upper age limit of transferee
year ending 31 December 2002	44
year ending 31 December 2003	43
year ending 31 December 2004	42
year ending 31 December 2005	41
after 31 December 2005	40

- (ii) succeed the transferor(s)/owner(s) as head of an agricultural holding which must be at least 5 hectares of UAA and meet the viability threshold mentioned below
- (iii) have an upper off-farm income limit of not more than 100 units in the tax year before the date on which the transfer documents are signed.

Farm Workers

On the date of valid application by the transferor, a worker must (or on the date of retirement where retirement took place after 31 December 1999 and before the date of commencement of the scheme), a worker must

- (i) be aged between 55 and 65 years of age
- (ii) have devoted at least half of his/her working time to farm work in the preceding 5 years and have worked on the transferor’s farm for at least the equivalent of two years full time during the four year period preceding the early retirement of the transferor
- (iii) belong to a social security system.

4. Criteria to Demonstrate Economic Viability

A total income of 50 Income Units (equivalent to 12.697 Euro approximately) is considered to be economically viable and it is proposed that on transfer of the holding, the transferee must have a total income of at least 50 Income Units of which at least 20 Units must be derived from farming.

This proposal in respect of viability is designed to ensure that from the outset, the transferee will already be viable through a combination of farm and off-farm income.

Income Units are defined for the various farm enterprises as follows:

Income Units			
Cattle 6 months to 24 months	0.6 of a unit	Pig Production Sow Breeding only	0.8 unit
Cattle over 24 months (excluding Dairy Cows required for permanent Milk Quota)	1.0 unit	Sow Breeding and Finishing	1.1 units
Horse	1.0 unit	Ewe	0.15 unit
Deer (fallow)	0.15 unit	Deer (sika)	0.30 unit
Tillage/Intensive Crops Cereals	1.0 unit per hectare	Other Crops	2.0 units per hectare
Milk Quota	1.0 unit per 1818 Litres (400 gls)	£200 gross off-farm income	1.0 unit

5. Level of Occupational Skill and Competence Required

If born after 1 January 1975, a transferee must have attended agricultural training for a minimum of 180 hours and have three years’ farming experience. If born before 1 January 1975, he/she must have been engaged in farming for at least five years.

(While all transferees must have adequate occupational skill and competence, older potential transferees are less likely to have had formal training. In some areas of the country, particularly in

less favoured areas, younger farmers with training are less likely to be available as transferees. The proposed exemption for those born before 1975 is designed to avoid a situation where potential transferors cannot find eligible transferees).

6. Description of the Total of Ongoing Contracts (from the previous period), including in Financial Terms and Procedures/Rules which apply to these

As at 31 May 2000, there were 9,103 participating farmers and 13 participating farm workers.

In addition, 340 applications from retiring farmers received by 31 December 1999, the closing date for applications, were awaiting examination. Participants are admitted to the existing scheme with effect from the date on which a valid application is received in the Department. The applications on hands will be examined, and, if they are found to be in order, the applicants will be admitted to the existing scheme with effect from the dates on which their applications were received and will be subject to the terms and conditions of that scheme. Because payments under the scheme are related to the area of the holding transferred, it is not possible at this point to estimate precisely the ongoing cost of these commitments. On the basis of the applications received by 31 December 1999, but not yet processed by 31 May 2000, it is estimated that a further 250 of these will prove to have been valid as at 31 December 1999. On the basis that an average pension paid in the 1998-99 FEOGA year was the equivalent in IR£ of :.10,734, the projected cost in the 1999/2000 FEOGA year, including those still to be validated will be approx. :.88.22m in total. The cost of those approved at 31 December 1999 will further decrease to :.79.05m in 2001, :.69.12m in 2002, :.58.34m in 2003, :.46.27m in 2004, :.33.84m in 2005 and :.23.12m in 2006.

7. Conditions Concerning Transferor, Transferee, Worker and Land Released

Transferor must

- (i) stop commercial farming definitively and not return to commercial farming at any future date. Transferors must dispose of the holding, which must be at a minimum 5 hectares of utilisable agricultural areas (UAA). They may, however, retain the buildings and a maximum 1 hectare of UAA, which may not be used for commercial farming purposes
- (ii) transfer the holding, together with the relevant farm buildings, and the quota rights associated with the farm by sale, lease or gift to a farming transferee who satisfies certain conditions. Where a transferor has quota rights, these must be disposed of subject to the rules relating to quota transfers. Where a farming transferee cannot be found, the holding may be disposed of without quota rights to a non-farming transferee to be used for non-agricultural purposes, forestry or the creation of ecological reserves, or the land can be reassigned by the transferor to non-agricultural purposes, forestry or the creation of ecological reserves. This is in line with the provisions contained in the new Council Regulation on Support for Rural Development.

Transferee (farming) must

- (i) undertake to practise farming for a period of 5 years or for as long as the pension is granted to the transferor, whichever is the greater, provided that

- (a) if, within that period, the transferee who has acquired ownership of the lands disposes of them to another qualifying transferee, the transferor's pension may continue to be paid
- (b) if, after 5 years, the lands are disposed of with the transferor's agreement to a party who is not another qualifying transferee, the pension will cease but payments already made may be retained

(ii) comply with Good Farming Practice (See Annex 2)

(iii) reside within 70 miles of the holding.

Transferee (non-farming) including a corporate body must

- (i) take over all or part of the released land and use it for non agricultural purposes, forestry or the creation of ecological reserves for a period of five years or for as long as the early retirement aid is granted to the transferor, whichever is the greater
- (ii) conform with Good Farming Practice as set down in Annex 2.

8. Type of aid

The pension will be a flat rate per annum for the equivalent in Irish pounds of 5,403 Euros plus 338 Euros per hectare to a maximum of 24 hectares. This will give a pension rate as follows (Table is for illustrative purposes) :

Area of Farm Transferred (Hectares)	Pension (€)	Pension (IR£) (1€ = IR£0.787564)
8	8,107	6,385
12	9,459	7,450
16	10,811	8,514
20	12,163	9,579
24	13,515	10,644

Farm workers, including relatives displaced following the cessation of farming, may be eligible for a pension of the equivalent in Irish pounds of €3,500 per year.

9. Description of National Retirement and Early Retirement Systems

Description of National Retirement and Early Retirement Systems

Pre-Retirement Allowance: This voluntary scheme was introduced in March 1990 and is available to those, including farmers on very low income, between the ages of 55 and 66 years receiving long term unemployment assistance for 390 days payable at a maximum of £73.50 p.w. (£3,822 pa) for a single person. Under the Pre-Retirement Scheme the same rates of benefits are maintained for beneficiaries who are regarded as retired rather than unemployed. Farmers are not

specifically required to cease farming under the scheme while other beneficiaries are not allowed to take up employment. Benefits under the scheme are subject to the same means test as for unemployment assistance and are related to the amount of net income. At present no allowance is paid if net income exceeds £74.00 p.w. This payment ceases on reaching age 66.

Retirement Scheme for the Self-Employed: A pension scheme for all self-employed people – including farmers – was introduced in 1988. Under this scheme the self-employed are entitled to a pension on reaching the age of 66 provided that they have paid PRSI (Pay Related Social Insurance) contributions for at least 10 years. As the scheme was only introduced in 1988, some older farmers are not eligible for this pension owing to an inability to meet the minimum 10 years' contributions before reaching the age of 66. To redress this a pro-rata reduced rate was introduced in October 1999.

Non-Contributory Old Age Pension: It is open to everyone on reaching 66 years of age to apply for this pension. Eligibility is assessed on the basis of a means test. The maximum pension rate for an individual is £85.50 p.w. (£4,461 p.a.).

Contributory Old Age Pension: This is a social insurance-related payment made to people on reaching 66 years of age. Recipients may continue working. To be eligible, a person must have or have had insurable employment and have:

- started paying Pay Related Social Insurance (PRSI) before reaching age 56
- have at least 156 weeks PRSI contributions paid and
- a yearly average of at least 48 weeks PRSI paid or credited since 1979 to the end of the tax year before reaching 66 years or
- a yearly average of at least 10 weeks PRSI paid or credited since 1953.

For the maximum pension, an average of 48 weeks PRSI contributions over the previous 10 years is required. This pension is not means tested and, therefore, entitlement is not affected by other income such as an occupational pension.

Reduced Rate Pension: If a person fails to qualify for a standard rate Old Age (Contributory) Pension, or Retirement Pension for the Self-Employed, he/she may still qualify for:

- *Special Partial Pension:* This type of pension is applied if Social Insurance was paid early in people's careers who then came back into social insurance cover on 1 April 1974 and their yearly average of contributions was too low to qualify for a full pension. They must have an average of at least 5 full rate contributions paid per year.
- *Pro-Rata Pension:* If social insurance has been paid in a country covered by EU Regulations, then a pension may still be paid. This pension would be based on a combination of Irish Social Insurance and Social Insurance in residence outside Ireland.
- *Mixed Insurance Pro-Rata Pension:* this pension may be paid if a person has a mixture of full rate and modified rate Social Insurance contributions.

These reduced rate pensions will basically be paid where someone has a yearly average of between 10 and 19 weeks full rate PRSI paid.

Widow's or Widower's Contributory Pension: This pension is a social insurance payment for both widows and widowers. The pension is not affected by any other income a person might have. A person can qualify if they are widowed and satisfy the PRSI contributions conditions.

A pension may be based on either an applicant's or their late spouse's PRSI contributions. To qualify you must have:

- at least 156 weeks PRSI paid to the date pension age was reached or to the date the spouse died, if earlier and
- either an average of 39 weeks PRSI paid or credited over the 3 or 5 tax years before they died or reached pension age or
- for a minimum pension, a yearly average of at least 24 weeks PRSI paid.

Widow's or Widower's Non-Contributory Pension: If a person is widowed and not entitled to a Widow's or Widower's (Contributory) Pension, they may be entitled to a Widow's or Widower's Non-Contributory Pension. They can qualify if they are widowed, living in the state and satisfy a means test. This pension will continue to be paid after reaching age 66. There is no obligation on a person to change to an Old Age Pension but they can do so if they wish. However, there is no monetary difference between the two pensions.

Invalidity Pension: An invalidity pension is payable instead of Disability Benefit if a person has been incapable of work for at least 12 months. In order to qualify one must be regarded as permanently incapable of work and satisfy the PRSI contribution conditions. Invalidity Pension is payable as long as a person is permanently incapable of work. Once a person reaches age 66, he/she can transfer to an Old Age Contributory Pension. However, he/she is under no obligation to do so and can continue for as long as they wish on the Invalidity Pension.

Retirement Pension: A Retirement Pension is a social insurance payment made to people reaching age 65 who satisfy certain conditions. The pension is not means tested and entitlement is not affected by other income. To qualify a person must be aged 65 and satisfy the social insurance contribution conditions. When a person reaches age 66, he/she can transfer to an Old Age Contributory Pension. However, he/she is under no obligation to do so and can remain on the Retirement Pension for good. There is no monetary difference between the two pensions.

Deduction of National Pensions awarded from Early Retirement Pension:

Early Retirement support shall be granted as a supplement taking into account the amount of any national retirement pension to which the transferor is entitled. All applicants for the early retirement scheme (including those in joint-management – even though only one pension may be payable) must have applied for any normal retirement pension paid by the State to which they may be entitled and must notify the DAFRD of the outcome of their application. If they become entitled to any such pension after they enter the Early Retirement Scheme, they must apply for it and notify the Department of the outcome of their application.

10. Duration of Aid

The pension will be paid for not more than 10 years after the date of valid application for admission to the scheme but in any event will not be paid beyond the age of 70 for those transferors entering the scheme in the year ending 31 December 2000. The maximum age for payment will be reduced for those entering the scheme in each succeeding year, as follows:

Year of entry to Scheme	Age at which pension ceases to be payable
year ending 31 December 2001	69
year ending 31 December 2002	68
year ending 31 December 2003	67
from 1 January 2004	66

If the transferor, or any of the persons who were involved in the management of the agricultural holding at the time of valid application, qualifies for a national retirement pension – which must be applied for three months prior to reaching 66 years of age – the EU pension will be reduced by this amount. If the transferor dies within the period of the pension, the pension may be payable to his or her dependant. Entitlement to the pension for the balance of the period will be contingent on full compliance with the conditions of the scheme by the transferor’s dependant and the transferee. The transfer of an early retirement pension to a dependant will be subject to the resulting total annual income not exceeding the maximum of the pension and the average industrial wage as determined by the Central Statistics Office.

Where a worker dies within the period the pension is payable, entitlement to the pension for the balance of the period, provided the conditions regarding transferor/transferee and released land continue to be met, may be transferable to the spouse and/or dependent relatives subject to the resulting total annual income not exceeding the maximum of the pension and the average industrial wage as determined by the Central Statistics Office.

(b) Compensatory Allowances

Introduction

As indicated at Chapter 3, it is intended to continue to provide income support to farmers in less favoured areas with a view to maintaining the population in these areas and to help provide adequate levels of incomes for farmers in these areas. This is in line with the provisions contained in the new Council Regulation on Support for Rural Development.

1. Total Cofunded Public Allocation, including EU Contribution □□

(.m)

	2000		2001		2002		2003		2004		2005		2006		Total		EU element as % of Total Public
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	
Compensatory Allowances																	50%
Cofinanced	90.2		130.0		130.0		130.0		130.0		130.0		130.0		870.2		
Non-cofinanced	64.7		98.6		97.3		94.7		88.4		88.4		88.4		620.5		
Total	154.9	45.1	228.6	65.0	227.3	65.0	224.7	65.0	218.4	65.0	218.4	65.0	218.4	65.0	1,490.7	435.1	

2. Aid Intensities and/or Amounts and Differentiation Applied

□

For the Year 2000

In line with the transitional rules adopted by the Commission, Compensatory Allowances will continue to be paid on a headage basis in 2000 under the same terms and conditions as applied in 1999 as follows:

A.	<i>More Severely Handicapped Areas</i>	<i>Livestock Units</i>	<i>Rates/L.U. Equivalent in IR£ of</i>
A.1	Beef Cows	1-40	∴ 106.66
A.2	Other Cattle (2)	1-8	∴ 50.79
		9-30	∴ 41.90
B	<i>Less Severely Handicapped Areas and Coastal Areas with Specific Handicaps</i>		
B.1	Beef Cows	1-30	∴ 95.23
C.	<i>Sheep, Goats and Equines – All Disadvantaged Areas</i>	<i>Numbers</i>	<i>Rates/LU Equivalent IR£ of</i>
C.1	Hogget Ewes		∴ 101.58
	Mountain Breeding Ewes (3)	1-200	∴ 93.11
	Female Breeding Goats		∴ 84.64
C.2	Equines (1)	1-8	∴ 88.88
		9-30	∴ 83.80

Notes

(1) Confined to mares registered with the Connemara Pony Breeders' Society and/or in the Irish Horse Register. Applicants may receive payment on up to 30 mares in addition to grants on cattle and sheep, subject to an overall limit of 5,078.95 euros.

(2) Herdowners in the More Severely Handicapped Areas can qualify under A.1 (on beef cows), C.2 (on equines) and A.2 (on other cattle) subject to an overall limit of 5,078.95 euros. In the case of herdowners producing milk for sale, payment on dairy cows is limited to 10.

(3) Confined to certain breeds and crosses of hardy type sheep. No applicant may receive payment on more than 200 ewes and goats combined.

The total amount of the allowances granted may not exceed 113.79 euros per forage hectare in respect of beef cows and/or equines and/or goats, or 138.05 euros per forage hectare in respect of sheep, plus 71.09 euros per forage hectare in respect of cattle other than beef cows, subject to an overall stocking rate of 1.4 Livestock Units per forage hectare. The total amount of animals to be paid on any holding may not exceed 120 L.U.s with the first 60 to be paid full rate and the next 60 half rate with forage area limits to be halved accordingly on L.U.s over 60.

Calculation of Livestock Units

Bulls, Cows and other bovines over 2 year old	= 1 LU
Registered Breeding Mares	= 1 LU
Bovine animals aged 6 months to 2 years	= 0.6 LU
Sheep and Goats	= 0.15 LU

General Terms and Conditions include:

- a minimum area to be farmed of 3 hectares
- compliance with Good Farming Practice (see Annex 2)
- compliance with the Hormones Directive 96/22/EC and 96/23/EC (see sanctions for non-compliance under Compensatory Allowances controls and sanctions in Chapter 5)
- an undertaking to continue farming activity in a less-favoured area for at least five years from the first payment of compensatory allowance.

For the years 2001-2006

Article 15 of Council Regulation 1257/99 provides that compensatory allowance payments shall be duly differentiated, taking into account among other things, the development objectives peculiar to a region, the severity of the natural handicap affecting the farming activities, and the economic structure of holdings. Ireland proposes differentiating payments by reference to whether the land is designated More Severely Handicapped (lowland) Less Severely Handicapped (lowland) or mountain type land. In order to attract payment the land in question must be claimed annually as forage area on an Area Aid application. Payment will not be made on land which does not meet the criteria for designation as “forage” under the Integrated Administration and Control System. The control regime applicable to the scheme is the regime applicable under the IACS system.

The following payment levels will apply:

More Severely Handicapped (lowland)

∴89 per hectare on up to 45 hectares

Less Severely Handicapped (lowland)

∴76 per hectare on up to 45 hectares

Mountain Type Grazings

∴57 per hectare on up to 60 hectares

Where a farmer farms a combination of the above lands he will be paid on lowland (more severely handicapped) first, lowland (less severely handicapped) next and mountain grazings last.

If a farmer only has lowland (more severely handicapped) and/or lowland (less severely handicapped) his/her overall limit is 45 hectares. If he/she has a combination of lowland (more severely handicapped) and/or lowland (less severely handicapped) and some mountain type land, he/she will be paid on up to 45 hectares lowland and up to an extra 15 hectares mountain grazing subject to an overall limit of 60 hectares.

If a farmer only has mountain type land his overall limit is 60 hectares.

Phasing in of the new payments system

In order to phase in the new system and to avoid undue impacts on participating farmers in 2001, producers will receive an area based payment calculated in accordance with the rules outlined in this plan plus, where necessary, an additional sum equal to 90% of the difference between that sum and the average sum under the 1998, 1999 and 2000 Less Favoured Areas' Headage Schemes. In 2002 and 2003, the factor will be 80% and 50% respectively. A review of the operation of the scheme will be undertaken in 2003 with a view to agreeing appropriate adjustments to the scheme from 2004.

Definition of eligible hectare

An eligible hectare is each hectare of land or part thereof, subject to a minimum of three hectares, which is claimed as forage area on an Area Aid application, which is designated as More Severely Handicapped (lowland) Less Severely Handicapped (lowland) or Mountain Type Grazings and which is used for grazing of cattle, sheep, horses, goats or deer.

Minimum stocking densities

To prevent problems of undergrazing and to ensure that the land is being farmed, minimum stocking levels will apply. The minimum stocking levels will be 0.151u equivalent/ha in all areas. The stocking densities to be taken into account for this purpose will be the average stocking density on the holding for the calendar year preceding the year of application for compensatory allowance. Where the minimum stocking densities are not respected, no compensatory allowance will be payable. The minimum stocking density requirements will not apply in cases where agri-environment or other recognised environmental measures require a lower stocking density.

Applicants for compensatory allowances will be required to:

- be a registered herdowner i.e. a person who currently holds a herdnumber issued by the Department of Agriculture, Food and Rural Development
- occupy and farm a minimum of 3 hectares of forage land in a disadvantaged area
- reside within daily commuting distance (70 miles) of the holding on which compensatory allowance is being claimed
- undertake to remain in farming for 5 years from the first payment of a compensatory allowance
- comply with Good Farming Practice as set out in an Annex 2 to the Plan
- comply with the Hormones Directives 96/22/EC and 96/23/EC (see sanctions for non-compliance under Compensatory Allowances controls and sanctions)

Splitting of existing holdings or creation of new holdings

The splitting of holdings to create two or more farm units or to enlarge existing holdings so as to facilitate the drawing down of extra payments beyond the limits for an individual holding will be scrutinised on a case by case basis to determine whether they have been artificially created with a view to obtaining an advantage contrary to the objectives of the scheme. No payment shall be made in favour of beneficiaries for whom it is established that they artificially created the conditions necessary for obtaining such payment.

This plan covers the period 2001-2006 with the existing headage based scheme in place for year 2000 under the transitional arrangements allowed under the regulations.

3. Description of the Total of Ongoing Contracts (from the previous period), including in Financial Terms, and Procedures/Rules which apply to these.

Expenditure of approximately £11m committed in the 1999 Compensatory Allowances Scheme will be made in the year 2000 out of FEOGA Guarantee.

4. (a) Usual Good Farming Practice

See Annex 2 regarding the definition and monitoring of Good Farming Practice.

(b) Measures to Combat Overgrazing

See details as set out in Chapter 1 in relation to Agriculture and the Environment.

5. Justification for Modulation

-
- (i) Compensation for naturally less-favoured areas (Article 13 Point (a) of the Council Regulation) only are proposed. See Chapter 1 for details on these.

It is proposed to continue with a modulation based on the differentiation of areas as detailed under 2 above (Aid Intensities) and at Chapter 1.

- (ii) It is not proposed to grant Compensatory Allowances higher than the maximum cofinancable in accordance with the flexibility allowed under Article 15(3), second subparagraph of the Council Regulation.

6. Other Eligibility Conditions

- The minimum surface to be farmed is 3 hectares
- In the case of common pastures, allowances per hectare will be paid on the percentage share of commonage owned.

(c) Agri-Environment (REPS)

Introduction

As outlined in Chapter 3, one of the main objectives for agriculture and related rural development in Ireland under the National Development Plan is to foster environmentally sustainable systems of production. The continuation of the Rural Environment Protection Scheme will play a major role in achieving that objective.

Taking account of the major Evaluation of the REPS in 1999 as well as the Ex-Ante Evaluation of the new proposals, the main changes proposed to the REPS, are as follows:

- introduction of an additional 10% incentive for smaller farmers (who have been under-represented to date) to participate by a higher rate of payment confined to holdings of not more than 20 hectares
- allowing farmers, who opt not to join the general REPS programme but who have land in a target area, to be paid on the target land at the rate for target area land (and up to a maximum eligible area for payment of 10 hectares) but they must implement Good Farming Practice on all of the holding
- incorporation of the former Supplementary Measure A (for targeted areas) into the General REPS Programme thus reflecting its mandatory basis.

