Sustainability: Policy Developments

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Data Source: Teagasc National Farm Survey

- Conducted by Teagasc since 1972
- EU Farm Accountancy Data Network
- EU Farm to Fork Strategy
 - "convert its Farm Accountancy Data Network into the Farm Sustainability Data Network"
- Best Approach
 - "integration of economic, social & environmental data
 - richer resource for research purposes
 - can **unlock the answers** to more complex questions





Why all the fuss about Sustainability?



Economic Sustainability:

- contributes to job creation, income generation, and economic growth
- supports rural industries such as food processing and distribution
- enhances food security, reducing reliance on imports and promoting self-sufficiency



Environmental Sustainability:

- helps preserve natural resources,
- reduce pollution, and minimise greenhouse gas emissions,
- protect water and biodiversity



Social Sustainability:

- support the well-being of farming communities and society at large
- make farming an attractive livelihood, particularly for the younger generation
- helps address social inequalities and promote balanced regional growth





Relevant Developments in 2023



National level

- Climate Action Plan 2023 in preparation
- Carbon (GHG) budgets for period beyond 2030

EU level

- EU Nature Restoration Law
 - Part of the EU's biodiversity strategy
 - Targets the restoration of ecosystems
 - EU MS will be required to produce Nature Restoration Plans
- Farm Sustainability Data Network Regulation
 - widen the range of farm data collected
 - modernise the data collection process







Ireland's CAP Strategic Plan now in place

- Focused on achievement of 10 specific CAP objectives
 - environmental, social and economic challenges
 - cross-cutting objective on knowledge and innovation
- Reflects the Green Deal, Farm to Fork and Biodiversity
 Strategy objectives





CAP Reform

European Green Deal

Farm to Fork Strategy

CAP Reform:

- Periodic review of EU's agricultural policy
- New CAP to be implemented 2023 to 2027
- CAP now has 10 objectives
- 3 broad categories relating to
 - income support objectives of the CAP (ECONOMIC)
 - structural change, rural development and food health (SOCIAL)
 - enhanced environmental performance incl. climate change (ENVIRONMENTAL)
- 1 over-arching category
 - KNOWLEDGE AND INNOVATION
 - which helps to achieve the other 9 objectives

ECONOMIC





Two Pillars of CAP Support for Farmers

Close to €2 billion per year

Pillar I

- Main source of support
- **€1.2 Bn** per year
- Funding: EU Budget
- Payments that are paid per ha
- Mainly focus on
 - » supporting farm income
 - » protecting the environment
- (Range of supports More in a moment)

Pillar II

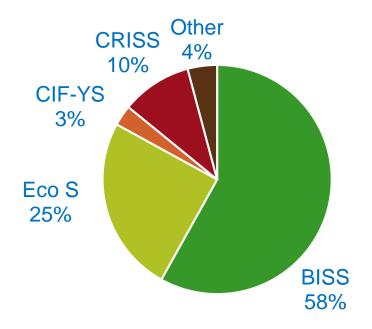
- Smaller share of support
- Close to €0.8 billion per year
- Funding: EU Budget/Irish gov.
- Some payments are paid by per ha
- Mainly focused on
 - » environment,
 - » diversification,
 - » rural development
- (Range of supports More in a moment)



CAP Reform (2023-2027) - Pillar I

- Overall Pillar I CAP budget for Irish farmers (€1.2 billion per year from EU)
 - Slightly down on the previous period (2014-2021)
- 1. Basic Income Support for Sustainability (BISS) (about €700m p.a)
 - Replaces the Basic Payment Scheme from the previous CAP round
- Further convergence (equalisation) in distribution of this payment
 - Convergence towards 85% of the average by 2026
 - Implies an average BISS payment in Ireland of €165 per ha by 2026
 - and a minimum BISS payment in Ireland of €145 per ha
- 2. <u>Eco-Scheme</u> (voluntary but most farms expected to apply) (€300m p.a)
 - Accounting for 25% of Pillar 1 budget to be paid on a flat rate basis to qualifying farmers
 - Payment amount per ha with depend on how may farmers apply (€66 per ha if all farmers apply)
- 3. Complementary Income Support for Young Farmers (CIF-YF) (€35m p.a.)
 - Aged <40yrs
 - Support payment for up to 50 ha of land @ €178 per ha
- 4. Complementary Redistributive Income Support for Sustainability (CRISS) (€120m p.a)
 - first 30 hectares are eligible @ €43 per hectare (covers about 70,000 farms of 30ha or less)
 - farms larger than 30 hectares will only get this payment for the first 30 hectares (about 55,000 farms)







CAP Pillar II (2023-2027)

- EU contribution is co-financed by national exchequer
 - About €311m pa from EU budget and €460m pa from Irish government
- Continues to support rural development via Leader Companies
- Continues to have agri-environmental schemes
 - Agri-Climate Rural Environment Scheme (ACRES)
 - This scheme is the successor to GLAS
- Improving environmental sustainability of farming
 - Increased national exchequer funding for 50k farmers
- But farmer actions must be separate from those under the Pillar 1 measures
 - Prevents farmers being paid a second time under ACRES for the same action undertaken via Pillar 1 scheme
- New support for organic farming
- Continued support for farming in areas of natural constraint (ANCs)
- A range other smaller schemes supporting cattle and sheep producers





2022 Teagasc Sustainability Report

- Comprehensive range of results
 - 4 Farm Systems (Dairy, Cattle, Sheep, Tillage)
 - 4 Sustainability dimension
 - » Economic, Environmental, Social & Innovation
 - » 129 indicators for 2022 (most recent year)
 - Temporal Dimension
 - » Individual year results **2017** to **2022** in appendix of report
 - 129 indicators x 6 years
 - » 3 year rolling averages 2015-2022 (longer term trend)
- Results presented today is only a small subset





Thank You