1. Total Cofunded Public Allocation, including EU Contribution □□

(.m)

	2000		2001		2002		2003		2004		2005		2006		Total		
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	EU element as % of Total Public
REPS																	75%
Co-financed	208.8		217.9		226.1		234.5		243.3		252.3		261.2		1,644.1		
Non-cofinanced	71.0		45.4		62.0		60.4		57.4		53.8		45.8		395.8		
Total	279.8	156.6	263.3	163.4	288.1	169.6	294.9	175.9	300.7	182.5	306.1	189.2	307.0	195.9	2,039.9	1,233.1	

2. Aid Intensities and/or Amounts and Differentiation Applied^(a)

	Amount
<i>General REPS Programme</i> ⁽ⁱ⁾	
Non Target Land	151 Euro/ha up to a maximum of 40 ha
Non Target Land – Small Holdings	165 Euro/ha where holding is less than or equal to 20 ha (includes incentive of additional 10%)
<i>Measure A</i> ⁽ⁱⁱ⁾	
Target Land	242 Euro/ha (up to 40 ha)
(NHA/SPA/SAC and commonage land)	24 Euro/ha (40 to 80 ha) 18 Euro/ha (80 to 120 ha)
Target lands only in REPS; Good Farming Practice to apply on all of the holding (Annex 2) ⁽ⁱⁱⁱ⁾	payment rates applicable to target land (242 Euro/ha) up to a maximum eligible area for payment of 10 hectares only
<i>Supplementary Measures</i>	
Rare Breeds	– once-off payment of 400 Euro per registered female bovine/equine – once-off payment of 60 Euro per registered female ovine
Long-Term Set-Aside	724.5 Euro/ha up to a maximum of 2.5 ha
Organic Farming (>3 ha)	181 Euro/ha in conversion (maximum 40 ha) 91 Euro/ha organic status (maximum 40 ha)
Organic Farming (≤3 ha)	242 Euro/ha in conversion 121 Euro/ha organic status

(a) Where the baseline of Good Farming Practice, as defined in Annex 2, is subsequently increased by the introduction of additional legislation, REPS payments will be adjusted where necessary for applicants subject to this new legislation.

Notes on Cumulation of aid

- (i) Cumulation of aid allowed with only any one of the Supplementary Measures
- (ii) Cumulation of aid allowed only with the Rare Breeds Supplementary Measure
- (iii) No accumulation of aid allowed.

Notes on any changes to existing rates of aid

The above aid intensities represent a no change situation from the former scheme, with the following exceptions:

Non Target-Area land – Small Holdings

165 euro/ha. per annum where the total area of the holding is equal to or less than 20 hectares. This represents an increase of 14 euro/ha. per annum on the existing rates of 151 euro/ha. but

only for holdings of 20ha. or less. The additional payment is based on a higher incentive element in an effort to attract more small farmers (who have been under-represented to date) into the scheme as recommended in the evaluation report on the REPS scheme.

Supplementary Measures

Rare Breeds:

Once-off payment of 400 Euro per newly registered female bovine/equine

Once-off payment of 60 Euro per newly registered female ovine

Under the scheme to date an annual payment of 120.8 euro per registered animal per annum was payable. The emphasis in the new proposal is to compensate for female animals only in an effort to maintain and increase the breeding stock of the breeds concerned.

The proposed payment rates represent a reduction in real terms. Existing rates apply to all registered animals of the breed concerned. Over the five year period of the preceding scheme a payment of 604 euro per registered animal applied. This proposal reduces the payment to 400 euro for bovines and equines and to 60 euro per ovine. Additionally, payment will only be made in respect of female registered animals, and not on all registered animals, as heretofore.

Long-Term Set-Aside

Proposed payment rate is 724.5 euro/ha, as heretofore.

While the Annex to Regulation 1257/99 sets a maximum co-financable payment of 450 euro/ha for other land uses, it is proposed to maintain payment at the rates previously paid. The amount of the payment in excess of the maximum permitted under the Regulation i.e. 274.5 euro/ha will be treated as non-cofinanced expenditure.

3. Eligibility Conditions

To be eligible to participate in the General Programme, a farmer shall:

- be farming at least 3 hectares owned or leased, or 1 hectare in the case of small scale organic fruit or vegetable producers (excluding areas under associated tourism and craft activities)
- undertake to implement the measures appropriate to the General REPS Programme as specified in 4.1 below.
- include all of the land farmed (owned, leased, rented or used) by him/her in the Agri-Environmental Plan
- include all Integrated Administration and Control System (IACS)/Land Parcel Identification System (LPIS) number(s) in the Agri-Environmental Plan
- have a farm unit which has not been converted or created for the purpose of claiming or increasing payments under the scheme
- submit an application accompanied by an Agri-Environmental Plan prepared by an approved planner/planning agency detailing the measures to be carried out over the period of the plan.

4. Details of Scheme Including Precise Detail of Obligations on Farmers and any other Conditions of Agreements □□

□ The proposed new scheme is closely modelled on the existing scheme in accordance with the recommendation in the evaluation report furnished to the Commission in July 1999 (any changes to the existing scheme are identified). It will consist of

1. A General Programme for all applicants consisting of
 - (i) a set of mandatory undertakings required in respect of their entire farm holding, i.e. Measures 1-11 as outlined below
 - (ii) additional mandatory undertakings, i.e. Measure A. where they have land in certain areas being targeted as environmentally sensitive. The target lands are detailed below.
2. Provision for target land (other than commonages) farmed outside the General REPS Programme

A new provision allowing farmers who have some target area land but who opt not to participate under the General REPS Programme to operate Measure A on their target area land. The objective of this provision is to maximise the amount of target area land farmed to the REPS specification.
3. Supplementary Measures (detailed below) any or all of which can be undertaken by General REPS Programme participants but for which cumulation of aid with the General Programme is allowed for only one Supplementary Measure. Only the Rare Breeds Supplementary Measure can be combined with Measure A.

1. General Programme

(i) General Programme participants must comply with the following measures in respect of the total area of their holding for a five year period:

- | | |
|------------|--|
| Measure 1. | Follow a farm nutrient management plan to REPS specifications for the total area of the farm. |
| Measure 2. | Adopt a grassland management plan that avoids poaching, soil erosion and overgrazing. |
| Measure 3. | Protect and maintain watercourses and wells. |
| Measure 4. | Retain wildlife habitats such as, woodlands, wetlands, natural and semi natural vegetation. |
| Measure 5. | Retain and maintain boundary and roadside fences, stone walls and hedgerows in the interests of stock control, wildlife and the scenic appearance of the area. |
| Measure 6. | Cease using herbicides or pesticides and fertilisers in or around hedgerows, ponds and streams, except with specific approval. |
| Measure 7. | Retain and maintain any features of historical or archaeological interest. |
| Measure 8. | Maintain and improve visual appearance of farm and farmyard. |
| Measure 9. | Produce tillage crops leaving a specified field margin and without burning straw or stubble. |

Measure 10. Become familiar with environmentally friendly farming practice.

Measure 11. Prepare, monitor and update agri-environmental plan and keep such farm and environmental records as may be prescribed.

Farmers in the general REPS programme will be obliged to carry out their farming activity in accordance with farming conditions relevant to land classification. The permitted level of total nitrogen for grassland shall not exceed 260kg/ha. The permitted level of nitrogen from animal and other wastes on the same area shall not exceed 170kg/ha. The planner shall identify plots within the farm where stock carrying capacity must be further restricted in accordance with the marginal nature or environmental sensitivity of such areas.

The permitted level of phosphorous application shall be complied with as set down by the planner on soil test report forms. The participant must follow the scheme conditions relating to the collection, storage and disposal of animal manures and other wastes and implement a fertiliser and manure programme based on soil analysis and crop requirements.

(ii) Measure A

This represents a change to the existing scheme by incorporation of the existing Supplementary Measure A into the General REPS Programme and thus emphasising its mandatory status. No change in the actual farming conditions or rates of payment is proposed. The objective of Measure A is ‘to provide a comprehensive approach to the conservation and/or regeneration of designated target areas’. These Target Areas comprise

- Natural Heritage Areas (NHAs) proposed or designated by the Minister for Arts, Heritage, Gaeltacht and the Islands;
- NATURA 2000 Sites, i.e. farmland-based Special Areas of Conservation (SACs) designated under Council Directive 92/43/EEC on the Conservation of Natural Habitats or Special Protection Areas (SPAs) designated under Council Directive 79/409/EEC on the protection of Wild Birds;
- Commonages.

Farmers holding lands in Target Areas are obliged to comply with specific requirements as a condition of participating in the scheme. Individual REPS plans for farmers with lands in Target Areas are to be prepared by an approved planner and an environmentalist, and will provide for:

- stocking regime for sheep and other stock, including limits on numbers
- conditions for the conservation of landscape and other environmental features
- restrictions on use of inputs and control of unwanted scrub and plants
- measures to regenerate overgrazed areas of land and appropriate monitoring
- specific conditions relating to cultivation on machair
- where necessary, additional conditions may be added to the agreement to cover particular environmental needs
- appropriate conditions for the protection of Birds listed in the Birds and Habitats Directives (such conditions shall comply with the minimum requirements of the Directives).

Participants in non commonage NHAs, SACs and SPAs must comply with the farming conditions for these specific areas. Agreed farming conditions for certain specific habitat types, such as conditions for the conservation of

- the Burren
- blanket bogs, heaths and upland grasslands
- sand dune and machair areas

shall be complied with. For habitat types for which no agreed farming conditions exist, appropriate environmental conditions shall be set down by the approved planner in consultation with Dúchas (Department of Arts, Heritage, Gaeltacht and the Islands). In circumstances where no farming conditions are set down for specific habitat types, appropriate environmental conditions shall be set down by the approved planner in consultation with an environmentalist.

REPS plans which include Commonage must comply with the Framework Plan prepared for each Commonage as approved by both the Department of Agriculture, Food and Rural Development and the Department of Arts, Heritage, Gaeltacht and the Islands. Framework Plans are being prepared by specially trained teams consisting of an agronomist and an environmentalist and they set down the farming conditions and sustainable stocking densities for each Commonage. Where necessary, the Framework Plan will set down conditions to allow for the regeneration of degraded areas. Pending the availability of Commonage Framework Plans, interim destocking arrangements were put in place in November/December 1998 which required an immediate 30% reduction in sheep numbers on all Commonages in the six western counties where overgrazing had been identified. As a result sheep headage and ewe premium in 1999 for those producers who were not participating in REPS was reduced by 30%. As the Commonage Framework Plans have not yet been finalised, the reduction in headage and premia will continue to apply for year 2000 and participation under the interim conditions is conditional on the agri-environmental plan being revised to conform with the Commonage Framework Plans when completed.

2. Provision for Target Land Farmed outside the General REPS Programme

Farmers with land in a Target Area (other than commonage land) who opt not to participate in the general REPS programme may opt for payment, at the rate for Target Area land, on target land only (up to a maximum eligible area for payment of 10 hectares), subject to complying with the following conditions:

- farm all the land in the Target Area in accordance with the Measure A of the General REPS programme applicable to such land
- implement Good Farming Practice on all of the holding
- submit documentation and maintain records as specified.

3. Supplementary Measures

Supplementary Measures are proposed for farmers who wish to undertake further environmentally friendly farming activities. Participants in the REPS programme may undertake any or all of these supplementary measures but may receive payment for only one of them. The conditions applying to these are as follows:

Rearing Animals of Local Breeds in Danger of Extinction

- the participant must be a member (breeder) of an approved breed society
- payments will be made in respect of registered pure-bred females only
- a retention period of 100 days for each animal from the date of lodgement of the registration certificate with the Department.

Long Term Set-Aside (20 years) – Riparian Zones (co-financable up to 450 euro/ha; balance of proposed rate i.e. 274.5 euro/ha will be non cofinanced)

Participants setting aside land for a riparian zone shall

- follow the conditions laid down for the management of that zone
- provide shade to overly exposed designated river channels to stabilise riverbanks and to intercept nutrients transported in overland flow
- not use such land for agricultural production.

Organic Farming

- participants must be engaged in the production of organic crops and/or animals intended for human consumption and
- must comply with the conditions of Council Regulation (EEC) No. 2092/91 as amended and register with the Department of Agriculture, Food and Rural Development as an organic operator and be subject to annual inspection
- where livestock production is undertaken products shall meet the requirements as currently set out by approved organic farming bodies pending the coming into force of Council Regulation 1804/99, the provisions of which shall be mandatory
- where livestock production is undertaken, eligibility for aid will be determined on the basis of a minimum stocking density of animals intended for human consumption of 0.5 LU / hectare of the forage area. Applicants whose holdings include commonage lands/grazing rights can only use such land or rights for non-livestock enterprises.

Training under REPS (non cofinanced and notifiable as a State Aid)

The provision of training in farming practices compatible with good environmental practice is an important requirement of the scheme. Farmers need to be made aware that some farming practices which have evolved can have damaging effects on the environment. It is also essential that training be provided for planners to ensure that they have a thorough knowledge and understanding of the scheme and are fully aware of their responsibilities as professional planners.

The integration of forestry and REPS will be facilitated by the provision of training/guidance by the Department of Agriculture, Food and Rural Development and the Department of the Marine and Natural Resources for REPS planners on the criteria to be applied on prioritisation of land use between forestry and agriculture. Such criteria would include landscape, pollution control, carbon sequestration, wildlife and productivity/suitability of land for forestry and agriculture.

It is proposed to continue the current system of education/training courses, with provision for modification or updating as appropriate, as set out on page 109.

(i) Training for Professionals

Training for professionals falls into two categories:

- REPS Appreciation Courses
- REPS Seminars.

REPS Appreciation Courses are intended for new or existing planners who wish to seek ‘approved planning agency’ status for REPS. The initial courses typically run for 3 days and are presented by the Department of Agriculture, Food and Rural Development at regional venues. Additional tutors from other Government Departments or expert organisations are also used to cover particular aspects of the REPS scheme. A strong emphasis will be placed on the role of habitats and the need to provide appropriate protection for such areas in the event of areas of the farms being identified as suitable for forestry.

The objectives of the courses are to ensure that participants receive:

- an in-depth understanding of the scheme’s objectives and measures
- understanding of scheme requirements and regulations in general and under the individual measures
- an appreciation of their responsibilities as planners and planning agencies under the REPS scheme
- general scheme information, clarification of issues, etc.

REPS Seminars will continue to be held as a follow-up to these courses, with the intention of updating planners and agencies on developments under the scheme. They also allow the Department to clarify aspects of the regulations, explain changes and provide a forum for discussion of issues.

(ii) Training for Farmers

Under the scheme, farmers will be required to attend approved education courses. The courses are run in local venues around the country by approved planning agencies and must be approved in advance by the Department of Agriculture, Food and Rural Development.

These courses are designed to provide new or prospective applicants to the REPS scheme with:

- an introduction to the scheme and an understanding of its objectives and measures
- explanation of scheme requirements in general and under the individual measures, covering areas such as nutrient management, farming practices, record keeping, etc.
- general scheme information such as compliance checks and penalty provisions
- education on the consequences of agricultural pollution and its avoidance
- an appreciation of the importance and preservation of National Heritage Areas, Natura 2000 sites, archaeological features, wildlife habitats, etc.
- a practical demonstration involving a visit to an approved REPS demonstration farm.

Courses may be augmented by additional subjects depending on local or regional conditions and farming practices. However, each course must meet a standard set of criteria, including a minimum of 20 hours duration and a minimum attendance of 25 named participants. The course

must include presentations by at least one agriculturist and one environmentalist and other tutors/speakers may be used to cover specialist areas as required.

All such courses must be approved by the Department in advance and full details of course tutors, participants and syllabus must be provided. An administrative check is carried out to ensure that all of the standard criteria have been met before approval is given to the planning agency to hold the course. In addition, courses are chosen for spot checks, carried out by the Department's regional staff. Courses may be chosen at random or based on perceived risk factors, such as number of courses run by a particular organisation, previous record, etc. The Department intends to continue these on-the-spot checks at the current level of approx 25% to 35% of all courses approved.

It is proposed to continue the current system of 20 hour REPS training courses, with a revision to the basic approval criteria requiring an appropriately increased emphasis on 'targeted areas' in line with the revised scheme. The cost of delivering such courses is 2,475 Euro per course and it is projected that 300 courses would be held annually at a total projected cost of 742,500 Euro. It is proposed to retain the current payment rate of 124 Euro (These courses will not be cofunded by the EU).

Demonstration Farms: Demonstration farms provide opportunities for participants in the scheme to see and examine how a model environmentally friendly farm is operated. Visits to these farms would form an integral part of education programmes. It is anticipated that there would be about fifty of these demonstration farms supported by approximately 1,526 euro per farm amounting to a total of 76,300 euro per annum when all the farms are operational. It is further envisaged that costs in the order of 100,000 euro will have to be met in the preparation and publication of information booklets, videos etc. to augment the educational programme.

5. Description of the Total of Ongoing Contracts (from the previous period), including in Financial Terms, and Procedures/Rules which apply to these.

Total Public Cost

	2000		2001		2002		2003		2004	
	No.	Total public cost	No.	Total public cost	No.	Total public cost	No.	Total public cost	No.	Total public cost
Commitments terminated before 31/12/1999 and extended for one year ¹	227	1.055m								
Commitments entered into before 1 January 2000 where application submitted before 30 July 1999 ²	42,317	185.382m	21,700	118.720m	13,000	70.470m	4,617	22.220m		
Commitments entered into before 1 January 2000 where application submitted after 30 July 1999 ³	4,273	22.347m								

(1) Former scheme terms and conditions apply for extension period and new scheme terms and conditions approved under Council Regulation No. 1250/99 apply to new full 5 year commitments. Extension cost only shown above.

(2) Former scheme terms and conditions apply.

(3) Former scheme terms and conditions apply but commitment must be adjusted to the rural development programming document when approved by the Commission and apply for a full 5 years after adjustment. Extension cost only shown above.

6. Usual Good Farming Practice

Good Farming Practice is defined at Annex 2. All payments made under REPS relate to actions by farmers which go beyond Good Farming Practice. This accords with Article 23 of Council Regulation (EC) No. 1257/1999.

7. A Justification for the Undertakings with regard to their Expected Impacts

Measures 1,3,6 and 9 require an agreed nutrient management plan to REPS specifications, the protection and maintenance of watercourses and wells, limitation on the use of herbicides, pesticides and fertilisers and more extensive and environmentally appropriate cultivation of tillage crops. As such they address the key features of farming practice which threaten water quality and set maximum levels of nitrogen, phosphorous and lime to be applied per hectare on REPS scheme farms.

It should be noted that, in the new Community Support Framework for Ireland now being negotiated with the Commission as part of the new round of Structural Funds, 2000-2006, the Department of the Environment and Local Government has identified “the need to halt the decline in the quality of rivers and lakes caused by excessive inputs of nutrients” as a key problem area to be tackled in the coming period.

Measures 2,4, 5 and 8 collectively address issues relating to habitat, wildlife and landscape protection. They include the implementation of a grassland management plan for sensitive areas aimed at reducing poaching, overgrazing and soil erosion to protect habitats and grassland flora; the protection of distinct areas of natural and semi-natural wildlife habitats; the management and maintenance of field walls, hedgerows and boundaries for the benefit of inhabiting wildlife and the maintenance and improvement of the visual appearance of the farm and farmyard.

Measure 7 aims to protect features of historical and/or archaeological interest. Plans must identify areas on the farm such as ancient monuments, relevant farm buildings and dwellings and other features and set out a strategy for protection and conservation as part of the overall REPS scheme plan.

Measure 10 addresses the need to provide participants with information, knowledge and skills necessary to implement their REPS plans.

The objective of Measure 11 is to ensure compliance with the Agri-Environmental Plan and specifications and reinforce the farm practices promoted by the scheme. Record keeping is essential in evaluating the programme on an ongoing basis.

Measure A is designed to address specific needs of environmentally sensitive areas and is mandatory for participants where all or part of the lands farmed are in one or more of the following target areas:- Natural Heritage Areas (NHA's), NATURA 2000 i.e., Special Areas of Conservation (SAC,s) designated under Council Directive 92/43/EEC and Special Protection Areas (SPA's) designated under Council Directive 79/409/EEC, and Commonages.

The farming conditions of Measure A are identical to the conditions of Supplementary Measure A of the former approved scheme.

The provision for inclusion of target land only is designed to maximise the total hectareage of environmentally sensitive areas farmed under this scheme.

Supplementary Measures

Breeding Animals of Local Breeds in Danger of Extinction

The rearing of animals of local breeds in danger of extinction is designed to assist in the conservation of breeds, currently on the FAO List of Endangered Species, which might otherwise become extinct, were no support made available.

Long term Set-Aside (for 20 years) – Riparian Zones

The objective of this Supplementary Measure is to provide shade to overly exposed designated river channels, to stabilise river banks and to intercept nutrients transported in overland flow. The land must not be used for agricultural production.

Organic Farming

This Measure is designed to encourage producers in REPS to convert to organic production methods which result in enhanced environmental benefits and to respond to the market demand for organically produced food.

8. Concerning breeds of farm animal in danger of extinction, evidence of the endangered status of the breed consistent with scientific data accepted by international organisations regarded as authorities in this field

The following local breeds are on the FAO Listing of Endangered Species:

Cattle: Kerry and Irish Maol
Equines: Irish Draught

Eligibility under this measure will be confined to the animal breeds currently listed and it is further proposed that any other breed subsequently listed in the FAO listing of Endangered Species be deemed eligible under this measure from the date of inclusion on the list.

Concerning plant genetic resources under threat of genetic erosion, evidence of genetic erosion based upon scientific results and indicators for the occurrence of landraces/primitive (local) varieties, their population diversity and the prevailing agricultural practices at local level

The objective of Measure A is to provide a comprehensive approach to the conservation and/or regeneration of designated target areas (to include biodiversity) which include Natural Heritage Area, Natura 2000 sites and commonages. Farming practices set out under the Measure take cognisance of the need to conserve plant genetic resources and the need to take account of biodiversity considerations.

9. Description of coverage of measure showing extent of application according to needs, degree of targeting in terms of geographical, sectoral or other coverage

The scheme will be administered by the Department of Agriculture, Food and Rural Development and will operate throughout the State with Measure A applying in the Target Areas.

10. Detailed agronomic calculations showing:

- **income foregone and costs incurred with regard to usual good agricultural practice**
- **agronomic assumptions used as reference point**
- **level of incentive and justification for incentive based on objective criteria**

Detailed calculations addressing the above aspect are demonstrated in Annex 3.

11. For the agri-environment undertakings, possibilities for combinations of undertakings should be shown and coherence of undertakings should be ensured

Participants in the General REPS programme may undertake any or all of the Supplementary Measures but may receive payment only for one of them. However, participants who are receiving payment in respect of land in a target area may only apply for additional payments in respect of the Supplementary Measure which provides for the rearing of animals of local breeds in danger of extinction.

Participants with target land may avail of payment under the Supplementary Measures for the rearing of local breeds in danger of extinction. However if participants with target land wish to draw down another Supplementary Measure payment, (other than rare breeds) they may opt to forego payment under Measure A. They must, in addition, agree to farm all their land in accordance with the general REPS programme.

Integration of Forestry and REPS

As there is scope for closer integration between the forestry planting programme operated by the Department of the Marine and Natural Resources and REPS operated by the Department of Agriculture, Food and Rural Development, REPS planners will be required to identify areas suitable for forestry during preparatory work for REPS plans. The planner will be obliged to identify areas of the farm appropriate for afforestation on environmental, agricultural, forestry and socio-economic grounds. Any such areas so identified will be notified to the Forest Service. In identifying the areas suitable for forestry the planner shall have due regard to habitats (e.g. wet areas, swamps, scrubland, old permanent pasture of ecological interest etc.) existing on the farm. Where forestry planting takes place on any such farm, the retention of a viable proportion of the identified habitat(s) shall be essential to participation in REPS. REPS planners will receive training/guidance from both the Department of Agriculture, Food and Rural Development and the Department of the Marine and Natural Resources on the criteria to be applied on prioritisation of land use between forestry and agriculture. Such criteria would include landscape, biodiversity, pollution control, carbon sequestration, wildlife and productivity/suitability of land for forestry and agriculture.

Any afforestation of land which is the subject of a REPS Plan may not affect or disturb or result in the loss of existing habitats. It shall be designed to provide additional environmental benefits, to protect existing habitats, to offer greater habitat area overall, and to enhance biodiversity.

In assessing the suitability of lands for afforestation the planner shall take into consideration

- soil type
- climatic conditions
- exposure of site
- existing habitats
- existing archaeological or historical features
- natural contours of the land
- visual impact
- complementarity of afforestation to the REPS objectives.

The overall target for broadleaved species planted on REPS farms will be 35%, with a minimum of 20% on individual farms. On farms where demonstrably broadleaves cannot grow, there should be a higher diversity of coniferous planting and appropriate guidelines will be developed.

(d) Afforestation

Introduction

The Afforestation Measure proposed under the CAP Rural Development Plan is also included in the overall strategy at Chapter 3. This Forestry Planting measure, which will be operated by the Department of the Marine and Natural Resources (DMNR), will be complemented by a Forestry Development Back-Up Measure under the Community Support Framework for Ireland, 2000-2006.

The main changes to the Forestry Planting measure are:

- the reinforcement of existing environmental guidelines on water archaeology and landscape
- the introduction of a code of best forest practice
- the introduction of a native/semi-native woodland scheme.
- increase in the target for broadleaf planting
- the introduction of EIA's for forestry developments in certain sensitive areas

1. Total Cofunded Public Allocation, including EU Contribution

(.m)

	2000		2001		2002		2003		2004		2005		2006		Total		
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	EU element as % of Total Public
Forestry																	75%
Co-financed	62.4		63.9		65.3		66.8		68.3		69.7		71.3		467.7		
Non cofinanced	28.8		30.5		30.9		31.7		32.2		32.6		33.5		220.2		
<i>Total</i>	91.2	46.8	94.4	47.9	96.2	49.0	98.5	50.1	100.5	51.2	102.3	52.3	104.8	53.5	687.9	350.8	

2. Aid Intensities and/or Amounts and Differentiation Applied

	Afforestation Grant ⁽ⁱ⁾	Second Instalment ⁽ⁱ⁾ Grant	Total Grant
	€/ha	€/ha	€/ha
Unenclosed Land	2,032	699	2,731
Enclosed and Improved Land			
Non-diverse conifers	2,032	699	2,731
20% Diverse conifers	2,159	699	2,858
Diverse Conifers	2,413	762	3,175
Broadleaf			
Approved Species Other than Oak/Beech 100% stocking	3,810	1,143	4,953
Oak 75-100% stocking	4,825	1,524	6,349
Beech 80%-100%	5,079	1,651	6,730

(i) The afforestation grant is cost-based up to the maximum grant levels shown. It covers the cost of the plantation to the establishment stage and is payable in two moities, one of 75% following planting and the second instalment of 25% four years later.

Proposed Premium Rates

Premium Rate €/ha					
Farmers					
<i>Unenclosed land</i>		210			
<i>Enclosed and Improved Land</i>	Conifers			Broadleaves	
	Non-diverse 337	20% diverse 392	Diverse 417	Ash/Syc 442	Oak/Beech 474
“Others”		Conifers 172		Broadleaves 185	

In the interests of multi-functional forestry objectives, broadleaved rates of aid may be extended to unenclosed land on a case by case basis.

Afforestation Costs 2000-2006, :m

Year	Afforestation	Second Instalment	Annual Premium	Total
2000	43.2	13	35	91.2
2001	45.4	8	41	94.4
2002	47.2	6	43	96.2
2003	45.5	7	46	98.5
2004	45.5	8	47	100.5
2005	44.3	9	49	102.3
2006	43.3	9	49.9	104.8
Total	314.4	60	310.9	687.9

3. Eligibility Conditions

Forests as defined in Article 24 of Commission Regulation (EC) No. 1750/1999 are not eligible for the maintenance premium and the loss of income premium referred to in Article 31.1 of Council Regulation (EC) No. 1257/1999.

Afforestation/Second Instalment Grant Scheme

- Scheme applies to farmers and “others”
- This scheme applies to the afforestation of agricultural land suitable for forestry
- Planting approval must be obtained before work begins
- The minimum area is 1 hectare for conifers and 0.1 hectares for broadleaves, normally with a minimum width of 40 metres
- Only approved tree species may be planted
- The plantation must be adequately fenced and planted
- Development must be compatible with the protection of the environment.

Forest Premium Scheme

- This scheme applies to farmers and “others” who plant some or all of their land under the afforestation scheme.
- To qualify for the farmer rate of premium, applicants must
 - comply with the definition of farmer – see heading No. 4 – Definitions
 - practice farming within the State
 - own, lease or be in joint management of at least 3 hectares

- In addition, to qualify for the farmer rate, the farmer must reside on a permanent basis within daily commuting distance of the plantation, i.e. a radius of 70 miles.
- The premium is payable only in relation to plantations which qualify for an afforestation grant
- The period of qualification for the premium is 20 years for farmers and 15 years for “others”
- Natural or legal persons other than farmers are eligible for the “others” rate of premium. Forests as defined in Article 24 of Regulation EEC No. 1750/1999 are not eligible under the Forest Premium Scheme.“

4. Definitions

Definition of : “agricultural land” in relation to Article 25 of Commission Regulation (EC) No. 1750/99

For the purposes of the afforestation scheme “agricultural land” is defined in accordance with Council Regulation (EEC) No 571/88 of 29th February 1988 and comprises

- arable land (cereals, dried and fresh vegetables, potatoes, sugar beet, forage roots and tubers, industrial crops, crops under glass, flowers and ornamental plants, forage plants, seeds and seedlings), and fallow land.
- kitchen gardens
- permanent pasture and meadow
- permanent crops (fruit and berry plantations, citrus plantations, olive plantations, vineyards, nurseries)
- land which has been used for agricultural purposes (including extensive) in recent years.

Definition of:

‘Farmer’ in relation to Article 26 of Commission Regulation (EC) No. 1750/99

For the purposes of the forest premium scheme a ‘farmer’ will be defined as follows:

- a natural or legal person, who in one of the three years prior to planting had devoted an essential part of his/her working time to agricultural activities and derived a significant part of his/her income from agricultural activities. This shall be defined as deriving 25% of his/her income from agricultural activities and being a practising farmer.

Farmers who as natural or legal persons who have been assessed and qualified as farmers under the CAP Afforestation Scheme 1993-1999 (under Council Regulation (EEC) No. 2080/92) or under the Farmer Premium Scheme 1989-1992 (Council Regulation (EEC) No. 2328/91) and who are still in receipt of the annual loss of income premium, will also be considered as “farmers” for the purposes of the forest premium scheme.

Certification of Farmer Status

The Taxation/Social Insurance system will in general be used to assess the status of full-time farmers. A certification system using Teagasc – the Advisory Service, or the Agricultural Consultants’ Association (ACA) will be used to assess the status of part-time farmers.

5. Description of the Total of Ongoing Contracts (from the previous period), including in Financial Terms, and Procedures/Rules which apply to these

Forestry
(Article 31)

Legal Base	Scheme	2000	2001	2002	2003	2004	2005	2006	2000-2006
Council Reg. (EEC) No. 2328/91	Farmers annual premium term 15 years								
	– No. of Contracts	1,500	1,500	1,500	1,500	1,500	1,500	1,500	10,500
	– Spend	£1.5m	£1.5m	£1.5m	£1.5m	£1.5m	£1.5m	£1.5m	£10.5m
Council Reg. (EEC) No. 2080/92	Farmers annual premium term 20 years								
	– No. of Contracts	10,000	10,000	10,000	10,000	10,000	10,000	10,000	70,000
	– Spend	£21m	£21m	£21m	£21m	£21m	£21m	£21m	£147m
Council Reg. (EEC) No. 2080/92	Second Instalment Grants ⁽¹⁾								
	– No. of Contracts	2,000	1,510	1,300	1,300				6,110
	– Spend	£9m	£7m	£5m	£7m				£28m
Totals									
	– No. of Contracts	13,500	13,010	12,800	12,800	11,500	11,500	11,500	86,610
	– Spend	£31.5m	£29.5m	£27.5m	£29.5m	£22.5m	£22.5m	£22.5m	£185.5m

⁽¹⁾ Second instalment grants are payable four years after year of planting

6. Provisions ensuring that such actions are adapted to local conditions and are compatible with the environment as well as where appropriate keeping a balance between silviculture and game populations

All afforestation applicants for areas over 2.5 ha are notified to the public by way of notice in the appropriate local newspapers. In addition, there is an elaborate consultation process with the appropriate authorities in relation to afforestation applicants.

The following Table lists the environmental factors which can arise and the related agencies to which afforestation proposals are referred as appropriate:

Sensitive wildlife habitats (Natura 2000 Sites, Natural Heritage Areas/Special Areas of Conservation)	National Parks and Wildlife Service
Archaeological sites and monuments	National Monuments and Historic Properties Service
Drinking water supplies	Local Authorities
Outstanding landscapes and high amenity areas	Local Authorities
Fisheries	Regional Fisheries Board

See also Chapter 1

7. Contractual arrangements between regions and potential beneficiaries concerning actions related to Article 32 of the Council Regulation

Not applicable

8. Description of eligible actions and beneficiaries

AFFORESTATION GRANT SCHEME

The aim of the scheme is to promote afforestation as an alternative use of agricultural land and also to promote the development of forestry activities on the farm which are compatible with the protection of the environment. These in turn will contribute to:

- an eventual improvement in forest resources and
- forms of countryside management more compatible with environmental balance.

This scheme applies throughout the State to the afforestation of agricultural land suitable for forestry. The scheme includes associated activities such as:

- preparation of ground (including scrub clearance)
- drainage
- species selection
- planting and fertilisation
- fencing
- fire protection
- maintenance work on the plantation for a period of four years from the year of planting
- the preparation and submission of a management plan as specified by the DMNR.

Approval for afforestation projects must be obtained from the DMNR **prior** to the commencement of the work. In seeking approval applicants must forward to the Department a copy map showing the location and outline of the land proposed for afforestation.

Grant aid is available by way of an establishment grant paid in two moieties & an afforestation grant and a second instalment grant. The afforestation grant is payable subject to all of the conditions of the scheme being met and on the satisfactory formation of the plantation.

SECOND INSTALMENT GRANT

The second instalment grant is payable four years after the date of planting on condition that:

- the plantation has been maintained to achieve satisfactory establishment
- there is an adequate number of healthy trees surviving to ensure the quality of the forest crop
- drainage is still effective (i.e. no water logging)
- the condition of gates and fences are satisfactory (i.e. no gaps or breakages)
- compliance with environmental conditions imposed at planting stage
- the applicant submits a Management Plan to the DMNR prepared by a person competent

to do so in respect of the plantation up to year 10 and gives an undertaking that proper forestry principles will be adhered to and

- the applicant gives an undertaking that an updated species map and management plan will be provided at the end of year 10 for the subsequent 10 years.

ELIGIBILITY

- Aid for the afforestation of land may be granted to all undertaking the afforestation of agricultural land
- Second instalment aid is payable to all who afforest land
- An applicant for a planting grant must either own the land or have the owner's written permission to afforest the land and to apply for a grant on his / her own behalf
- Land on which a plantation is to be established must be capable of producing an industrial crop of wood
- Commonage land will only be considered for grant approval when all the owners have been identified and registered as such and have agreed to the afforestation of the land taking into consideration the commonage framework plan drawn up by the Departments of Agriculture, Food and Rural Development and Arts, Heritage, Gaeltacht and the Islands
- Land with rights or encumbrances may not be considered for grant approval unless the rights are relinquished
- All works carried out under the scheme must be compatible with the protection of the environment
- Grant aid will not be given in instances where the project is likely to adversely affect the environment
- Grant-aid will be subject to compliance with the following guidelines published by the DMNR

“Forestry and the Landscape”

“Forestry and Water”

“Forestry and Archaeology”

“Forestry and Biodiversity”

and to compliance with any other guidelines issued by the DMNR from time to time.

- A conifer plantation must not be less than 1 hectare, except in cases of areas adjoining existing woods or plantations when a minimum of 0.2 hectares shall apply. Individual blocks on the same holding of not less than 0.2 hectares may make up these requirements provided they are within a 500 metre radius of, or adjoining an existing plantation
- For broadleaves, the minimum area eligible for grant aid is 0.1 hectares. In cases where individual groups of broadleaves in a wood may be below 0.1 ha, the grant will be based on the total of all such groups
- The width of any plantation should not be less than 40 metres
- The trees planted must be of a species suited to the site and approved by the Minister

- An adequate number of trees at suitable spacings must be planted as recommended by the DMNR
- The plantation must be adequately fenced and protected and wire used must be of European standards or equivalent.

For the purposes of the scheme the following land classifications apply:

Enclosed and Improved Land

Land which was enclosed and improved for agricultural use by cultivation or manuring or both, and which is completely surrounded by man-made boundaries and usually shown as such in Ordnance Survey maps or scale 6 inches to 1 mile (1:10560)

Unenclosed Land

Unenclosed land is land which now shows no sign of having been enclosed or improved for agriculture by cultivation or manuring or both and is used only for extensive grazing.

FOREST PREMIUM SCHEME

The aim of the scheme is to promote afforestation as an alternative use of agricultural land and also to promote the development of forestry activities on the farm. These in turn will contribute to:

- an eventual improvement in forest resources, and
- forms of countryside management more compatible with environmental balance.

The scheme applies to “FARMERS” and “OTHERS” who afforest their land throughout the State and who fulfil the conditions of the scheme

For the purpose of the scheme the definition of a “FARMER” has already been set out

For the purpose of the scheme, the definition of “OTHERS” includes those outside the category of “FARMER”, excluding Public Bodies as defined by Regulation (EC) No. 1750/99

All individual applicants under the scheme must be 18 years of age or over

All applicants must own or lease the land on which the premium is being claimed or be involved in joint management of the agricultural holding

They must produce proof of ownership or leasing

The premium will be payable only for plantations which qualify for a planting grant

“Farmers” will qualify for an annual premium for a period of 20 years after the completion of the afforestation.

“Others” will qualify for a premium for a period of 15 years after completion of the afforestation.

9. Linkage between proposed actions and national/sub-national forest programmes or equivalent instruments

“Growing for the Future” sets out the national strategy for the development of the forest sector of which the years 2000 to 2006 are covered by the National Development Plan (NDP). The afforestation and Forest Premium schemes provided for under the CAP Rural Development Programme are constituent elements of the National Strategy for the sector.

In addition, the programme dovetails with and is underpinned by measures being proposed under the Regional Programmes involving the use of Structural Funds and State Aid. These include actions which support:

- the building of forest roads
- awareness campaigns
- back-up measures (aid to associations, initiatives, studies, pilot projects etc)
- reconstitution of woodland damaged by fire or other natural causes
- planned recreational forestry support measures
- research and development
- woodland improvement
- forestry development
- harvesting
- forest roads.

10. The existence of forest protection plans as laid down in Regulation (EEC) No. 2158/92 for areas classified as high or medium forest fire risk and the conformity of proposed measures with these protection plans

These provisions are not applied.

5 Monitoring and Control, Evaluation and Publicity

Designation of Competent Bodies

The first step in the monitoring process is the designation of competent bodies. The details are as follows:

The Department of Agriculture, Food and Rural Development and the Department of the Marine and Natural Resources will be responsible for the implementation of the CAP Rural Development Plan (the latter Department will be responsible for the Forestry measure only). Overall co-ordination of the Plan will be the responsibility of the DAFRD (Agricultural Structures Division I, Head Office, Kildare Street, Dublin 2, Telephone (01) 607 2000).

Details of Implementing Agencies responsible for individual measures are as follows:

	Measure	Paying Agency	Implementing Agency	Operational Division
1	Scheme for Early Retirement from Farming	Department of Agriculture, Food and Rural Development*	Department of Agriculture, Food and Rural Development	Agricultural Structures Division II, Johnstown Castle Estate, Wexford Tel: (353).53.63400
2	Compensatory Allowances	Department of Agriculture, Food and Rural Development*	Department of Agriculture, Food and Rural Development	Headage Division, Michael Davitt House, Castlebar, Co. Mayo Tel: (353).94.35300
3	Rural Environment Protection Scheme	Department of Agriculture, Food and Rural Development*	Department of Agriculture, Food and Rural Development	Agricultural Structures Division II, Johnstown Castle Estate, Wexford Tel: (353).53.63400
4	Afforestation Programme	Department of the Marine and Natural Resources*	Department of the Marine and Natural Resources	Forest Service, Johnstown Castle Estate, Wexford Tel: (353).53.60200

*Existing accredited Paying Agencies for FEOGA Guarantee expenditure in Ireland.

Co-ordination of the Monitoring Function

Agricultural Structures Division I of the Department of Agriculture, Food and Rural Development will assume responsibility for the overall co-ordination of the Plan. They have acted in a similar manner for the Operational Programme for Agriculture, Rural Development and Forestry in the

1994-1999 round of Structural Funds and independent evaluation of the monitoring procedures carried out has been very positive.

Monitoring Committee

A Monitoring Committee will be established to oversee the operation of the Programme. The Monitoring Committee will be in a position at its first meeting to set down its Terms of Reference and Rules of Procedure but its responsibilities are likely to comprise the following:

- (a) ensure the satisfactory progress of the operation in order to achieve the objectives laid down. It shall ensure in particular:
 - compliance with regulatory provisions, including those relating to the eligibility of measures
 - conformity of the measures with the priorities selected and the objectives of the assistance
 - compliance with other EU policies
- (b) monitor provisions for the effective implementation of the measures
- (c) monitor, organise and examine the work on interim assessments of assistance on the basis of the defined financial, physical and impact indicators
- (d) prepare and deliberate on any proposals to amend the operation in accordance with rules and procedures set out below
- (e) monitor any proposed
 - (i) changes to the financial allocation for any measure by less than either 25% in relation to the amount provided for the year concerned, for the measure concerned, or 5% in relation to the overall amount provided for the year concerned, whichever is greater, calculated on the basis of the rural development programming document approved by the Commission

Any modification is subject to the availability of funds and must remain compatible with the Commission's budgetary rules. It may not affect the total amount of Union assistance granted to the operation nor include changes to the rate of Union support
 - (ii) changes to additional financing by means of State aid for any measure by less than either 25% in relation to the amount provided for the year concerned, for the measure concerned, or 5% in relation to the overall amount provided for the year concerned whichever is the greater, calculated on the basis of the rural development programming document approved by the Commission
 - (iii) changes to elements other than the main features of measures as defined in the Plan.
- (f) propose any steps required to speed up implementation of the operation where delays are revealed by the periodic results yielded by monitoring and interim assessments
- (g) co-ordinate promotion and publicity for the operation
- (h) propose any further necessary technical assistance measures

(i) give its opinion on the draft annual reports.

1. *Membership:* The Committee shall be comprised of

a Chairman,
Representatives from the Department of Agriculture, Food and Rural Development,

and representatives from each of the Departments of

Finance,
Marine and Natural Resources
Environment and Local Government,
Arts, Heritage, Gaeltacht and the Islands

and the following bodies/social partners are also proposed at this stage for representation on the Monitoring Committee:

Regional Assemblies
Teagasc
Irish Farmers' Association (IFA)
Irish Creamery Milk Suppliers' Association (ICMSA)
Macra na Feirme
Irish Co-operative Organisation Society (ICOS)
Irish Timber Growers' Association
Irish Forest Industry Chain
Comhar (Non Governmental Co-ordinating Body on the Environment)
Environmental Protection Agency
The Heritage Council

Other appropriate bodies as designated by the Monitoring Committee (Membership would be kept under review to ensure that all legitimate interests were appropriately represented).

2. *Observers:* Representatives from the Commission of the European Communities.

Representatives shall hold office at the pleasure of their nominating authorities.

3. *Chairman:* The Chairman shall be designated by the Minister for Agriculture, Food and Rural Development.

4. *Secretary:* The Secretary shall be designated by the Chairman and shall be drawn from the Department of Agriculture, Food and Rural Development. Support services shall be provided by the Department of Agriculture, Food and Rural Development as required.

5. *Communications:* All communications relating to the business of the Committee shall be addressed to the Secretary of the Monitoring Committee at the Department of Agriculture, Food and Rural Development.

6. *Meetings:* The Committee shall meet at least once a year. It may meet more frequently at the initiative of the Chairman or the Commission representative. All meetings shall be called by the Chairman and notified by the Secretary. In addition to the members, other officials from the Commission and the Irish Government may attend when specific items on the agenda

require their presence. The Chairman shall be informed of the names of such officials in advance of the meeting.

7. *Notice of Meeting:* At least twenty-one days' notice of a meeting shall be given by the Secretary. Every notice shall specify the date, time and place of the meeting and the business to be transacted. Notice shall be in writing, which shall include fax, e-mail, etc.

Exceptionally and for urgent reasons, the Chairman, after consultation with the Commission representative may reduce the period of notice and may authorise notice to be given by telephone, subject to confirmation in writing.

8. *Agenda:* All business to be transacted shall be specified in the agenda, which shall be circulated with the notice of the meeting. Any representative may propose an item for inclusion on the agenda. The agenda shall be prepared by the Secretary and authorised by the Chairman after consultation with the Commission representatives.

At the commencement of business, the Committee shall approve its agenda. Other items may be considered under "other business" at the request of the Chairman or any representative, with the approval of the Committee. Any such proposal by a representative shall be subject to the Chairman's ruling as to its admissibility at that meeting. His/her decision shall be final.

9. *Documents:* All documents relating to the business of the Committee shall be given to the Secretary, who shall circulate them to the members with the notice of the meeting. Documents shall be circulated in sufficient time to be received by members three weeks in advance of a meeting. Except with the prior agreement of the Committee, documents shall not be introduced at a meeting.

10. *Decisions:* The Committee normally shall reach its decision by consensus.

11. *Reports:* The Secretary shall ensure that reports are kept of all meetings. The reports shall record the business discussed and the decisions of the Committee. The report shall be circulated in draft to the members present at the meeting as soon as possible after a meeting. The Secretary may accept amendments of a factual or drafting nature. The draft report of a meeting, together with any proposed amendments not accepted by the Secretary, shall be placed on the agenda for the next meeting for the formal approval of the Committee. The report as so approved shall be signed by the Chairman and Secretary and circulated to all the members.

12. *Changes to Rules of Procedure:* The Committee may decide to change its internal rules of procedure.

Controls and Sanctions

General

The two Paying Agencies involved will maintain strict control over the respective measures for which they are responsible as set down at the beginning of this Chapter. All aid applications will be subject to exhaustive administrative checks including appropriate crosschecking against data from the integrated administration and control system before payment. In particular, respect of

multiannual commitments will be carefully monitored where appropriate through administrative checks, with all checks carried out recorded on a checklist.

In addition, on-the-spot checks covering at least 5% of beneficiaries and based on risk analysis will be carried out each year. The results of these inspections as regards compliance with the conditions of the schemes will be documented. Where these on-the-spot checks pertain to Good Farming Practice or legal requirements regarding environmental protection, hygiene or animal welfare, any suspicion of non-compliance will lead to notification of the competent authorities for further investigation as detailed at Annex 2.

In general, sanctions arising as a result of control visits where discrepancies are found between areas or number of animals declared and observed will be based on the IACS system of penalties. For false declarations made as a result of serious negligence, the penalties will involve exclusion for the year in question and, in the case of false declarations made intentionally, the beneficiary will be excluded from the following year as well.

The following is additional detail on controls and sanctions for the four measures:

(a) *Early Retirement*

Under the existing scheme, in addition to a full administrative check on all applicants, 10% of applicants are selected for in-depth verification including on-farm inspections before admission. Annually, 10% are selected for detailed compliance checking of which half are selected at random and the others by risk analysis according to prescribed criteria. It is proposed to continue these arrangements under the new scheme.

Detailed controls will include the following:

- On the spot inspections on transferors and transferees and documentary sample checks relating to both transferors and transferees with particular reference to:
 - the use of accommodation plot retained and any livestock or crops kept
 - the cancellation, transfer or rendering dormant of herd numbers
 - transfer of production quotas in line with the rules governing quota transfers
 - the maintenance of plant cover on land released to ecological reserves that cannot be used for agricultural purposes; checks that no livestock is being kept on this land and that no crops are being grown on it
 - location of holdings transferred to farming transferees; situation of land transferred to non farming transferees.

Penalties applied under the existing scheme have ranged from suspension pending rectification of an issue of non-compliance to, in more serious cases, expulsion from the scheme and recoupment of pension already paid. Under the new scheme, the following range of penalties will apply:

Transferor (Penalties to be recovered from future Early Retirement Scheme (ERS) Payments where possible or to be recovered by other means – see note following table)

	Offence	Penalty
(A)	Signature on Health Certificate not matching that on ERS 1	Pension suspended pending investigation
(B)	Participant subsequently found to have not been farming in each of the 10 years prior to joining ERS	Pension suspended pending investigation
(C)	(1) Non-disposal of all Utilisable Agricultural Area (UAA) prior to approval under ERS other than allowable portion retained under the scheme rules (2) Incorrect disclosure of lands	Less than 3% held – reduction of 20% of annual pension Between 3 and 5% – reduction of 30% of annual pension Over 5% – reduction up to 100% of annual pension
(D)	Non-disposal of UAA acquired while in ERS (4 months allowed for disposal of such lands)	Monthly pension suspended from 5th month until such lands are disposed
(E)	Failure to find a new eligible transferee within 4 months in the event of cessation of previous agreement	Monthly pension suspended from 5th month until eligibility restored
(F)	(1) Farming transactions in transferor’s name after approval for ERS e.g. applying for Area Aid, grants, compensatory allowances etc (2) Engaged in farming activity on date of visit (3) Commercial farming by transferor on the retained land (4) Use of the retained buildings for commercial farming by the transferor	First offence – reduction of 20% of annual pension Second offence – reduction of 50% of annual pension Third offence – out of scheme

Note: Where the balance payable to a participant is not enough for penalties to be collected by withholding it, then the amount owed by way of penalties will be pursued in the normal manner as a debt.

Transferee (Penalties to be deducted from Premia, Headage, Area Aid Payments etc where possible, or to be recovered by other means)

Offence	Penalty
Not farming the transferred holding or an equivalent	1st offence – penalty of 20% of monthly pension for every non-compliant month 2nd offence – penalty of 50% of monthly pension for every non-compliant month
Not achieving the required viability level	1st offence – penalty of 20% of monthly pension for every non-compliant month 2nd offence – penalty of 50% of monthly pension for every non-compliant month
Not farming in accordance with requirements of Good Farming Practice	1st offence – penalty of 20% of monthly pension for every non-compliant month 2nd offence – penalty of 50% of monthly pension for every non-compliant month.

(b) *Compensatory Allowances*

The animal based Compensatory Allowances Schemes have been subject to the Integrated Administration and Control System (IACS) since 1 January 1994. It is, therefore, intended that the year 2000 scheme and subsequent years schemes will continue to be subject to IACS rules.

All applicants for Compensatory Allowances must submit an Area Aid application setting out the forage area available to the producer for the year in question. Details of the land parcels identified on the Area Aid application are entered on to the Land Parcel Identification System (LPIS). That system identifies those parcels of land which are regarded as Less Severely Handicapped, More Severely Handicapped and non-Disadvantaged. An applicant for Compensatory Allowances must be farming at least 3 hectares of disadvantaged land (either More Severely Handicapped, or Less Severely Handicapped or a combination of both). All land parcels submitted on Area Aid application are subjected to computerised cross-checks with a view to ensuring that the same parcel is not claimed by two or more applicants. In addition, other computerised and office checks are carried out and 5% of Area Aid applications are subjected to on-the-spot controls.

Farmers may then make individual animal based headage applications covering bovine, sheep, equine and goats.

All applications (approximately 120,000 in 1999) under the various Compensatory Allowances Schemes are date stamped on receipt in each Local Office and recorded on the on-line computer system. Applications are initially checked for obvious errors/omissions which are brought to the attention of applicants to be corrected.

In the case of Cattle Headage/Beef Cow Headage applications, the identity numbers (eartag numbers) of all bovines applied on are input on computer to ensure that all such numbers are valid, and that they are not duplicated on the same application or on another application.

Ten per cent of applications are given on-farm inspections to ensure eligibility of applications. A computerised programme for the selection of applications for field inspection under all schemes, based on risk analysis and overall percentage of inspections required, initially developed in 1995 for the Cattle Headage/Beef Cow Headage Schemes, has been fully operational since 1996.

Applications not given field inspections are given office checks to prove the existence of animals applied on in the current year against the numbers of animals applied on in previous year, cross-checks with disease eradication files in which numbers present at herd test are recorded, requests to applicants to supply cattle identity cards and/or Livestock Registers (Cattle, Sheep, Goats).

Applications found to be in order following completion of field/office checks are prepared, checked and certified for payment. To ensure eligibility for payment under the Terms and Conditions of the schemes, the supervisory officer checks a minimum of 5% of claims, and the certifying officer checks a further 5% of claims. When satisfied that everything is in order, payment is certified and authorised.

Claims are validated on computer, and cross-referenced with corresponding Area Aid applications. When everything is in order, payment issues to applicants.

A Unit is in place with one of its main functions being the following-up of overpayments and irregularities. A system of cross-scheme recoupment is in place.

A reference document incorporating a Procedures Manual has been circulated to each Local Office, and, in addition, each member of staff annually receives a copy of the Processing Procedures Sections of the Manual.

The processing of all applications (Area Aid and Livestock) are subject to the Accreditation criteria provided for in Commission Regulation (EC) 1663/95.

Sanctions

In accordance with Article 10 of Commission Regulation 3887/92, sanctions are imposed under the headage schemes where animals applied on are rejected, except in cases of *force majeure*. Grants payable on eligible animals are reduced by percentages calculated on the numbers declared/found at inspection and range from a minimal percentage to 100%. An applicant who is found to have made a false declaration through serious negligence is excluded from the scheme concerned for one year, and an applicant who is found to have made a false declaration deliberately is ruled out of the scheme for two years.

Under Article 9 of Commission Regulation 3887/92, sanctions are applied, except in cases of *force majeure*, where the area found on inspection is less than the area declared on the Area Aid Application, if the difference is more than 3% or 2 hectares. If the difference is more than 20%, no payment of area-linked aid can be made. An applicant who as a result of serious negligence makes a false declaration in his area aid application will be excluded from the relevant aid scheme(s) for one year. An applicant who intentionally makes a false declaration will be excluded from the relevant aid scheme(s) for two years.

Where residues of substances prohibited under the Hormones Directive 96/22/EC or residues of substances authorised under that Directive but used illegally, are found in an animal belonging to the bovine herd of a producer, or where an unauthorised substance or product or a substance or product authorised under Directive 96/22/EC but held illegally is found on the producer's holding in any form, that producer shall be excluded for one calendar year from payment under the Compensatory Allowance Scheme. In the event of subsequent infringements, the producer may, depending on the seriousness of the infringement, be excluded from the scheme for up to five years.

(c) *Rural Environment Protection Scheme (REPS)*

The existing controls are as follows:

- 5% pre-payment inspection by field inspectors
- 5% post-payment plan and compliance inspection by field Inspector
- 50% compliance checks
- Discretionary checks based on a checklist drawn up by the District Superintendent, from which the Regional Inspector selects a sample for checking.

It is proposed to retain the existing controls with the following modifications:

- The 5% pre-payment inspection will be retained for applicants who have completed a five-year plan in the existing scheme. For first-time applicants, the rate will be increased to 10%.
- Post-payment plan and compliance inspection of 5% of participants who submit revised plans.
- The 50% compliance checks will be reduced to 25%. Work is advanced on developing a set of risk criteria for selection of cases for annual compliance inspection, at a rate of 25%, which the DAFRD believes will be adequate. Risk analysis will be carried out by the paying agency using a computerised process. It is intended that the risk criteria will be in place at the beginning of the new scheme. Pending the introduction of the risk analysis criteria, the current annual compliance inspection rate of 50% will apply.

Cross-Checking With Other Schemes

Checks will be carried out on land parcels in applications submitted, using the Land Parcel Identification System with applications for other schemes.

In addition, Dúchas, the Heritage Service of the Department of Arts, Heritage, Gaeltacht and the Islands, monitors all Special Areas of Conservation/Special Protection areas (NATURA 2000 sites) as part of its everyday function. All SACs and SPAs are visited a minimum of twice a year, the larger sites being monitored on an ongoing basis. Additional inspection visits are made as and when required.

Penalty Schedule for REPS

ADMINISTRATIVE PENALTIES

Late lodgement of application

Except in cases of *force majeure* a penalty of 1% per working day, to be deducted from the payment to which the participant would have been entitled, will apply to applications for second and subsequent year payments lodged after the deadline for receipt of such application. If the delay amounts to more than 25 working days the application shall be deemed inadmissible and no aid shall be granted for the recording year to which the application relates.

Area under declared

Where the area actually determined is found to be greater than that declared in the application the area declared shall be used for the calculation of aid.

Area over declared

If the area actually determined is found to be less than that declared, the area actually determined on inspection shall be used for calculation of aid. However, except in cases of *force majeure*, the area actually determined on inspection shall be reduced by twice the difference found if this is more than 3% or two hectares but not more than 20% of the determined area. The reduced rate shall apply for the duration of the applicant's plan. If the difference found is more than 20% of the determined area no aid shall be granted. Additionally, in all cases where it is found that aid has already been paid on an overdeclared area such aid shall be reimbursed.

Penalties for over or under declaration of land shall not apply if the farmer can show that the determination of the area was accurately based on information recognised by the competent authority.

Other Penalties

All penalties below are expressed as a percentage of the next annual payment to which the participant would have otherwise been entitled.

REPS 1A not lodged within specified periods	20%
Revised Plan not submitted before anniversary date	30%
Records not kept as prescribed	100%
<i>COMPLIANCE PENALTIES</i>	
Farm boundaries incorrectly shown	10%
Recommended quantity of lime not applied	10%
Fences not located the specified distance from wells/watercourses	10%
Tillage field margin widths not in conformity with REPS requirements	10%
Burning straw or stubble	10%
Stock not wintered as set out in plan	20% ^b
Bovines not excluded from wells and watercourses marked blue on map	20%
Farm boundaries not stockproofed	20%
Hedgerows/stonewalls not maintained as specified in the plan	20%
Herbicides or chemical/organic fertilisers applied within 1.5m of hedgerows/stone walls/field margins	20%
Undertakings in respect of farmyard not carried out as planned	20%
Planned silage storage facilities not provided	25%
Planned animal housing facilities not provided	25%
Planned waste storage facilities not provided	25%
Slurry tanks not emptied as required	25%
Limits for N (chemical or organic) exceeded	50% ^a
Chemical P limit exceeded	50%
Waste discharging into watercourses/drains	100%
Listed habitats not retained as specified	100%
Field boundaries, hedgerows and stonewalls on map not retained	100%
Monuments/features not being retained as specified in the plan	100%
Non compliance with additional conditions of Measure A	100% ^c
<i>SUPPLEMENTARY MEASURES</i>	
Non Compliance with Rare Breeds SM3	100% ^c
Non Compliance with long-term setaside (Riparian Zone) SM4	100% ^c
Non Compliance with Organic Farming SM6	100% ^c

100% means that where one or more of these penalties apply, there will be no payment for a year, but applicant may continue in REPS.

^aIf N(chemical and/or organic) is less than the max. permitted but exceeds that planned by 10% (C + D on page 2 of the plan for plans prepared prior to 26/6/'96 and C for revised plans and plans prepared after this date), then a 10% penalty should be applied

^bA tolerance of 20% is permitted. Beyond this, the 20% penalty applies.

^cApplies only to supplementary payments. Participation in the supplementary measure is terminated and all payments under the supplementary measure must be refunded.

In the case of a repeat non compliance for a measure, the appropriate penalty will be doubled. Non compliance a third time will result in a quadrupling of the penalty. Non compliance a fourth time will result in termination and a refund of all monies paid.

The penalties set out in the Schedule are the minimum sanctions that will be applied. In all cases the Department reserves the right to review files where penalties are imposed to establish whether or not a major breach of the scheme conditions has occurred which may lead to the termination of the contract and reimbursement of all aid.

(d) *Forestry*

The Forestry Schemes are now subject to the control and monitoring provisions of the Integrated Area Control System (IACS). Payment of all grant aid and premiums will be co-ordinated and controlled by the Forest Service of the Department of the Marine and Natural Resources. Grants under the afforestation scheme will not be paid unless the Department is satisfied that the work has been carried out to the appropriate standard and is completed. Payment will be made by payable order from the Department following detailed administrative and on-the-spot checking and will depend upon satisfactory evidence that the work has been completed to an appropriate standard and that the conditions of the scheme have been fulfilled. Under the premium schemes the applicant is obliged to maintain the plantation and adhere to the management plans prepared in years four and ten following the planting. Each year a proportion of all recipients will be the subject of spot check. Aid may be reclaimed or suspended, as appropriate, if projects are neglected or not maintained properly.

Administrative controls

The afforestation grant and premium schemes are area based with forest parcels identified under the Forest Inventory and Planning System (FIPS). Software has been developed to allow ready cross-checking of forest parcels against the agriculture land parcelling system.

All applications for aid at all stages will be subjected to administrative checks to ensure the application conforms to the terms and conditions of the scheme. All checks are signalled by way of check lists for each file.

Physical checks

The inspection service under the forestry measures is the professional unit of the Forest Service. 20% of all applications for preplanting approval, afforestation grant and second instalment grant will be checked on the ground by the Inspectorate of the Forest Service. These checks will also serve as checks on first and fourth loss of income premium. Files will be selected for physical checking using risk analysis methodology.

Checks in respect of loss of income premiums beyond year 5, will be carried out with selection of files using IACS satellite imagery and physical checks by Inspectors of the Forest Service.

Sanctions for Non-Compliance

Scheme participants will be subject to pre-payment checks and compliance checks. In the case of non-compliance, penalties are imposed, the nature of which depends on the conditions not fulfilled. In the case of a serious breach, participants may be excluded from the scheme and a full

refund of all aid previously paid. Interest may also be charged. Penalties range from 10% to 100% of the payment.

The sanctions to apply are as follows

Area over-declared

If the area actually determined is found to be less than that declared, the area actually determined on inspection shall be used for calculation of aid. However, except in cases of *force majeure*, the area actually determined on inspection shall be reduced by twice the difference found if this is more than 3% or two hectares but not more than 20% of the determined area. If the difference found is more than 20% of the determined area no aid shall be granted. Additionally, in all cases where it is found that aid has already been paid on an overdeclared area, such aid shall be reimbursed.

Failure to exclude areas which are ineligible for aid	Penalty as % of Afforestation Grant
—Unplanted areas	20%
—ESB lines	20%
—Gas mains	20%
Failure to identify unenclosed and enclosed areas correctly	20%
Failure to comply with environmental guidelines	100%
Failure to comply with specific supplementary environmental conditions	
—water/fisheries	25%
—NHA's/SAC's	25%
—sites and monuments	25%
—Scenic areas	25%
—distance from roads/dwellings	25%
—Other	25%
Failure to comply with conditions governing	
—chemical application	20%
—fertiliser application	20%
—disposal of waste/rubbish	20%
—hazardous fencing	20%
—mounding	20%
—silt traps	20%
Incorrect species selection	<i>100% or replacement</i>
Failure to maintain plantation	As % of Second Instalment Grant
—at first inspection	20%
—at second inspection	100%
	As % of Annual Premium
Failure to maintain fences beyond the 2nd instalment/maintenance stage	20%
Stock damage	20%
Failure to control scrub/furze past the 2nd instalment/maintenance stage	20%
Dumping	10%

Note 1: False Declarations: In the case of a false declaration made intentionally or as a result of serious negligence:

- The applicant in question shall be excluded from the aid scheme concerned for the calendar year in question, and

- in the case of a false declaration intentionally made, for the following calendar year, in respect of an area equal to that for which his/her aid application was rejected.

Note 2: Over-declared Areas: These reductions shall not be applied if the applicant can show that his/her determination of the areas was accurately based on information recognised by the competent authority.

Note 3: Underdeclared areas: Where the actual area is found to be greater than the area declared in the application the area declared will be used for the calculation of the aid.

Evaluation

The recommendations contained in the independent Ex-Ante Evaluation of the Plan include the following:

- an appropriate monitoring system needs to be developed including the setting of indicators and targets
- the proposed Technical Assistance budget should be increased to 0.75% of the Plan in order to facilitate such monitoring (and other) needs
- provide adequate financial and staff resources to both the central secretariat and the implementing units/divisions
- appoint an external contractor to assist and report to the Department on monitoring and evaluation.

Accordingly, the Department of Agriculture, Food and Rural Development, in conjunction with the Department of the Marine and Natural Resources, intends to set up a systematic evaluation process. This ongoing evaluation will be carried out by independent evaluators selected by competitive tendering in accordance with national and EU rules.

Terms of reference for the evaluation will be drawn up in conjunction with the Commission as soon as the Plan has been approved. It is envisaged that this ongoing process will enable an effective Mid-Term Evaluation to be carried out in 2003 and the effectiveness of this evaluation approach would be reviewed at that stage.

It is recognised that adequate baseline data and a realistic set of indicators – both to be set at the commencement of the implementation of the Plan will be fundamental to a proper evaluation. In this regard, the Commission has not yet finalised its approach as regards indicators. However, the DAFRD have inserted draft indicators in the Plan which should facilitate a proper evaluation process to get under way. It would seem appropriate that the evaluation process should involve, at any early stage, an examination of the strength of the indicators in relation to proper monitoring and evaluation.

Publicity Arrangements

Information and publicity measures to be undertaken in relation to this Programme will conform with the detailed arrangements for information and publicity concerning assistance from the Structural Funds.

The Department of Agriculture, Food and Rural Development and the Department of the Marine and Natural Resources will, in particular, take appropriate steps to:

- make potential beneficiaries aware of the measures contained in the Programme by
 - publication of the Programme
 - the issue at the commencement of the Programme of an explanatory booklet containing details of all the measures, eligibility criteria etc.
 - the issue of press releases at the commencement of the Programme, at the launch of any major new measures and at the initiative of the Monitoring Committee
 - ongoing discussions with the social partners as required
- make the general public aware of the role played by the European Union in the Programme through
 - clear indication in the explanatory booklets, press releases and other publicity of the extent of Union participation
 - insertion of the percentage of Union part-financing and the Union instruments concerned in all scheme documents and in all notifications of assistance issued to beneficiaries

Funding for these purposes will be met from the evaluation budget (which will be met fully by the national Exchequer).

6 Consultation Process

Consultations

The following Departments/Bodies were consulted in connection with the formulation of the CAP Rural Development Plan:

(a) Other Departments

- (1) Department of Finance
- (2) Department of the Environment and Local Government
- (3) Department of the Marine and Natural Resources
- (4) Department of Arts, Heritage, Gaeltacht and the Islands
- (5) Department of Enterprise, Trade and Employment (Forestry Aspects).

It was also suggested to Departments that they might wish to consult with other bodies they considered relevant. The Department of the Environment and Local Government accordingly consulted with the EPA (Environmental Protection Agency) and the Department of Arts, Heritage, Gaeltacht and the Islands consulted with the Heritage Council.

(b) Social Partners

On the *Agriculture* side, the following were consulted

- Irish Farmers' Association (IFA)
- Irish Creamery Milk Suppliers' Association (ICMSA)
- Macra na Feirme
- Irish Co-operative Organisation Society (ICOS)

(c) Other Bodies

Copies of the Plan were circulated on request to the following

- Green Party
- Earthwatch
- Comhar (National Sustainable Development Partnership representing environmental NGO's).

As regards *Forestry*, formal consultations were held by way of regional seminars in November 1999 and in February 2000. Representatives of all stakeholders including the IFA, ICOS and the forestry sector, Government Departments and Agencies and NGO's were invited to both seminars.

Results of Consultations

(a) Other Departments

(1) *Department of the Environment and Local Government (DOELG)*

The DOELG broadly welcomed the Plan and, in particular, the proposal to continue with the Rural Environment Protection Scheme (REPS). However, they were highly critical of agriculture *per se*

and see it “as a major contributor to environmental degradation in Ireland and throughout the European Community”. They also underlined the need to “redress the imbalances which have persisted for decades in agricultural policies based on increased production, intensification and specialisation without due regard for the related negative environmental impacts.”

In relation to the Plan specifically, they would wish to see

- stricter environmental requirements than those proposed across the four measures
- more intensive farmers participating in REPS
- the Plan amended to reflect that significant measures will have to be taken by the agricultural sector as a contribution to meeting the Kyoto targets as regards greenhouse gas emissions and to reflect the role of forestry as a carbon sink in meeting Ireland’s commitments under Kyoto
- aid under REPS for fencing around sources of drinking water
- target instruments to tackle Nitrate Vulnerable Zones
- for forestry, a reference to the Planning and Development Bill (1999).

The DOELG have also suggested a considerable number of textual amendments.

Nitrate Vulnerable Zones: Arising out of a recent communication from the European Commission (May 2000) regarding the coherence of community environmental policy, further discussions were held with the DOELG on the imminent designation of Nitrate Vulnerable Zones in Ireland and the text of the CAP Plan has been amended to take on board the commitments which the Commission have indicated must be complied with in this area by all Member States before any CAP Rural Development Plans can be approved (See Chapter 3).

Response from the Department of Agriculture, Food and Rural Development (DAFRD) and the Department of Marine and Natural Resources (DMNR)

As regards the suggested textual amendments, the DAFRD will take on board as many of these as possible unless they cut across Department policy or the specific purpose and terms of REPS. As regards the more fundamental issues raised, the definition of Good Farming Practice has now been expanded and includes specific references to Nitrate Vulnerable Zones and how they are to be monitored. It is also recognised by both Departments that close liaison will have to be maintained to ensure that the measures contained in the Plan can be adapted in line with changes in legislation etc. over the period involved.

The DMNR have elaborated on their role in relation to meeting Ireland’s commitments under the Kyoto Protocol and have added a reference to the Planning and Development Bill (1999).

Department of the Arts, Heritage, Gaeltacht and the Islands (DAHGI)

The above Department also responded. As was the case with the DOELG, the DAHGI provided very detailed comments including

- any proposals to grant aid for habitat protection, fencing etc. in ecologically designated areas should have to be referred to Dúchas (the Heritage Service of the DAHGI)
- Dúchas should have a role in monitoring, evaluation, training, planning and design.

Here again the comments/proposals are very numerous with both Departments trying to find solutions for various environmental difficulties in the REPS. Both Departments also raised the problem of adequate baseline data and mention has already been made of the difficulties being experienced by the DAFRD and the European Commission in establishing common indicators to measure progress on the environment. However, work has progressed in this area and draft indicators have now been incorporated into the Plan (pending the completion of common indicators by the Commission).

On *Forestry*, the views of the DAHGI can be summarised as follows:

- need to outline measures to ensure the protection of the heritage and to enhance biodiversity
- need to increase percentage of planting that is composed of broadleaves
- need to increase the use of native stock and native species in the afforestation programme.

Response from the Department of Agriculture, Food and Rural Development (DAFRD) and the Department of the Marine and Natural Resources (DMNR)

The Department of Agriculture, Food and Rural Development works regularly with Dúchas, the Heritage Service of DAHGI, particularly in relation to Target Areas which comprise

- Natural Heritage Areas (NHAs) proposed or designated by the Minister for Arts, Heritage, Gaeltacht and the Islands;
- NATURA 2000 Sites, i.e. farmland-based Special Areas of Conservation (SACs) designated under Council Directive 92/43/EEC on the Conservation of Natural Habitats or Special Protection Areas (SPAs) designated under Council Directive 79/409/EEC on the protection of Wild Birds;
- Commonages.

Proposals in relation to Target Area land (Measure A of REPS) are set out in detail in Chapter 4. Agreed farming conditions for certain habitat types (the Burren; blanket bogs, heaths and upland grasslands; and sand dune and machair areas) have been laid down following a process in which Dúchas took part. For habitat types for which no agreed farming conditions exist, appropriate environmental conditions will be set down by the approved planner in consultation with Dúchas. The Department of Agriculture, Food and Rural Development is working closely with Dúchas in the preparation of commonage Framework Plans. Regular consultation with Dúchas on matters such as these, together with participation by the two Departments in the Monitoring Committee referred to in Chapter 5, will ensure that Dúchas have a significant ongoing role.

As regards Forestry, the issues raised are being addressed in the Plan with the introduction of the National Forestry Standard, in particular the Biodiversity Guidelines and the Native Woodland Scheme.

Natura 2000: Arising out of a recent communication from the European Commission (May 2000) regarding the coherence of Community environmental policy, further discussions were held with the DAHGI on the commitment contained in the Community Support Framework, 2000-2006 as regards the notification of Natura 2000 Sites by a certain date. This commitment is now also

contained in the Rural Development Plan together with commitments ensuring the consistency of the measures contained in the Plan with the protection of Natura 2000 Sites (See Chapter 3).

(b) Social Partners

Extensive consultations under the aegis of the Department of Finance related to the National Development Plan as a whole took place with all of the social partners, including the agricultural partners before the Plan was launched in November 1999. In addition, several informal meetings took place with some of the agricultural partners separately on various elements of the Plan throughout 1999.

Formal consultations with the agriculture social partners on the detailed agricultural elements of the Plan took place on 23 November and 3 December 1999. The main points raised by the social partners and the DAFRD's reaction are as follows:

(1) Early Retirement

The main changes to the existing scheme which caused problems among the social partners were as follows:

- (i) reduction in the age limits for transferee from 50 years to 40 years
- (ii) the introduction of income limits.

The social partners stressed that the drop to 40 years was too great and wanted 45 years instead, or, as a compromise, an annual reduction on a sliding scale from 45-40 years. As regards income limits, the ICMSA/IFA were generally completely opposed to these although they could accept some level of modulation favourable to smaller farmers. They also wanted some level of indexation to apply to this scheme as this is a common condition of most pensions.

The Department promised to examine all aspects again before submitting the Plan to the Commission. In fact, the Department subsequently decided to accept the drop to 40 years on a sliding scale and to indexation at a rate of 2% per annum. However, the latter was not approved by the Commission and the premium rate proposed was increased instead.

(2) Compensatory Allowances

Consultations took place with the social partners on a number of occasions. Agreement was reached on a revised scheme to operate from the year 2001 but this was not acceptable to the Commission as they considered it was linked to livestock numbers. An amended proposal is now included.

(3) REPS

The proposed changes to the scheme which caused the most difficulties for the social partners were as follows:

- (i) the proposal to pay higher rates to farmers with holdings under 20 hectares
- (ii) the proposal for closer integration with forestry.

As regards (i) the social partners generally felt that the higher rate should also apply to farmers with 40-50 hectares also. On (ii) the Irish Farmers' Association (IFA) felt there should be an economic assessment of any proposals which would integrate forestry and REPS.

The social partners also raised a number of other issues as follows:

- (a) The IFA felt that farmers in Natural Heritage Areas should have the option of joining the National Scheme and/or REPS
- (b) The ICMSA wanted the aid for public access increased to meet the high liability costs
- (c) The ICMSA also felt that farmers should be able to take up the organic option at any stage of the REPS Plan
- (d) All the social partners had major problems with the commonage framework plans
- (e) The IFA and the ICMSA felt the penalties imposed for non-compliance were too severe and they claimed they lacked any sense of proportionality. Both organisations also registered strong objections to the inclusion of specified penalties in the Plan before they had an opportunity to base their comments on a study of the new REPS specification
- (f) The IFA complained of administration delays in the Local Offices in implementing the various schemes.

On (i) and (ii) above, the Department promised to re-examine both points but emphasised that Forestry was a priority in the Government's Action Plan for the Millennium and that Forestry could make a significant contribution to the protection of the environment. The Department was unable to offer any immediate solution to the problems aired at (a)-(f) above.

(4) Forestry

The national Programme for Prosperity and Fairness lists the following areas for action in the forest sector:

- development of farm forestry
- support for structural development
- development of a targeted training programme for the sector
- continuation of the public notification system for all projects greater than 2.5 hectares

(c) Other Bodies

The Heritage Council is the only body to respond on the agricultural issues at this stage. They have provided 10 broad recommendations including

- the need for better baseline data
- the same proposals as the DOELG and the DAHGI as regards the CAP Plan as the means for catering for the measures for which other Departments have legislative responsibility
- their (emerging) Landscape Policy should be used.

Once again a wide diversity of proposals have been put forward. It will be necessary at Monitoring Committee level to identify the priority areas where REPS can provide the answers and identify also those areas where Departments other than the DAFRD have responsibility.

The views of the Heritage Council in the forestry element of the Plan are as follows:

- land identified for forestry under any REPS plan must be approved by Dúchas
- Forestry permitted under REPS should comprise at least 50% broadleaf component per farm unit
- as part of the agri-environment scheme, species that have diversity benefits such as cherry, alder, yew etc. should also be grant aided
- under the forestry premium scheme, sensitive wildlife habitats must include areas other than those designated as Natural Heritage Areas and Special Areas of Conservation. Any sites that potentially could include habitats given priority under the EU Habitats Directive should be referred to Dúchas for approval
- payments for forestry should include provision for woodland development as part of the existing hedgerow systems and for regeneration of existing semi-natural woodland

Response of the Department of the Marine and Natural Resources

- Most of the issues raised above have been or are being addressed in the Plan
- The suggestion in relation to lands identified in REPS plans as suitable for afforestation being referred to Dúchas by the Forestry Service in the drawing up of the afforestation programme for such lands is being discussed with Dúchas.
- The suggestion in relation to habitat areas other than those habitats designated as NHA's and SAC's is being taken up with Dúchas. It should be noted that the designation of such areas is the responsibility of Dúchas.

In relation to the seminars held by the Forest Service, the main issues which arose were

- co-ordination of strategies between DOELG, DAFRD and DMNR
- forest sector representation on Monitoring Committee
- future change in species recruitment to allow lead-in time for nursery sector
- the introduction of a new urban and amenity planting scheme which better reflects the needs of the Local Authorities and forest owners
- 20 year limitation on loss of income premium for oak, in particular, problematic
- review of broadleaf stocking levels/diversity to allow for intermediate income after year 25
- recognition of contribution of conifer forests to biodiversity
- role of forestry in greenhouse gas abatement strategy

By Environmentalists

- need for improved mapping of environmentally sensitive areas

- retention of minimum yield class 14, sitka spruce, to avoid planting in certain sensitive areas
- introduction of native woodland scheme to enhance and expand area of native/semi-native woodlands.

By Farming Organisations

- relationship with and need for balance between other support measures such as agri-environment and early retirement schemes
- index-linking of premiums
- treatment of pre-1989 planters in terms of premium

Response from the Department of the Marine and Natural Resources

The extension of the 20 year broadleaf premium is not possible under the Rural Development Rules but will be raised at the mid-term review. On the matter of index-linking of premiums, the Department proposes to hold three yearly reviews of premium rates as an alternative. In relation to the issue of level of premiums for pre 1989 planters, the Department has submitted a case to Brussels. The Department has already begun to address all of the other issues raised.

7 Miscellaneous

As already indicated, the format of this Plan generally follows the headings set down in the Annex attached to the Commission's implementing Regulation (EC) No. 1750/1999. However, some headings which do not merit a separate chapter are brought together in Chapter 7.

(a) Need for any Studies, Demonstration Projects, Training or Technical Assistance Operations

A Technical Assistance Measure (fully funded by the Exchequer) will be drawn up once the Plan is approved.

It is the view of both the Department of Agriculture, Food and Rural Development (DAFRD) and the Department of the Marine and Natural Resources (DMNR) that a systematic monitoring process needs to be put in place for the proper implementation of this Plan over the 7 year period. In this regard, Chapter 5 on Monitoring and Control, Evaluation and Publicity indicates that

- overall co-ordination of the Plan will be carried out by Agricultural Structures Division I of the DAFRD in the same general manner as the 1994-1999 round of Structural Funds. It may also be necessary to draw on contract staff for both Departments to augment existing resources and this will be done under Technical Assistance
- as indicated also, a systematic evaluation process is also planned and this will be carried out by independent evaluators selected by competitive tendering in accordance with national and EU rules
- finally, mention has also been made of the need for further training for both farmers and planners under REPS and some of this training will be carried out by means of demonstration farms.

(b) Balance between the Different Support Measures

The rationale for the spending in the agriculture and related rural development area under the Community Support Framework and under the CAP Guarantee Fund in the 2000-2006 period has already been extensively covered in Chapter 3.

Because of Ireland's changing status, EU funding under the CSF is significantly reduced in the coming period as compared to the 1994-1999 round of Structural Funds but overall expenditure proposed for on-farm investment, diversification and forestry, training and advisory services is at least in line with that available in the 1994-1999 period.

In relation specifically to the CAP measures, total public funds have been divided up as follows between the four measures:

Measure	Total Public Funds Available 2000-2006		% Allocated to each Measure
	Current Prices €m	of which EU	
Early Retirement	764.6	369.9	15.3%
Compensatory Allowances	1,490.7	435.1	29.9%
REPS	2,039.9	1,233.1	40.9%
Forestry	687.9	350.8	13.8%
Technical Assistance	4.9	—	0.1%
Total	4,988.0	2,388.9	

The breakdown reflects the gradual expenditure position which evolved over the previous period as the new measures, Early Retirement, REPS (mandatory) and Forestry got under way as a result of the 1992 CAP Reform. It also reflects the prominent role to be given to mandatory agri-environmental instruments to support the sustainable development of rural areas in the future. This forecast breakdown of expenditure was outlined during the negotiation process on Ireland's share of EU funding which was finally settled in September 1999. The allocation of an annual inflator of 2% since then has been applied on a pro rata basis although this aspect will no doubt come up for detailed examination at the time of the Mid-Term Review.

REPS, the agri-environment measure will apply throughout the territory, while its Measure A will target certain sensitive zones and address their particular requirements.

(c) Compatibility and Consistency with EU Policies

All of the measures to be implemented by the Department of Agriculture, Food and Rural Development and the Department of the Marine and Natural Resources under Council Regulation (EC) No 1257/1999 on Support for Rural Development are contained in either this particular CAP Guarantee Funded Rural Development Plan (4 measures) or under the Community Support Framework for 2000-2006. Details of these measures have been referred to already at Chapter 3. Other measures of benefit to rural areas (e.g. infrastructures, services, communications, etc.) may also fall to be aided under the Structural Funds framework and these are contained in the National Development Plan which was launched on 15 November 1999. All such measures will be examined for compatibility with the General Structural Funds Regulation. In particular, Article 12 of that regulation requires that all measures be compatible with Community policies on "environmental protection and improvement and on the elimination of inequalities and the promotion of equality between men and women". Both of these issues have been covered in detail in Chapter 3.

(d) Additional State Aids

As already shown in Chapter 4, it is intended to provide additional financing for the four measures covered by the Plan (under the same terms and conditions as will apply to the cofunded measures). A separate Table has been included under Chapter 8 on the specific financing involved.

In the case of REPS, one element will be notified to the Commission as a State Aid

- the measure on agri-environmental training.

8 Indicative Overall Financial Allocations

This Chapter comprises 3 Tables, viz:

Table 1 – Total Public Funds, including EU Contribution

Table 2 – Total *Cofinanced* Public Funds, including EU Contribution

Table 3 – Additional State Aid

Indicative Overall Financial Table – Total Public Funds, including EU Contribution (Current Prices) □□

(euro million)

	2000		2001		2002		2003		2004		2005		2006		Total		EU element as % of Total
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	
Early Retirement⁽¹⁾																	50%
Cofinanced	4.9		100.0		100.0		100.0		100.0		100.0		100.0		604.9		
Non cofinanced	3.1		4.0		8.8		11.2		13.5		15.5		15.4		71.5		
Total	8.0	3.7	104.0	50.0	108.8	50.0	111.2	50.0	113.5	50.0	115.5	50.0	115.4	50.0	676.4	303.7	
REPS																	75%
Cofinanced	–		217.9		226.1		234.5		243.3		252.3		261.2		1,435.3		
Non cofinanced	71.0		45.4		62.0		60.4		57.4		53.8		45.8		395.8		
Total	71.0	–	263.3	163.4	288.1	169.6	294.9	175.9	300.7	182.5	306.1	189.2	307.0	195.9	1,831.1	1,076.5	
Compensatory Allowances																	50%
Cofinanced	90.2		130.0		130.0		130.0		130.0		130.0		130.0		870.2		
Non cofinanced	64.7		98.6		97.3		94.7		88.4		88.4		88.4		620.5		
Total	154.9	45.1	228.6	65.0	227.3	65.0	224.7	65.0	218.4	65.0	218.4	65.0	218.4	65.0	1,490.7	435.1	
Forestry																	75%
Cofinanced	22.4		63.9		65.3		66.8		68.3		69.7		71.3		427.7		
Non cofinanced	28.8		30.5		30.9		31.7		32.2		32.6		33.5		220.2		
Total	51.2	16.8	94.4	47.9	96.2	49.0	98.5	50.1	100.5	51.2	102.3	52.3	104.8	53.5	647.9	320.8	
Technical Assistance	0.7		0.7		0.7		0.7		0.7		0.7		0.7		4.9		
Earlier Accompanying Measures⁽²⁾																	
Early Retirement	88.2	66.2													88.2	66.2	All 75%
REPS	208.8	156.6													208.8	156.6	
Forestry	40.0	30.0													40.0	30.0	
Total Cofinanced	454.5		511.8		521.4		531.3		541.6		552.0		562.5		3,675.1		
Total Non-Cofinanced	168.3		179.2		199.7		198.7		192.2		191.0		183.8		1,312.9		
TOTAL	622.8	318.4	691.0	326.3	721.1	333.6	730.0	341.0	733.8	348.7	743.0	356.5	746.3	364.4	4,988.0	2,388.9	

⁽¹⁾ A Cofinancing rate of 75% is proposed for Early Retirement for the Year 2000 only.

⁽²⁾ Estimated expenditure from 16 October 1999 to date plan approved.

Indicative Co-funded Financial Table – Public Funds including EU Contribution (Current Prices) □□

(euro million)

	2000		2001		2002		2003		2004		2005		2006		Total		EU element as % of Total
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	
Early Retirement ⁽¹⁾	4.9	3.7	100.0	50.0	100.0	50.0	100.0	50.0	100.0	50.0	100.0	50.0	100.0	50.0	604.9	303.7	50%
REPS	–	–	217.9	163.4	226.1	169.6	234.5	175.9	243.3	182.5	252.3	189.2	261.2	195.9	1,435.3	1,076.5	75%
Compensatory Allowances	90.2	45.1	130.0	65.0	130.0	65.0	130.0	65.0	130.0	65.0	130.0	65.0	130.0	65.0	870.2	435.1	50%
Forestry	22.4	16.8	63.9	47.9	65.3	49.0	66.8	50.1	68.3	51.2	69.7	52.3	71.3	53.5	427.7	320.8	75%
Earlier Accompanying Measures ⁽²⁾																	
Early Retirement	88.2	66.2													88.2	66.2	All 75%
REPS	208.8	156.6													208.8	156.6	
Forestry	40.0	30.0													40.0	30.0	
TOTAL	454.5	318.4	511.8	326.3	521.4	333.6	531.3	341.0	541.6	348.7	552.0	356.5	562.5	364.4	3,675.1	2,388.9	

⁽¹⁾ A Cofinancing rate of 75% is proposed for Early Retirement for the Year 2000 only.

⁽²⁾ Expenditure from 16 October 1999 to date plan approved.

Indicative Financial Table (State Aids) – Extra Public Funds (Current Prices) □□

(euro million)

	2000		2001		2002		2003		2004		2005		2006		Total		EU element as % of Total
	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	Total or public cost	EU contribution	
Early Retirement	3.1		4.0		8.8		11.2		13.5		15.5		15.4		71.5		
REPS	71.0		45.4		62.0		60.4		57.4		53.8		45.8		395.8		
Compensatory Allowances	64.7		98.6		97.3		94.7		88.4		88.4		88.4		620.5		
Forestry	28.8		30.5		30.9		31.7		32.2		32.6		33.5		220.2		
Technical Assistance	0.7		0.7		0.7		0.7		0.7		0.7		0.7		4.9		
TOTAL	168.3		179.2		199.7		198.7		192.2		191.0		183.8		1,312.9		

9 Appraisal of the Plan

The Ex-Ante Evaluation was carried out by an independent consultancy firm in accordance with specific terms of reference which essentially involved analysing and assessing the draft Plan to ensure that the strategies, targets and proposed actions were based on the analysis of the current situation and coherent with other policies in the EU and that the Plan conformed with the requirements of the Commission's Implementing Regulation (EC) No. 1750/1999 on laying down Detailed Rules for the Application of Council Regulation (EC) No. 1257/1999 on Support for Rural Development.

The Evaluation was carried out in December 1999 and a copy was forwarded to the Commission with the Plan.

Conclusions

The external evaluators indicated that

- the proposed Plan broadly conformed with the requirements laid down in the Commission's Implementing Regulation (EC) No. 1750/99
- the current situation is as identified in the Plan
- the disparities, gaps and potentials which the Measures address are real and genuine ones and provide an appropriate background to the specific actions intended under the Measures
- proposed Measures are fully consistent with the Common Agricultural Policy and a number of the dimensions of the Measures are specifically designed to address national and international obligations
- previous evaluations have been taken into account, with the Early Retirement Scheme showing recognition of some of the limitations that existed in previous schemes and, in relation to REPS, heavy emphasis is placed on the recent evaluation in the design of the new scheme.

Nevertheless, they particularly drew attention to two areas where further work is needed viz.

- (a) Baseline data, indicators, targets
- (b) Monitoring and evaluation of progress in line with established data.

As regards (a), considerable work has now taken place in this area and draft indicators have been incorporated in the revised Plan.

As regards (b), this is the first time for these proposed measures to be programmed, and the Department of Agriculture, Food and Rural Development is committed to putting in place a monitoring system similar to that already in operation for the Operational Programme for Agriculture, Rural Development and Forestry, 1994-1999. Further details are set down in Chapter 6 on Monitoring and Control, Evaluation and Publicity.

Recommendations

The Evaluator made a number of general and specific recommendations and they are set down in the Table which follows, together with the Department of Agriculture, Food and Rural Development's response and follow-up. It will be seen that most of the recommendations are being addressed in a positive manner and that the text has already been amended accordingly in a number of areas.

	Recommendations	Response of the Department of Agriculture, Food and Rural Development
	Overall Recommendations	
1.	There should be further detail on the specific strategies proposed and how in practice they will serve the global objectives of the Plan.	As this Rural Development Plan covers four measures only for Objective 1 regions, it is difficult, therefore, to have an integrated approach when describing this particular Plan. However, the text has been altered to show the global picture (viz. covering both the Structural Funds area and the four measures covered by the Guarantee Fund).
2.	An appropriate monitoring system needs to be developed including the setting of indicators and targets.	It is accepted in relation to monitoring and evaluation that a more structured approach to these measures is needed now that they are being programmed. The intention is to work towards a similar system to that which has been in operation for the Operational Programme for Agriculture, Rural Development and Forestry 1994-1999.
3.	The proposed Technical Assistance budget should be increased to .075% of the Plan in order to facilitate such monitoring (and other) needs.	Funding for training, monitoring, evaluation etc. has now been increased to 0.1% (fully funded by the Exchequer).
4.	Provide adequate financial and staff resources to both the central secretariat and the implementing units/divisions.	Approval has been received for the recruitment of additional staff resources.
5.	Appoint an external contractor to assist and report to the Department on monitoring and evaluation.	This has now been agreed – see Chapter 5 as regards Evaluation.
6.	Co-ordinate monitoring and evaluation arrangements with the corresponding arrangements under the National Development Plan.	The Council Regulation on Support for Rural Development lays down specific conditions as regards monitoring and evaluation but these are generally in line with those proposed under the Structural Funds/National Development Plan and there should be no particular difficulty with this recommendation.

	Recommendations	Response of the Department of Agriculture, Food and Rural Development
1.	<p>Early Retirement Scheme</p> <p>For land leased under the previous ERS, its designation after termination of the pension would be established as soon as is feasible having regard to the time factor involved.</p>	<p>This aspect will be examined in future evaluation arrangements.</p>
2.	<p>The maximum age for payment of the ERS pension should be reduced to 66 years of age for all applicants under the new Scheme from its commencement, rather than on a phased basis as proposed in the Draft Scheme.</p>	<p>It is considered that the phased reduction to 66 years from the existing 70 years is a reasonable approach and one which the social partners can accept because of the gradual nature of its introduction.</p>
3.	<p>The maximum age for transferees of 40 years, as contained in the Draft should be adopted. The annual phasing is appropriate, although an immediate reduction to 40 would have a greater impact.</p>	<p>It is considered that the move from the existing age of 50 to 40 all in one stage could exclude a considerable number of farmers and thus defeat the purposes of the scheme, which is to get as many older farmers as possible to retire. However, they can only avail of the scheme if they can get a suitable transferee.</p>
4.	<p>The requirement to attend agricultural training for a minimum of 180 hours should apply to all transferees, or that some alternative training requirement would apply where there are logistical problems.</p>	<p>It is agreed that the level of occupational skill and competence required of farming transferees should, as a general rule, be a minimum of 180 hours. However there is a significant danger that if this requirement were extended to all transferees it would reduce the pool of available transferees particularly in the less favoured areas – where take up of the existing scheme has been lower than the national average but for demographic reasons younger potential transferees are less likely to be available. It is considered that the overriding objective of improving the viability of farms would be better served by the arrangement proposed which is based on that in the existing scheme though with a cut off date of birth of 1975 instead of 1968.</p>
5.	<p>The total income viability threshold for transferees should be increased to 75-80 units over time rather than the 50 units contained in the Draft.</p>	<p>This recommendation is not acceptable in the light of the current farm structure in Ireland.</p>
6.	<p>The minimum income units from farming for transferees should be set at 25 rather than the 20 contained in the Draft.</p>	<p>As for 5 above.</p>
7.	<p>The minimum area being farmed by transferors should be increased to 10 hectares of UAA as compared with the 5 hectares for the previous Scheme and contained in the Draft.</p>	<p>For the following reasons, it is recommended that the level of 5 hectares should remain:</p> <ul style="list-style-type: none"> • The viability requirement will ensure that very small holdings will have to be combined with other lands • For demographic reasons, a 10 hectare threshold would be likely to exclude potential transferors mainly in the less favoured areas where take up of the existing scheme has been lower than the national average • The average system of holdings received by transferees under the existing scheme was 31.9 hectares and the incidence of transferred holdings between 5 and 10 hectares is very low in terms of the scheme as a whole.

	Recommendations	Response of the Department of Agriculture, Food and Rural Development
8.	There should be no upper limit on income from farming under the Scheme in situations where the farm is being transferred by deed of transfer or to a member of the transferor's family, although off-farm income would apply.	This recommendation has been accepted in cases where a holding is the subject of a free and definitive transfer to a family member.
9.	Transferees, immediately on taking over the farm, should be resident in rural areas.	This condition is already contained in the Plan.
10.	No upper limits should apply to the number of retiring farm workers per farm.	This is accepted and the text has been amended accordingly.
11.	Specific targets and indicators should relate to the age, farm area, farm economic size of both retiring farmers and transferees as well as household economic viability and training characteristics of the latter.	It is intended to improve indicators for all four measures and draft indicators have been inserted into the revised text pending the finalisation of common indicators by the Commission.
12.	The proposed baseline data to be collected for monitoring and evaluation of the Scheme should, in addition to the items listed in the Draft, also include the following: <ul style="list-style-type: none"> • Gender of retiring farmers and transferees; • Method of transfer, ie whether by way of title deed or lease and length of lease where applicable; • Amount of pension; • Transferees size of holding before (where relevant) and after transfer. 	See recommendations and response immediately above.
	Compensatory Allowances	
1.	In moving to area-based payments, efforts should focus on the negative environmental effects of overgrazing, to which headage payments contribute.	Overgrazing has been confined to certain limited commonage areas. This issue has already been addressed and details are contained in Chapters 1 and 3 of the Plan.
2.	Consideration needs to be given to more performance indicators.	See previous comments on indicators.
3.	Sufficient environmental and heritage representation should be included in the Monitoring Committee.	The Department of Environment and Local Government and the Department of Arts, Heritage, Gaeltacht and the Islands will be asked to nominate whatever representation they consider to be the most suitable.

	Recommendations	Response of the Department of Agriculture, Food and Rural Development
1. 2. 3. 4.	<p>Afforestation</p> <p>There is a need to increase the training participation rate of timber growers from its estimated 26%. Unless this is done there is a danger that production levels will be lower than envisaged.</p> <p>The “type of land use before afforestation” indicator is required. Additionally some estimates should also be given of the intensity of use of this land.</p> <p>Realistic targets should be established which take account of past performance, the future economic, social, and policy environment, and the particular features of the new Measure. Baseline information should be provided if at all possible.</p> <p>Representative of the forestry sector (beneficiary or industrial interest) should be on the Monitoring Committee and a clearer mechanism for consultation with forestry and forest product interests.</p>	<p>This recommendation is agreed and is being addressed in the National Development Plan (N.D.P para 5.111).</p> <p>This is acceptable. Scheme application forms are being reviewed to capture the data required.</p> <p>See response to Overall Recommendations 2.</p> <p>This recommendation is accepted and the Plan has been amended to include a representative of the Irish Timber Growers’ Association and of the Irish Forest Industry Chain.</p>
1. 2. 3. 4.	<p>Rural Environment Protection Scheme</p> <p>A more systematic evaluation process should be developed in implementing REPS 2000-2006, than existed during 1994-1999.</p> <p>Monitor closely the interplay between REPS and afforestation prescriptions offered by REPS planners, given the concerns about forestry recommendations on REPS farmland in the past.</p> <p>Develop more quantified performance indicators, as well as targets across all indicators.</p> <p>Ensure sufficient environmental and heritage representation on the Monitoring Committee.</p>	<p>See comments on the overall recommendations.</p> <p>This issue has been dealt with in Chapter 4 (under REPS) of the revised Plan.</p> <p>Already covered above.</p> <p>See Recommendation 3 above on Compensatory Allowances.</p>

Expected Economic, Environmental and Social Impact of the Plan

Expected numbers of farmers joining the schemes and financial allocations in the coming period are as follows:

	Estimated Nos. Joining	Total Funds Allocated :m 2000-2006	Of which EU funded :m 2000-2006
(a) Early Retirement	average 10,500 over 7 years	764.6	369.9
(b) Compensatory Allowances	91,000 per annum falling to 82,000 over 7 years	1,490.7	435.1
(c) REPS	45,000 rising to 70,000 over 7 years	2,039.9	1,233.1
(d) Forestry	1,300 per annum rising to 2,000	687.9	350.8
Evaluation	—	4.9	—
Total		4,988.0	2,388.9

From an economic viewpoint, this level of funding will have a considerable impact on incomes in rural areas, particularly if the multiplier effect is taken into account. Many of the expected impacts of the measures, quantified where possible, are contained in the Indicators Tables at Chapter 3.

(a) Early Retirement

On the economic/social front, the weak age structure has already been highlighted in Chapter 1 and the revised measure on Early Retirement offers a good opportunity to tackle this issue in a substantive way. By effecting the transfer of land to younger, better educated and more productive farmers, as well as through direct structural effects, the Measure can be expected to have a positive impact on farm income, both at individual and aggregate level over time. The incomes of retiring farmers will also have a positive impact on overall rural household incomes.

The environmental impact of the Measure is likely to arise mainly from the requirement that transferees must comply with Good Farming Practice as set out in Annex 2.

Retention of younger farmers on the land and their acquisition of increased education and training will have obvious impacts on the social fabric of rural areas.

(b) Compensatory Allowances

Compensatory Allowances are highly important for Irish agriculture and the national economy as they contribute significantly to the basic livelihood of farmers. They are not the biggest component of family farm income but are very significant for many farmers, particularly grassland based livestock enterprises. The Evaluator pointed to the low level of income of farmers in the Less Favoured Areas, especially those in the More Severely Handicapped Areas. Quoting the average individual payment of £1,300 per farmer, he pointed out that this represents 16% of household farm income. He also indicated that a fair assumption would be an even higher level of depopulation in some of these rural areas in the absence of Compensatory Allowances.

As regards the environmental impact, in the past, this measure has been criticised for causing overgrazing but this has been rectified with destocking commitments made and the introduction of cross-compliance. The fundamental change to make payments on a hectare basis rather than per head of animal and the requirements on participants to follow Good Farming Practice will also have positive environmental effects.

(c) REPS

If the target of reaching 70,000 farmers (at least half of the farming population) over the period of the Plan, is reached, this will have a very wide-ranging environmental and economic impact in rural areas. Particularly important from an environmental viewpoint will be the uptake by farmers with land in the areas being targeted as environmentally sensitive – Natura 2000 and Natural Heritage Areas – where the special undertakings required of participants are expected to preserve and, where necessary, lead to the restoration and rejuvenation of these important environment and heritage areas.

(d) Forestry

From the economic and social perspective the measure should confer beneficial effects on the living conditions and structure of the rural population. The Plan Evaluator also pointed out the positive employment gains arising from forestry activities.

With regard to the environmental impact of the measure, the Evaluator signalled the impact of forestry in carbon sequestration and in mitigating greenhouse gases generally. He also pointed out the need to monitor the degree of species diversity in new plantations in relation to such areas. Guidelines covering Forestry and Biodiversity will apply under the Rural Development Plan. The evaluator also pointed out the necessity to increase the training participation rate of timber growers with respect to training in forest establishment and maintenance. This issue is being addressed under the Employment and Human Resources Development Operational Programme.

Measures Covered by the Structural Funds

As already indicated under Chapter 3, a further set of agricultural, food, rural development and forestry measures are proposed under the Structural Funds heading and these will also impact significantly on farmers and other rural dwellers from an economic, environmental and social aspect. In addition, all of the Operational Programmes proposed under the National Development Plan as set down at Chapter 3 will play a significant role in improving the situation of rural dwellers in general.

Rural Proofing

Following on from the White Paper on Rural Development, administrative procedures have been introduced for application by all Departments to ensure that policy makers are aware of the likely impact of all proposals on rural communities. The operation of these procedures will contribute significantly to integrating the strategy for the economic and social development of rural areas with the objectives and principles of other policy initiatives as set down in the National Development Plan, 2000-2006.

Annexes

Annex 1: Quantified Description of the Current Situation – Statistical Data

Annex 2: Good Farming Practice

Annex 3: Detailed REPS Costings

Annex 4: Maps

Annex 1

Quantified Description of the Current Situation (Commission Document VI/12006/00)

Characteristics of the area				
National GDP (1998)		£53,148m		
GDP of Region		same		
Share of agriculture in the GDP (1998)		4.7%		
Household income (1994/95) ¹	urban population	£19,003		
	rural population (non-farm)	£15,991		
	agricultural population	£18,632		
Per capita average income (1996)	Overall	£10,952		
Population density (persons per square km) (1996)		52		
Migratory balance		n.a.		
Population	Urban	2,107,991		
	Rural	Total	1,518,096	
		of which farmers	Total ²	149,300
			of which part-time farmers ³	n.a.
	Total	3,626,087		
Working Population (Total labour force)	Urban	n.a.		
	Rural	n.a.		
	Total (1998)	1,621,100		
Unemployment rate	Urban	n.a.		
	Rural	n.a.		
	Overall (1998)	7.8%		
Share of female employment in the working population (1998)		39%		
Share of young people employment in the working population (1997)		55%		
Share of people above 40 years old in the working population (1997)		45%		

Source: CSO, various publications.

¹ Gross household income per annum for urban, rural and agricultural populations was used instead of per capita average income, as the latter was not available.

² The Agricultural Labour Input Survey estimates that there were 149,300 farmers in 1996, while in Census 1996 140,625 people were classified as farming, fishing and forestry workers.

³ In 1996 it was estimated that 28% of farmers had off-farm jobs (Teagasc, NFS).

Land use (1996)		
	'000 ha	%
Arable Land	406.3	9.5%
Permanent crops	—	—
Permanent grassland and pastures	3,935.0	90.5%
UAA Total	4,341.3	100%
Forestry	594.0	8% ⁴
TOTAL	4,911.3	100%

Source: CSO

⁴ % of Total Land Area.

Profile of the farms (1997)				
Main type of production	Number of farms ('000)	Average farm size (AAU)	% of farmers less than 40 years old	% of farmers more than 55 years old
Field Crops	3.7	64.4	19.0	38.0
Horticulture	0.1	15.4	0.0	50.0
Vineyard	0.0	0.0	0.0	0.0
Fruit cultivation	0.0	6.4	—	0.0
Olive trees cultivation	0.0	0.0	0.0	0.0
Other holdings (including mixed holdings)	3.7	54.2	—	—
Dairying	33.0	37.6	25.0	37.0
Cattle-rearing and fattening	73.0	21.6	19.0	48.0
Pigs & poultry	0.7	13.1	28.0	28.0
Other types of livestock-farming	33.1	31.9	—	—
Others	Total	—	—	—
	of which forestry and mixed sylvo-agricultural holdings	—	—	—
TOTAL	147.3	29.4	21.0	45.0

Source: CSO

Annex 2

Good Farming Practice (GFP)

Agenda 2000

Under the Agenda 2000 Agreement, the integration of environmental concerns is central to the CAP Reform element and, in future, all farmers receiving EU aid under CAP or under the Structural Funds must practice farming in accordance with minimum EU and national environmental requirements.

(a) Specifically under Council Regulation (EC) No. 1257/1999 on Support for Rural Development, the following is the position:

- Article 5 states, inter alia, that all farmers receiving capital investment aid must comply with “minimum standards regarding the environment, hygiene and animal welfare”
- Article 14 states that all farmers in receipt of Compensatory Allowances must “apply usual good farming practice compatible with the need to safeguard the environment and maintain the countryside, in particular by sustainable farming”
- Article 23 states that all farmers receiving agri-environmental aid (REPS) must demonstrate that their REPS Plan “shall involve more than usual good farming practice.”

(b) Commission Regulation (EC) No. 1750/1999 which lays down detailed rules for the implementation of the above Regulation makes the following provisions:

- Article 19 states “A farmer who gives an agri-environmental commitment as to one part of a farm shall adhere to at least the standard of usual good farming practice throughout the farm”
- Article 28 states “For the purposes of Council Regulation (EC) No. 1257/99 and of this Regulation, ‘usual good farming practice’ is the standard of farming which a reasonable farmer would follow in the region concerned.

Member States shall set out verifiable standards in their rural development plans. In any case, these standards shall entail compliance with general mandatory requirements.’’

Implementation of Good Farming Practice

The proposed manner of implementation by the DAFRD of the requirements at (a) and (b) above in relation to the CAP Plan are set down in the following Table. The DAFRD will also prepare a publication which will set out Good Farming Practice in more detail and which will be supplied to all farmers to ensure that they are fully informed of the requirements of GFP.

Implementing Bodies

Ireland has a considerable volume of legislation on air, soil, water and biodiversity, that impinges on, or is directly applicable to, farming and good farming practice (see the table below on national legislation for a list of the most relevant items of legislation). Much of this legislation is very complex and as such can only be implemented by officers of the relevant responsible

Implementing Bodies, who have the required competence. For this reason Ireland proposes to monitor compliance with GFP as follows:

- (a) Direct scheme controls carried out by Department of Agriculture, Food and Rural Development (DAFRD) staff as indicated by “DAFRD” in the following Table, column 4
- (b) Internal cross reporting from/to other sections of the DAFRD
- (c) External cross reporting from/to the relevant responsible Implementing Bodies.

The minimum level of compliance checks of participants required under the schemes as set down in Chapter 5 on “Monitoring and Control, Evaluation and Publicity” will be complied with by the checks carried out by scheme staff as indicated by “DAFRD” in the following Table, column 4.

Checks carried out at (b) and (c) above, will be carried out independently and will not necessarily include participants selected for control inspection at (a) above.

Good Farming Practice must be compatible with environmental sustainability. In the light of the increasing awareness and importance of the relationship between agriculture and the environment, and in the light of on-going environmental research, standards for good farming practice may change over the period 2000-2006. Such changes as may occur will supersede the standards existing previously and shall be binding on all participants in the relevant measures.

Sanctions

Appropriate sanctions will be applied by the Department of Agriculture, Food and Rural Development to breaches of Good Farming Practice.

Definition of Good Farming Practice

Measure	Standard ¹	Check	Control
1. Nutrient Management	Conform with Teagasc recommendations ² on the use of organic manures, chemical fertilisers (N, P and K) and lime. Comply with the recommendations for the management, provision of adequate storage and spreading of organic manures and effluents as set out in the Nitrate Code ³ .	<ol style="list-style-type: none"> 1. Discharge of waste into water sources, watercourses, and drains 2. Wastes (slurry, farmyard manure, dungstead manure, soiled water, poultry manure, dairy washings, silage effluent, spent mushroom compost, sheep dip, farm chemicals, oil, non-farm organic waste, sewage sludge and industrial waste and residues), collected or stored in a manner liable to cause pollution. 3. Non compliance with Action Plans applicable to Nitrate Vulnerable Zones. 4. Non compliance with local Bye-Laws on the regulation of agricultural practice in river catchment areas. 	<p>DAFRD⁴ & External cross-reporting.</p> <p>DAFRD & Internal cross reporting & External cross-reporting.</p> <p>External cross-reporting.</p> <p>External cross-reporting.</p>
2. Grassland Management	The management of animals out-doors shall not result in severe poaching or severe over grazing with possible pollution risk. Particular attention will be paid where the stocking rate is above 2 livestock units per hectare. Burning of vegetation shall be in compliance with The Wildlife Act, 1976	<ol style="list-style-type: none"> 5. Severe poaching or severe overgrazing with possible pollution risk 6. Burning of growing vegetation on non-cultivated land between 15 April and 31 August. 	<p>DAFRD.</p> <p>DAFRD & External cross-reporting.</p>
3. Protect watercourses and wells	Comply with recommended buffer zones as specified in the Nitrate Code, for the protection of water sources and watercourses when spreading chemical fertilisers or organic waste.	<ol style="list-style-type: none"> 7. Chemical fertiliser being spread within 1.5m of a watercourse. 8. Organic fertiliser being spread within 50m of a domestic well or public water supply source or 10 m of a watercourse. 9. Organic or chemical fertiliser being spread on wet, waterlogged, frozen or on land sloping steeply towards a watercourse. 	<p>DAFRD & External cross-reporting.</p> <p>DAFRD & External cross-reporting.</p> <p>DAFRD & External cross-reporting.</p>
4. Wildlife Habitats	Comply with the requirements applicable to NHA's ⁵ , NATURA 2000 sites (viz. SAC's ⁶ and SPA's ⁷) Commonage Land and The Wildlife Act, 1976.	10. Non-Compliance with requirements of NHA's, SAC's, SPA's, Commonage Land and The Wildlife Act, 1976.	Internal cross-reporting & External cross-reporting.
5. Maintain farm boundaries	External boundaries or roadside fences of fields (excluding Commonage Land) occupied by livestock shall be stockproof.	11. External boundaries or roadside fences of fields (excluding Commonage Land) occupied by livestock not stockproof	DAFRD & Internal cross-reporting.
6. Use of pesticides and chemicals.	Safe storage and use of pesticides and chemicals. Use in accordance with product label instructions and Statutory Code of Good Plant Protection Practice. Comply with statutory maximum pesticide residue limits.	<ol style="list-style-type: none"> 12. Non-compliance with the safe storage and handling of pesticides or chemicals. 13. Pesticides not used in accordance with the product label instructions or Statutory Code of Good Plant Protection Practice. 	<p>External cross-reporting.</p> <p>Internal cross-reporting.</p>

Measure	Standard ¹	Check	Control
7. Features of historical and archaeological interest.	Comply with National Monuments Act, 1994. Do not damage or remove archaeological monuments and sites listed on the Record of Monuments and Places.	14. Non-compliance with the National Monuments Act, 1994 which requires the protection of features of historical and archaeological interest listed on the Record of Monuments and Places.	External cross-reporting.
8. Visual appearance of farm and farmyard.	Comply with The Litter Pollution Act, 1997.	15. Non-compliance with The Litter Pollution Act, 1997.	External cross-reporting.
9. Tillage	Comply with applicable elements of Good Farming Practice as referred to in column 1.		
10. Become familiar with GFP	Become familiar with the details of Good Farming Practice.		
11. Maintain Records as specified	Maintain the following records: Herd Register, Flock Register and Animal Remedies Record as required by DAFRD. Record of date, type and quantity of chemical fertilisers, organic waste and pesticides brought onto or leaving the farm.	16. Herd Register, Flock Register and Animal Remedies Record not Maintained. Record of date, type and quantity of chemical fertilisers, organic waste and pesticides brought onto or leaving the farm not maintained.	DAFRD & Internal cross-reporting.
12. Animal welfare	Housing of livestock should provide adequate space to meet the animal's requirements. Comply with the requirements of the Care and Welfare of Poultry (Laying Hens) Regulations, 1990. Comply with the requirements of the European Communities (Welfare of Pigs) Regulations, 1995. Comply with the requirements of the European Communities (Welfare of Calves) Regulations, 1998. Comply with the requirements of the European Communities (Protection of animals kept for farming purposes) Regulations, 2000. Ensure that animals are adequately nourished and are not exposed to unnecessary suffering.	17. Non compliance with the following legislation: Care and Welfare of Poultry (Laying Hens) Regulations, 1990. European Communities (Welfare of Pigs) Regulations, 1995. European Communities (Welfare of Calves) Regulations, 1998. European Communities (Protection of animals kept for farming purposes) Regulations, 2000. 18. Evidence of malnutrition or animal suffering.	Internal cross-reporting. DAFRD & Internal cross-reporting.
13. Hygiene	Comply with the requirements of the European Communities (Hygienic Production and Placing on the Market of Raw Milk, Heat-Treated Milk and Milk-Based Products) Regulations, 1996	19. Non-compliance with the requirements of the European Communities (Hygienic Production and Placing on the Market of Raw Milk, Heat-Treated Milk and Milk-Based Products) Regulations, 1996	Internal cross-reporting.

Explanatory notes:

¹ Compliance with national legislation relating to the environment, hygiene and animal welfare not specifically referred to in Good Farming Practice is assumed.

² Teagasc Soil Analysis & Fertiliser, Lime, Animal Manure & Trace Element Recommendations (1994) and any subsequent updates of these recommendations.

³ Code of Good Agricultural Practice to Protect Waters from Pollution by Nitrates.

⁴ Department of Agriculture, Food and Rural Development.

⁵ Natural Heritage Areas.

⁶ Special Areas of Conservation.

⁷ Special Protection Areas.

National Legislation

(a) *Environment*

Statutory Provision	Implementing Body	Penalties
<p>Air Pollution Act, 1987 The Act provides for control of air pollution which may be injurious to public health, have a deleterious effect on flora or fauna or which may impair or interfere with amenities or the environment.</p>	Local Authorities	Fine, (a) on summary conviction, not exceeding £1,000 and £100 per day the offence is committed and (b) on conviction or indictment, a fine not exceeding £10,000 and £1,000 per day on every day the offence is committed.
<p>Fisheries Acts, 1959 to 1999 These Acts inter-alia provide for the establishment of the Central Fisheries Board and the Regional Fisheries Boards and define their functions.</p>	Fisheries Boards	A fine, on conviction on indictment not exceeding £2,000 or 2 years imprisonment or both.
<p>Local Government (Water Pollution) Act, 1977 and Amendment Act, 1990 Under the legislation it is an offence to pollute waters by chemicals, fertilisers, animal slurries, manures, silage effluent or other organic fertilisers.</p>	Local Authorities	Contravention of bye laws relating to water pollution carry a fine, on conviction, not exceeding £1,000 and/or 6 months imprisonment and in certain cases a fine not exceeding £25,000 and /or imprisonment for up to 5 years.
<p>Local Government (Water Pollution) Act, 1977 (Water Quality Standards for Phosphorus) Regulations, 1998 These Regulations provide for specified improvements in water quality conditions in rivers and lakes based on phosphorus concentrations or related water quality classifications. They give effect to certain requirements under Council Directive 76/464/EEC.</p>	Local Authorities	
<p>Council Directive 91/676 /EEC of 12th December 1991 concerning the protection of waters against pollution caused by Nitrates from agriculture. This directive is currently being transposed into national legislation.</p>	Local Authorities	Fines similar to those applied under the Local Government (Water Pollution) Acts, 1977 and 1990 are likely to be introduced under the proposed new legislation.
<p>Local Government (Planning and Development) Acts, 1963 to 1998 Under the legislation, planning permission is required for certain on-farm building and structures. Planning permission is not granted unless adequate waste storage facilities are provided.</p>	Local Authorities	Contravention of the statutory requirements carries a fine, on conviction, of £1,500 to £10m and/or up to 2 years imprisonment.
<p>Waste Management Act, 1996 The Act relates to the prevention, management and control of waste and provides Local Authorities with the powers to require the preparation of a farm Nutrient Management Plan where it is considered necessary. The Act also makes arrangements for the collection and disposal of recyclable waste material, including farm plastics.</p>	Local Authorities	Fine, (a) on summary conviction, not exceeding £1,500 and/or imprisonment for a term not exceeding 10 years or (b) on conviction or indictment, not exceeding £10m and/or imprisonment for a term not exceeding 10 years.
<p>Waste Management (Use of Sewage Sludge in Agriculture) Regulations, 1998 These Regulations prescribe standards for use of sewage sludge in agriculture. The Regulations give effect to Council Directive 86/278 EEC of 12 June, 1986 on the protection of the soil, when sewage sludge is used in agriculture.</p>	Local Authorities	Fine, (a) on summary conviction, not exceeding £1,500 and/or imprisonment for a term not exceeding 10 years or (b) on conviction or indictment, not exceeding £10m and/or imprisonment for a term not exceeding 10 years.

Statutory Provision	Implementing Body	Penalties
<p>Litter Pollution Act, 1997 This Act provides for the prevention and control of litter pollution and the prevention of the defacement of certain places and matters relating thereto.</p>	Local Authorities	(1) Fine on summary conviction, not exceeding £1,500 and (2) on conviction £100/day for each day during which the contravention continues.
<p>Environmental Protection Agency Act, 1992. In addition to the establishment of the Environmental Protection Agency, the Act provides for the protection of the environment and the control of pollution. An Integrated Pollution Control Licensing requirement has been introduced in respect of the intensive rearing of pigs and poultry.</p>	Environmental Protection Agency	Fines, on conviction, from £1,000 to £10m.
<p>European Communities (Environmental Impact Assessment) Regulations, 1989 and 1999. The Regulations require an Environmental Impact Assessment to be carried out in relation to intensive pig and poultry rearing installations above specified size thresholds. The requirement may also apply where the thresholds are not exceeded but where the planning authority considers that the project concerned would be likely to have significant effects on the environment.</p>	Local Authorities	Fine, on conviction, from £1,500 to £10m.
<p>European Communities (Authorization, Placing On The Market, Use And Control Of Plant Protection Products) Regulations, 1994 to 1999. These Regulations specify the requirements and conditions for the authorization of plant protection products, which must be complied with in relation to their placing on the market and use, in accordance with Council Directive 91/414/EEC as amended, as well as introducing relevant enforcement and financial provisions.</p>	Department of Agriculture, Food and Rural Development	A fine of up to £1,000 or up to six months imprisonment or both.
<p>European Communities (Prohibition Of Certain Active Substances In Plant Protection Products) Regulations, 1981-1990 These Regulations provide that plant protection products containing certain active substances may not be placed on the market or used except in certain specified cases.</p>	Department of Agriculture, Food and Rural Development	A fine of up to £1,000 or up to six months imprisonment or both.
<p>Wildlife Acts, 1976 and 1999 These Acts provide for the conservation of wildlife (including game) and for the protection of certain wild creatures and flora. The 1976 Act enables inter-alia a body known as the Wildlife Advisory Council to be established and defines its functions and enables wildlife reserves to be established and maintained.</p>	Department of Arts, Heritage, Gaeltacht and the Islands	On summary conviction a fine not exceeding £1,500 or 12 months imprisonment or both.
<p>European Communities (Natural Habitats) Regulations, 1997 These Regulations give effect to Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora (Habitats Directive). The Regulations empower the Minister to designate special areas of conservation (endangered species and habitats of endangered species) as a contribution to an EU Community network known as NATURA 2000.</p>	Department of Arts, Heritage, Gaeltacht and the Islands	On summary conviction a fine not exceeding £1,500 or 6 months imprisonment or both.
<p>National Monuments Acts, 1930-1994 These Acts make provision for the protection and preservation of national monuments and for the preservation of archaeological objects in Ireland.</p>	Department of Arts, Heritage, Gaeltacht and the Islands	Fine, (a) on summary conviction, not exceeding £1,000 and/or imprisonment for a term not exceeding 12 months or (b) on conviction on indictment, not exceeding £50,000 and/or imprisonment for a term not exceeding 5 years.

(b) *Hygiene and Animal Welfare*

Statutory Provision	Implementing Body	Penalties
European Communities (Hygienic Production and Placing on the Market of Raw Milk, Heat-Treated Milk and Milk-Based Products) Regulations, 1996	Department of Agriculture, Food and Rural Development	A fine of up to £1,500 or up to six months imprisonment or both.
Diseases of Animals Act, 1966 This Act provides the basic legislation for the control and eradication of animal diseases. The Act also provides for compulsory notification of a number of specified diseases.	Department of Agriculture, Food and Rural Development	
Protection of Animals Kept for Farming Purposes Act, 1984 This Act extends the law relating to the protection of animals and, in particular, regulates the care and welfare of animals kept in intensive units.	Department of Agriculture, Food and Rural Development	A fine of up to £500 and/or 6 months imprisonment on summary conviction.
European Communities (Protection of Animals Kept for Farming Purposes) Regulations, 2000 These Regulations give effect to Council Directive 98/58/EC concerning the protection of animals kept for farming purposes and require owners and keepers to ensure the welfare of their animals.	Department of Agriculture, Food and Rural Development	A fine of up to £1,500 and/or 12 months imprisonment on summary conviction.
Care and Welfare of Poultry (Laying Hens) Regulations, 1990 These Regulations, which lay down the minimum requirements for the protection of laying hens kept in battery cages and other intensive systems, give effect to Council Directive 88/166/EEC.	Department of Agriculture, Food and Rural Development	Penalties similar to those made under the Protection of Animals Kept for Farming Purposes Act, 1984.
European Communities (Welfare of Pigs) Regulations, 1995 These Regulations lay down the standards for the protection of pigs kept in intensive or other systems of breeding, rearing or fattening and give effect to Council Directive No. 91/630/EEC of 19 November 1991. The Regulations set down the rules for the accommodation of pigs and the general conditions to be met to assure the health and welfare of the pigs.	Department of Agriculture, Food and Rural Development	A fine of up to £1,500 and/or 12 months imprisonment on summary conviction.
European Communities (Welfare of Calves) Regulations, 1998 These Regulations give effect to Council Directive No. 91/629/EEC, as amended by Council Directive No. 97/2/EC and Commission Decision No. 97/182/EC. They specify the accommodation requirements for the rearing and fattening of calves. They also lay down rules regarding appropriate diet and inspection of the calves to ensure their health and welfare.	Department of Agriculture, Food and Rural Development	A fine of up to £1,500 and/or 12 months imprisonment on summary conviction.

Annex 3

Detailed REPS Costings

Basis of REPS Costing for Grassland Farmers¹

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good Farming Practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
1. Nutrient Management Plan	National	Follow an appropriate waste management, liming and fertiliser plan prepared for the total area of the farm.	25	Follow the recommended nitrogen application rates specified in the Nitrate Code ³ which vary from 60kg/ha to 390kg/ha of mineral nitrogen depending on farm stocking rate. Adhere to crop P requirements recommended by Teagasc.	The maximum permitted level of total nitrogen in REPS is 260 kg/ha of which a maximum of 170kg can be organic N and the remainder mineral N. It is estimated that farmers are currently using 283kg/ha of total N. Consequently, complying with the REPS limits results in an estimated fall in output of 4% in volume valued at 37 €/ha. Input costs will fall by 12 €/ha. Therefore loss of income arising from fertiliser limits set down (37 € - 12 €)/ha has been estimated at 25 €/ha The extra cost of complying with the Nutrient Management Plan is due to significant change and increase in work practice relating to the collection, storage and disposal of animal manures and other wastes and implementing a fertiliser and manure programme based on soil analysis and crop requirements.
		a) Fertiliser limits apply to crops.			
		b) Nutrient Management Plan to be complied with for the whole farm.	15	Meet statutory requirements in relation to waste management, water, air, planning and building regulations ⁴ . Comply with Nitrate Code on spreading of organic and chemical fertilisers.	
		c) Maintenance of soil pH which optimises the efficiency of nutrient uptake of both chemical and soil N and P except on extensively farmed or marginal land.	7	Apply lime to attain a soil pH that optimises the use of chemical N and P except on lands that are extensively farmed or marginal in nature.	
		Total Cost	47		Apply additional lime to attain a higher soil pH (except on extensively farmed or marginal land) which increases the availability of soil N and P and creates conditions more favourable for clover growth. This amounts to 2 tonnes lime/ha over 5 years.

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good Farming Practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
2. Grassland Management Plan	National	Adopt a grassland management plan that avoids poaching, overgrazing, soil erosion and run-off leading to the damage of heather or other natural vegetation or wetlands habitats.		Outwinter and overwintering of livestock in buildings and yards while meeting the statutory requirements in relation to waste management, water management, target areas ⁵ and the Wildlife Act, 1976.	Increasing the length of the overwintering period of livestock in buildings and yards in order to reduce the risk of poaching, particularly of wetland habitats and overgrazing leading to damage of heather or other natural vegetation. The loss of winter grazing and extra cost of purchased winter feeding involved in reducing the period of outwintering of animals. Cost of additional "bedding" material and farm waste disposal required. Additional work input by farmer in feeding and "bedding" animals by housing/yarding them.
		a) Animals may have to be taken off the land for longer periods over the Winter resulting in extra winter feed required.	11		
		b) Additional "bedding" material and farm waste disposal required.	4		
		c) Increased work input by farmer required.	2.5		
		Total Cost	17.5		
3. Protect and maintain watercourses and wells	National	Protect and maintain watercourses and wells, with access by livestock to be limited to drinking points.		A fence to exclude bovines from watercourses and wells is not required. Bovines allowed access to one and a half metre strip of grazing along watercourse. Allow cattle to drink at any point along a watercourse. Watercourse maintenance is not mandatory.	Average length of watercourse fencing required per ha is 21m costing 0.5 €/m/yr. Loss of grazing of one and a half metre strip by watercourses. To reduce pollution of watercourses lay on piped water to fields or fence to create special access points where livestock can drink. Maintenance of watercourses according to REPS specification will require work with manual tools on an annual basis and the use of a mechanical digger once every five years. Average length of watercourse maintenance/ha is 21m @ 0.3 €/m/yr.
		a) Fence off watercourses and wells from bovines.	10.5		
		b) Bovines restricted from grazing of one and a half metre strip by watercourse.	1.0		
		c) Lay-on piped water to fields or create special access points to watercourses for livestock watering.	5		
		d) Remove silt from watercourse and scrape bottom and sides to original depth only; in accordance with environmental specifications.	6		
Total Cost	22.5				

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good Farming Practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
4. Retain Wildlife Habitats	National	Retain wildlife habitats such as field divisions, woodlands, wetlands, natural and semi-natural vegetation.		Comply with requirements applicable to target areas ⁵ and The Wildlife Act, 1976. Removal of habitats is not recommended however in certain circumstances to facilitate commercial farming practices, possible removal of wildlife habitats not protected under legislation is required.	The opportunity cost of setting-aside 3% of land as wildlife habitat which otherwise could be used for commercial farming purposes. Conservation of habitats often leads to irregular shaped and small size plots resulting in inefficient use of modern machinery and work practices.
		a) Setting-aside of land for wildlife habitat use.	9.5		
		b) Consequently, inefficient work practices will arise.	7		
		Total Cost	16.5		
5. Maintain farm and field boundaries	National	Retain and maintain boundary and roadside fences, stone walls and hedgerows in the interests of stock control, wildlife and the scenic appearance of the area. Stonewalls/hedgerow repair and maintenance, hedge and tree planting and wire fencing may be required.	31.5	Field divisions, stone walls and hedgerow maintenance is not mandatory and removal of such features is not recommended. However, where field size is small field division removal is required to facilitate commercial farming practice.	All field divisions, fences, stone walls and hedgerows will be retained and conserved. This can involve hedge cutting, stockproofing of internal divisions with fencing, planting hedges, indigenous tree species, laying, coppicing and wall building. Average length of maintenance per hectare is 125m costing on average 0.25 €/m/yr.
6. Cease using herbicides, pesticides and fertilisers in and around hedgerows, ponds and streams	National	Cease using pesticides and fertilisers within 1.5m of hedgerows, ponds and streams, except with the Minister's approval.		No chemical fertiliser to be applied within 1.5m of any watercourse. Comply with European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) Regulations, 1994. Clearing vegetation from watercourses is not mandatory.	Loss of production adjacent to field margins is estimated at 200 square metres per ha on which dry matter production will be reduced by 50% because of the restriction on the use of pesticides and fertilisers. Fenced watercourses will require cutting of weeds and clearing of vegetation from watercourses in accordance with environmental specifications using manual tools, 21m/ha @ annual cost of 0.25 €/m
		a) Consequently, dry matter production will be reduced on that area.	3		
		b) Clearing of vegetation from watercourses in accordance with environmental specifications.	5		
		Total Cost	8		

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good Farming Practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
7. Protect features of historical and archaeological interest.	National	Retain and maintain any features of historical or archaeological interest. No ground disturbance within 20m of such features.	2.5 ⁶	Comply with The National Monuments Act, 1994. Do not remove or damage archaeological monuments and sites listed on the Record of Monuments and Places.	REPS protects other sites and features of historical and archaeological interest not listed on the Record of Monuments and Places for example, the ruins of traditional dwelling houses and lime kilns. The monument itself and an area of 20 metres around it shall not be interfered with through activities such as ground disturbance. The corresponding loss of production involved is based on one historical/archaeological feature per farm.
8. Maintain and improve visual appearance of farm and farmyard.	National	Maintain farms including farmyards in a tidy state.		Comply with The Litter Pollution Act, 1997	Remove deposits of litter on-farm and any other unsightly feature, particularly those visible to the general public
		a) Maintain farmyard clear of litter and free of derelict equipment etc.	3 ⁶		
		b) Retain and maintain in a good state of repair traditional stone farm buildings, gates, gateposts and piers.	4	Removal of traditional stone farm buildings, gates, gate post and piers is not recommended however, for safety, ease of access or maintenance reasons they may be removed.	Preservation of old farm buildings of limestone, granite or sandstone wall construction and/or with slated roofs, gates gate posts and piers. Retain all such features and maintenance is often required to include essential repairs to the fabric of the structures.
		c) Use appropriate roof, wall and door colours and maintain in good state of repair.	3	The painting of buildings is not mandatory.	Use appropriate roof, wall and door colours on buildings, which blend in with the surrounding countryside and maintain in a good state of repair.
		Total Cost	7		

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good Farming Practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
9. Produce tillage crops according to REPS Specification	National	Not applicable to grassland farmers.	no claim	Not applicable.	Not applicable.
10. Become familiar with ‘environmentally’ friendly farming practice	National	Participants in REPS are recommended to attend prescribed courses and farm demonstrations and acquire the knowledge and skill required to comply with all REPS measures.	2 ⁶	Become familiar with the requirements in relation to waste management, water, air, trees and wildlife, target areas, use and control of plant protection products, planning and building, national monuments and litter as outlined above.	REPS entails being familiar with environmentally friendly farming practices as outlined in the REPS Specification which go beyond meeting the legislative provisions listed under Good Farming Practice.
11. Prepare, monitor and update agri-environmental records as may be prescribed by the Minister	National	Preparation and updating of the REPS Agri-environmental plan Keep such farm and environmental records as may be prescribed by the Minister Records must be kept each year with the appropriate details entered in the record book each month	16 ⁶	Record date, type and quantity of chemical fertilisers, organic wastes and pesticides brought onto or leaving the farm.	REPS requires the hiring of professional agriculturalist and/or environmentalist advice in the preparation of an agri-environmental plan and for its update during the term of the plan. Advice is also required on the change in farm management practices required to comply with REPS Specifications. Annual records to be kept by the REPS applicant on farming operations carried out.
Total Cost of Measures 1 to 11 above	National		150 ⁶		
Incentive to participate	National	Incentive to participate in REPS estimated at 10% of the total cost of Measures 1 to 11 above.	15		Financial inducement to participate in REPS.
Total Cost	National	Overall Total Cost	165		

¹ Payment for non target land will be on a per ha basis and will be payable on up to a maximum of 40 hectares. Participants farming more than 40 hectares must include all the land in their agri-environmental plan and farm it in accordance with the REP Scheme conditions.

² GFP outlined in this column is a summarised version. For a comprehensive description of GFP, reference should be made to Annex 2 of the Plan.

³ The Code of Good Agricultural Practice to Protect Waters from Pollution by Nitrates (prepared to fulfil obligations arising under Council Directive 91/676/EEC).

⁴ Local Government (Water Pollution) Act, 1977 and Amendment Act, 1990; Waste Management Act, 1996; Fisheries (Consolidation) Act, 1959; Local Government (Planning and Development) Acts, 1963 to 1998; Air Pollution Act, 1987; Environmental Protection Agency Act, 1992 and the European Communities (Environmental Impact Assessment) Regulations, 1989.

⁵ Target Areas consist of Natural Heritage Areas (NHA's), Farmland based Special Areas of Conservation (SAC's) designated under Council Directive 92/43/EEC, Special Protection Areas (SPA's) designated under Council Directive 79/409/EEC and Commonage land.

⁶ While the actual costing for Measures 7, 8a), 10 and 11 are 2.5 €/ha, 3 €/ha, 2 €/ha and 16 €/ha respectively, Ireland does not propose to make any payment on these Measures as it is proposed to make a maximum payment of 151 €/ha (or 165 €/ha in the case of holdings < 20ha) to keep within budgetary constraints.

Basis of REPS Costing for Arable Farmers¹

Measure No.	Area	REPS Specification Action	Cereals, Root Crops Oilseed Rape and Linseed Amount (€/ha)	Sugar Beet Potatoes Amount (€/ha)	Good farming practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
1. Nutrient Management Plan	National	a) Follow an appropriate waste management, liming and fertiliser plan prepared for the total area of the farm. Fertiliser limits for crops set at 80% of those recommended in the Nitrate Code. ³	51	56	Spread Nitrogen at the economic optimum level for crop production and comply with the spreading of organic and chemical fertilisers as recommended in the Nitrate Code ³	Loss of income arising from compliance with the N fertilisers limits set down results in a 10% and 5% fall in cereal and root crop output worth 75 €/ha and 116 €/ha respectively, however a 20% reduction in N fertiliser results in savings of 24 €/ha and 60 €/ha, respectively.
		b) Maintenance of soil pH which optimises the efficiency of nutrient uptake of both chemical and soil N and P.	11	11	Apply lime to attain a soil pH that optimises the use of chemical N and P except on lands that are extensively farmed or marginal in nature.	Apply additional lime to attain a higher soil pH (except on extensively farmed or marginal land) which increases the availability of soil N and P. This amounts to 3 tonnes lime/ha over 5 years.
		c) Monitoring of a Nutrient Management Plan will give rise to significant change in work practice when implementing a fertiliser and manure programme for crops.	1	1	Meet statutory requirements in relation to waste management, water, air, planning and building regulations ⁴ .	Additional management time required to implement recommendations of the Nutrient Management Plan.
		Total Cost	63	68		
2. Grassland Management Plan	National	Adopt a grassland management plan. Not applicable to arable farms	no claim	no claim	Not applicable	Not applicable

Measure No.	Area	REPS Specification Action	Cereals, Root Crops Oilseed Rape and Linseed Amount (€/ha)	Sugar Beet Potatoes Amount (€/ha)	Good farming practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
3. Protect and maintain watercourses and wells	National	Protect and maintain watercourses and wells, with access by livestock to be limited to drinking points.				
		a) Fence off watercourse and wells from bovines	4.5	9	A fence to exclude bovines from watercourses and wells is not required.	Average length of watercourse fencing per ha is 9m for cereals and 18m for root crops costing 0.5 €/m/yr.
		b) Provide piped water to fields or create special access points to watercourses for livestock watering	2	4	Allow cattle to drink at any point along a watercourse.	To reduce pollution of watercourses provide piped water to fields or fence to create special access points to water livestock.
		c) Remove silt from watercourse and scrape bottom and sides to original depth only; in accordance with environmental specifications	5	5	Watercourse maintenance is not mandatory.	Maintenance of watercourses according to REPS specification will require work with manual tools on an annual basis and the use of a mechanical digger once every five years. 18m @ 0.3 €/m/yr.
		Total Cost	11.5	18		
4. Retain Wildlife Habitats	National	Retain wildlife habitats such as field divisions, woodlands, wetlands, natural and semi-natural vegetation				
		a) Setting-aside land for wildlife habitat use	9	9	Comply with requirements applicable to target areas ⁵ and The Wildlife Act, 1976. Removal of habitats is not recommended however, in certain circumstances to facilitate commercial farming practices, possible removal of wildlife habitats not protected under legislation is required.	The opportunity cost of setting-aside 2% of land as wildlife habitat which otherwise could be used for commercial farming purposes.
		b) Consequently, inefficient work practices will arise	7	7		Conservation of habitats often leads to irregular shaped plots resulting in inefficient use of modern machinery work practices.
		Total Cost	16	16		

Measure No.	Area	REPS Specification Action	Cereals, Root Crops Oilseed Rape and Linseed Amount (€/ha)	Sugar Beet Potatoes Amount (€/ha)	Good farming practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
5. Maintain farm and field boundaries	National	Retain and maintain boundary and roadside fences, stone walls and hedgerows in the interests of stock control, wildlife and the scenic appearance of the area Stonewall/hedgerow repair and maintenance, hedge planting and wire fencing may be required.	20	20	Field divisions, stone walls and hedgerow maintenance is not mandatory and removal of such features is not recommended. However, where field size is small, field division removal is required to facilitate commercial farming practice.	All boundary field divisions, fences, stone walls and hedgerows will be retained and maintained. Maintenance can involve hedge cutting, stockproofing of internal divisions with fencing, planting hedges and rebuilding stonewalls. Average length of maintenance per hectare is 80m costing on average 0.25 €/m.
6. Cease using herbicides, pesticides and fertilisers in and around hedgerows, ponds and streams	National	Cease using pesticides and fertilisers within 1.5m of hedgerows, ponds and streams, except with the Minister's approval. a) Consequently, dry matter production will be reduced on that area. b) Clearing of vegetation from watercourses mechanically in accordance with environmental specifications Total Cost	 2 4.5 6.5	 2 4.5 6.5	No chemical fertiliser to be applied within 1.5m of any watercourse. Comply with EC (Authorization, Placing on the Market, Use and Control of Plant Protection Products) Regulations, 1994. Clearing vegetation from watercourses is not mandatory.	Loss of production adjacent to field margins and watercourses is estimated at 120 square metres per ha on which dry matter production will be reduced by 50% because of the restriction on the use of pesticides and fertilisers. Fenced watercourses will require cutting of weeds and clearing of vegetation from watercourses in accordance with environmental specifications using manual tools. 18m @ 0.25 €/m/yr.

Measure No.	Area	REPS Specification Action	Cereals, Root Crops Oilseed Rape and Linseed Amount (€/ha)	Sugar Beet Potatoes Amount (€/ha)	Good farming practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
7.	National	Retain and maintain any features of historical or archaeological interest. No ground disturbance within 20m of such features.	3.5	3.5	Comply with National Monuments Act, 1994. Do not remove or damage archaeological monuments and sites listed on the Record of Monuments and Places.	REPS protects other sites and features of historical and archaeological interest not listed on the Record of Monuments and Places for example, the ruins of traditional dwelling houses and lime kilns. The monument itself and an area of 20 metres around it shall not be interfered with through activities such as ground disturbance. The corresponding loss of production is based on one historical/archaeological feature per farm.
8.	National	Maintain farms including farmyards in a tidy state			Comply with The Litter Pollution Act, 1997.	Remove unsightly features and litter on the farm particularly those visible to the general public.
		a) Keep farmyard clear of litter and free of derelict equipment etc.	3 ⁶	3 ⁶		
		b) Retain and maintain in a good state of repair traditional stone farm buildings, gates, gateposts and piers.	4	4	Removal of traditional stone farm buildings, gates, gate post and piers is not recommended. However, for safety, ease of access or maintenance reasons they may be removed.	Preservation of old farm buildings of limestone, granite or sandstone wall construction and/or slated roofs, gates, gate posts and piers. Retain all such features and maintenance is often required for essential repairs to the fabric of the structures.
		c) Use appropriate roof, wall and door colours and maintain in good state of repair.	3 ⁶	3 ⁶	The painting of buildings is not mandatory.	Use appropriate roof, wall and door colours on buildings which blend in with the surrounding countryside and maintain in a good state of repair.
		Total Cost	4 ⁶	4 ⁶		

Measure No.	Area	REPS Specification Action	Cereals, Root Crops Oilseed Rape and Linseed Amount (€/ha)	Sugar Beet Potatoes Amount (€/ha)	Good farming practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
9. Produce tillage crops according to REPS Specification	National	Produce tillage crops leaving a specified field margin and without burning straw or stubble.			Minimise field margins to maximise cropping area. Straw and stubble burning is permitted but must be in compliance with statutory controls on the burning and destruction of vegetation provided in the Wildlife Act, 1976.	Prohibiting straw and stubble burning will increase fertiliser costs by about 19 €/ha, pest and fungal disease control costs by 31 €/ha. However, less than 25% of cereal stubbles are currently burned. Leaving an uncultivated field margin will result in 2% of land being left without crop output and loss in income.
		a) Prohibiting straw and stubble burning	12	0		
		b) Leaving a field margin resulting in land being left without crop output	9,5	9,5		
		Total Cost	21.5	9,5		
10. Become familiar with “environmentally” friendly farming practice	National	Participants in REPS are recommended to attend prescribed courses and farm demonstrations and acquire the knowledge and skill required to comply with all REPS measures	2 ⁶	2 ⁶	Become familiar with requirements in relation to waste management, water, air, trees and wildlife, target areas, planning and building, use and control of plant protection products, national monuments and litter as outlined above.	REPS entails being familiar with environmentally friendly farming practices as outlined in the REPS specification which go beyond meeting the legislative provisions listed under Good Farming Practice.

Measure No.	Area	REPS Specification Action	Cereals, Root Crops Oilseed Rape and Linseed Amount (€/ha)	Sugar Beet Potatoes Amount (€/ha)	Good farming practice (GFP) corresponding to the action ²	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
11. Prepare, monitor and update agri-environmental records as may be prescribed by the Minister	National	Preparation and updating of the REPS Agri-environmental plan Keep such farm and environmental records as may be prescribed by the Minister Records must be kept each year with the appropriate details entered in the Record book each month	16 ⁶	16 ⁶	Record the date, type and quantity of chemical fertilisers, organic wastes and pesticides brought onto or leaving the farm.	REPS requires the hiring of professional agriculturalist/environmentalist advice in the preparation of an agri-environmental plan and for its update during the term of the plan. Advice is also required on the change in farm management practices required to comply with REPS specification. Annual records to be kept by the REPS applicant on farming operations carried out as specified in the plan.
Total Cost of Measures 1 to 11 above	National	146 ⁶	146 ⁶			
Incentive to participate	National	Incentive to participate in REPS estimated at 13% of the total cost of Measures 1 to 11 above.	19	19		Financial inducement to participate in REPS.
Total Cost	National	Overall Total Cost	165	165		

¹ Payment for non target land will be on a per ha basis and will be payable on up to a maximum of 40 hectares. Participants farming more than 40 hectares must include all the land in their agri-environmental plan and farm it in accordance with the REP Scheme conditions.

² GFP outlined in this column is a summarised version. For a comprehensive description of GFP, reference should be made to Annex 2 of the Plan.

³ The Code of Good Agricultural Practice to Protect Waters from Pollution by Nitrates (prepared to fulfil obligations arising under Council Directive 91/676/EEC).

⁴ Local Government (Water Pollution) Act, 1977 and Amendment Act, 1990; Waste Management Act, 1996; Fisheries (Consolidation) Act, 1959; Local Government (Planning and Development) Acts, 1963 to 1998; Air Pollution Act, 1987; Environmental Protection Agency Act, 1992 and the European Communities (Environmental Impact Assessment) Regulations, 1989.

⁵ Target Areas consist of Natural Heritage Areas (NHA's), Farmland based Special Areas of Conservation (SAC's) designated under Council Directive 92/43/EEC, Special Protection Areas (SPA's) designated under Council Directive 79/409/EEC and Commonage land.

⁶ While the actual costing for Measures 8a), 8c), 10 and 11 are 3 €/ha, 3 €/ha, 2 €/ha and 16 €/ha respectively, Ireland does not propose to make any payment on these Measures as it is proposed to make a maximum payment of 151 €/ha (or 165 €/ha in the case of holdings ≤ 20ha) to keep within budgetary constraints.

Basis of Costing for Measure A in Commonage Areas⁷

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good farming practice (GFP) corresponding to the action	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
Measure A. Provide a comprehensive approach to the conservation and/or regeneration of designated target areas	Commonage Areas	a) Destocking Reduction in ewes per hectare to an agriculturally sustainable level	90	Stock ewes at an agriculturally sustainable level of 5 ewes/ha on commonage land while meeting the statutory requirements in relation to waste management, water, wildlife, and target areas.	Average stocking rate of Hill Sheep is 5 ewes/ha. Target is to reduce this to 3 ewes/ha. Reduction in sheep numbers will be 2 ewes per hectare less than the agriculturally sustainable level. Margin per ewe being 45 ...
		b) Habitat Retention including prohibited practices The following practices are prohibited on commonage lands: – drainage, ploughing, cultivation, reseeded, infilling or rock removal – turf cutting on unexploited bogs, planting trees or other crops. No new tracks or paths to be created. – burning only allowed as a planned management practice.	73	Maximise land, labour and machinery productivity by improving land through reclamation, reseeded, burning vegetation, turf cutting, planting trees and creating paths which may involve the removal of wildlife habitats not protected under legislation.	These extensive series of restrictions and prohibitions taken together will have a significant impact on land and labour productivity and the viability of farming in these areas. Unless the opportunity costs arising from these restrictions are adequately compensated for, farming in Commonage areas will not be sustainable and the area will be abandoned and the habitat value lost
		c) Prohibition on use of Fertilisers and Plant Protection Products	29	Use of pesticides fertilisers and lime in compliance with requirements of waste management, water, wildlife, target areas, and the Statutory Code of Good Plant Protection Practice and the Nitrate Code.	The opportunity cost from the loss of production due to the restriction on the use of applying fertilisers, liming material or pesticides.
		d) Grassland Management Plan Undertakings as outlined for measure (ii) in basic REPS	17.5	Maximise stocking rate of animals overwintered up to the agriculturally sustainable level in order to minimise costs of overwintering animals while meeting the statutory requirements in relation to waste management, water, target areas and wildlife.	Costings as outlined for in Measure (ii) in the basic REPS Scheme for Grassland Farmers, which involve increasing the length of the overwintering period of livestock in buildings/yards in order to reduce the risk of poaching of land leading to soil erosion and run-off.

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good farming practice (GFP) corresponding to the action	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
		e) Fencing Comply with the fencing undertakings associated with the commonage framework plan and stockproofing the boundary between the commonage and privately owned land.	9	Use minimal fencing on commonage	Fencing costs associated with undertakings in the commonage framework plan and stockproofing the boundary between the commonage and privately owned land. Average number of metres/ha of commonage to be fenced is 16 @ average cost/m/yr of 0.55...
		f) Supplementary feeding and nutrient management. The location of feeding points will have to be sited to encourage the dispersal of livestock throughout the outwintering area. To minimise heavy grazing, trampling and poaching "feeding points" should be moved every 3 weeks and sited on ground with least habitat and wildlife value, preferably on grassland well away from stands of heather. Feeding on steep slopes and on peaty soils should be avoided where possible. Restrictions on the application of organic nutrients in water quality sensitive areas also apply.	24	Use the most cost effective and convenient method of supplementary feeding and application of nutrients while meeting the statutory requirements in relation to waste management, water, target areas and wildlife.	Extra labour cost arising from a change in current supplementary feeding practice which led to damage to land and wildlife habitats to specified undertakings outlined under this measure. Additional costs will also arise due to restrictions on the application of organic nutrients in water quality sensitive areas.
		Total Cost of above undertakings	242		

⁷ Target Areas ≤40ha receive a payment of 242 €/ha, target areas >40ha and ≤80ha receive a payment of 24 €/ha and target areas >80ha and ≤120ha receive a payment of 18 €/ha. Target areas >120ha receive no payment but must be farmed in accordance with REPS Scheme conditions.

Basis of Costing for Measure A for SAC's⁵ and NHA's⁵ – excluding Commonages⁷

Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good farming practice (GFP) corresponding to the action	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
Measure A. Provide a comprehensive approach to the conservation and/or regeneration of designated target areas ⁵	NHA's and SAC's	a) Comply with the General Basic REPS Programme	150	Practice farming while meeting requirements in relation to waste management, water, air, trees and wildlife, target areas, planning and building, the Statutory Code of Good Plant Protection Practice, national monuments and litter.	REPS Programme 1 Costings are 165 €/ha. See REPS Programme 1 for breakdown of costs. Incentive element of 15 €/ha is excluded.
		b) Destocking Reduction of sheep numbers to an environmentally sustainable level	47	Stock ewes at an agriculturally sustainable level hectare while meeting the statutory requirements in relation to waste management, water, target areas and wildlife.	Reduce by 0.25 LU or 1.6 ewes per hectare less than the agriculturally sustainable level. Margin of 45 €/ewe, loss per ha of 45 x 1.6 = 72 €. Less 25 € for loss of output due to fertiliser limits applying to crops already allowed for in Measure 1 of basic REPS compensation.
		c) Habitat Retention and prohibited practices The following practices shall not be carried out in SAC's and NHA's lands: – The areas shall not be drained, ploughed cultivated or reseeded; – There shall be no infilling or rock removal; – Planting trees or other crops is not permitted; – No new tracks or paths shall be created; – Burning will only be allowed as a planned management practice; – Gorse may be controlled by cutting, spot spraying or exceptionally by burning outside of the bird-nesting season (late February to 31 August).	31	Maximise land, labour and machinery productivity by improving land through reclamation, reseeding, burning vegetation and building roadways which may involve the removal of wildlife habitats not protected under legislation.	There is a significant impact on land and labour productivity and the viability of farming in these areas. Unless the opportunity costs arising from these restrictions are adequately compensated for, farming in Commonage areas will not be sustainable and the area will be abandoned and the habitat value lost. This costing is additional to the costs involved in the conservation of wildlife habitats that has already been accounted for under Measures 4 and 5 of the REPS Programme 1 Costings.
		d) Restrictions on the use of fertilisers, pesticides and plant protection products Soil phosphate levels shall not exceed Index 2 Level.	24	Maximise use of pesticides, fertilisers and lime while meeting the requirements in relation to water, target areas, wildlife, the Statutory Code of Good Plant Protection Practice and the Nitrate Code.	Where fertilisers are being applied the initial soil sampling will be relatively intensive with at least one sample per 2-4 hectares. The use of plant protection products is also restricted. The estimated opportunity cost of complying with these practices will be 24 €/ha.
		Total Cost of above undertakings.	252 ⁸		

⁵ Target Areas consist of Natural Heritage Areas (NHA's), Farmland based Special Areas of Conservation (SAC's) designated under Council Directive 92/43/EEC, Special Protection Areas (SPA's) designated under Council Directive 79/409/EEC and Commonage land.

⁷ Target Areas ≤40ha receive a payment of 242 €/ha, target areas >40ha and ≤80ha receive a payment of 24 €/ha and target areas >80ha and ≤120ha receive a payment of 18 €/ha. Target area >120ha receives no payment but must be farmed in accordance with REPS Scheme conditions.

⁸ This costing will be limited to 242 €/ha instead of 252 €/ha as the aim is to keep costs in line with those for Measure A in Commonage Areas.

Basis of Costing for REPS Supplementary Measures⁹

Supplementary Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good farming practice (GFP) corresponding to the action	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
SM 3. Rearing animals of local breeds in danger of extinction	National	In order to be eligible for aid a farmer must register the animals with the relevant breed society or approved conservation agency. Payment is based on females only and made once in the lifetime of the animal.	400/LU ¹⁰	GFP generally does not involve rearing animals of local breeds in danger of extinction as it is generally not commercially viable to do so.	Regulation 1257/99 specifies a maximum of 450 €/ha. for "other land uses". This measure comes under this heading. Payment is based on 400 €/ha. Equivalent to 200 €/ livestock unit (LU) based on a stocking rate of 0.5LU/ha in the mountainous areas where this measure is likely to be most popular. Payment is based on females only and made once in the lifetime of the animal. Therefore, double the amount or 400 €/LU is paid because on average a payment for females would be made every second year.
SM 4. Long Term Set-Aside – Riparian Zones	Designated Salmonid rivers and tributaries	Riparian Zones and Lake-Side Strips are strips of land extending on average at least 10m in width from a designated river. The land cannot be used for agricultural production. The area shall be permanently fenced to exclude livestock but with suitable entry points by hung gate(s) to facilitate machine entry for maintenance work and stiles for access to fishing. Agricultural production is prohibited on this area	392.5	GFP involves commercial agricultural production of land up to the edge of rivers including river banks.	Average loss of income per hectare is the opportunity cost of setting-aside one hectare of land which otherwise could be used for agricultural production. Payment shall be subject to a maximum of 2.5 ha on any one holding.
		Complying with the prescribed management practices	332		
		Total Cost	724.5		

Supplementary Measure No.	Area	REPS Specification Action	Amount (€/ha)	Good farming practice (GFP) corresponding to the action	Long/Medium term justification in terms of extra cost, loss of income and financial inducement for farming beyond GFP
SM 5. Organic Farming	National	<p>To encourage producers in REPS to respond to the market demand for organically produced food. Assistance will be provided to participants converting to or continuing with organic farming production systems. Applicants must register with DAFRD and have their operations inspected and approved annually by a body approved by DAFRD.</p> <p>The payments for the in-conversion phase shall be for a maximum period of two years. Subsequent payments will be at rates applicable for full organic status.</p> <p>Applicants with more than 3 hectares of utilisable agricultural area:</p> <ul style="list-style-type: none"> – in conversion status – full organic status <p>Applicants farming less than 3 hectares with at least 1 ha under fruit or vegetables:</p> <ul style="list-style-type: none"> – in conversion status – full organic status 	<p>181</p> <p>91</p> <p>242</p> <p>121</p>	GFP involves farming without causing environmental degradation. Organic farming goes beyond GFP.	<p>Organic farming involves a very high level of management and substantial losses occur when converting to this sustainable system of farming.</p> <p>On average the difference in margins per hectare between producers in conversion to organic status and conventional producers is minus 639 €/ha/yr. Accordingly, it is proposed to pay approx. 50% of the losses incurred during the conversion period over the 5 years of the undertaking as an annual payment of 181 €/ha/yr for a maximum of 40ha for the two year conversion period and 91 €/ha/yr for a maximum of 40ha for full organic status. Losses sustained on converting to organic production by specialised fruit and vegetable producers on small holdings (<3ha) are significantly higher than those outlined above. Accordingly, a higher note of compensation (approx. 30%) will be paid as an annual payment of 242 €/ha/yr for 121 €/ha/yr thereafter.</p>

⁹ Participants can receive payment on one Supplementary Measure only.

¹⁰ Payment is based on a livestock unit basis rather than on a per hectare basis.

¹¹ Public access is no longer eligible under the Agri-environment Programme. However, costings (declared as State aid) are included as they could cover any outstanding commitments under this Measure.

Annex 4

Maps

- 1. Less-Favoured Areas**
- 2. Special Protection Areas**
- 3. Special Area of Conservation**
- 4. Natural Heritage Areas**