

Consultation on the Shape of the Common Agricultural Policy post 2020

As a prelude to preparing draft legislative proposals in the summer, the EU Commission has published a communication on the challenges facing the Common Agricultural Policy (CAP) after 2020. A copy of that paper is available at the following link <https://www.agriculture.gov.ie/farmerschemespayments/>

Against that background, the Minister for Agriculture, Food and the Marine, Mr. Michael Creed TD, has announced his intention to engage in a public consultation on the future of the policy.

The consultation is an opportunity for civic society to make its views known on a matter of National importance. The consultation will include a series of public meetings during February as follows:

Date	Time	Location	Attended by
Monday 5 th February	8.00pm – 10.00pm	Talbot Hotel, Carlow.	Minister for State Andrew Doyle TD
Monday 12 th February	8.00pm – 10.00pm	Charleville Park Hotel, Charleville.	Minister for Agriculture, Food and the Marine, Michael Creed TD
Tuesday 13 th February	8.00pm – 10.00pm	Newgrange Hotel, Navan.	Minister for Agriculture, Food and the Marine, Michael Creed TD
Wednesday 14 th February	7.00pm – 9.00pm	Bush Hotel, Carrick-on-Shannon, Co Leitrim	Minister for Agriculture, Food and the Marine, Michael Creed TD
Tuesday 20 th February	8.00pm – 10.00pm	Hodson Bay Hotel, Athlone.	Minister for State Andrew Doyle TD
Wednesday 21 st February	8.00pm – 10.00pm	McWilliam Park Hotel, Kilcolman Road, Claremorris.	Minister for State Andrew Doyle TD

In addition, interested parties will be invited to make written submissions on the matter. These should be sent by email to cap_post2020@agriculture.gov.ie or by post to **EU Division, Department of Agriculture, Food and the Marine, Floor 6 Centre, Agriculture House, Kildare Street, Dublin 2**, marked "Submission on CAP post 2020". **The deadline for receipt of submissions is 23rd March 2018.**

In the meantime, to assist, but by no means limit those reflecting on the matter, the following are some of the key themes touched upon in the Commission Communication:

- **Simplification:**

Simplification is a significant theme in the CAP communication.

- *How can the CAP be simplified for beneficiaries and administrators, while maintaining an appropriate balance in terms of public accountability and value for money for EU taxpayer's funds?*

- **Direct Payments**

The communication recognises the critical role of direct payments in providing a safety net to support farm incomes. It confirms that they remain an essential part of CAP in accordance with EU Treaty obligations.

According to the 2016 Teagasc National Farm Survey, in Ireland they account for 75% of Family Farm Income on average, with a range from 37% on dairy farms up to 113% on cattle rearing farms.

The CAP communication suggests that Member States should explore mechanisms to target direct payments in a different way which could include:

- compulsory capping of payments at a certain level¹.
- a sliding scale of reducing payments above a certain level, or
- a redistributive payment to target small and medium sized farms.
- *Having regard to both the the Food wise 2025 and the CAP ambition to support economic development and employment creation, particularly in rural areas, what are your views on potential proposals to target direct payments differently?*

- **The Environment**

The CAP communication indicates that any new CAP should “reflect higher ambition and focus more on results as regards resource efficiency, environmental care and climate action”.

There are a number of key environmental challenges which the CAP will have a significant role in addressing, particularly climate change, water quality and biodiversity.

On climate, the communication recognises that agriculture should make a fair contribution to meeting the climate and energy targets laid down at EU and international level. It also recognises the vital role farmers play as managers of ecosystems, habitats and landscapes.

¹ Under the existing CAP Ireland already applies an effective CAP of €150,000 on the Basic Payment and a per hectare cap of €700

By 2030, Ireland will be required to reduce GHG emissions, compared to 2005, by 30%, in agriculture transport and built environment (non-ETS sector). Emissions from the agriculture sector comprise 46% of total emissions from these sectors.

Ireland has made significant progress in reducing the emissions intensity from agriculture, and contributing to sequestration (carbon capture) through afforestation, but much more will have to be done.

- *What do you believe should be the environmental priorities under the next CAP?*
- *Bearing these priorities in mind and considering Ireland's ambition for the sustainable development of the food sector, how should pillar I (direct payments) and pillar II (rural development) combine with private sector funding post 2020, to help the sector contribute to National climate change obligations and increase its contribution to water quality and biodiversity?*

- **Risk Management**

Volatility in farm incomes has been an issue for many Irish and EU farmers during the current CAP. This can be caused by a number of factors including price volatility, extreme weather and phytosanitary issues. The Communication suggests that a different approach to risk management is needed.

- *What sort of risk management measures for primary producers should be considered under the next CAP and how should they complement current EU measures such as intervention, Aids to Private Storage and Exceptional Measures?*

- **Young Farmer Supports**

According to the CSO's 2013 Farm Structure Survey, just 6.2% of all farmers in Ireland were under 35 years of age, with 25% over 65 years of age. Almost half of all farmers were aged between 45 and 65 years of age. The figures are broadly in line with EU averages. For this reason the need to encourage generational change is a priority in the CAP communication.

Within the existing CAP, there are already provisions aimed at young farmers under 40 years of age including, the Young Farmer Scheme and National Reserve under Pillar 1 and a higher level investment aid under TAMS II in Pillar 2, and at national level measures exist to encourage the creation of succession farm partnerships.

- *How should the CAP encourage young people into farming, the exit of the older generation and facilitate succession planning?*

- **Research, Innovation, Technology Transfer:**

The CAP communication acknowledges the critical importance of using research and innovation to better link “what we know to what we grow”.

Innovation in fields such as agronomy, breeding, zootechnics, digital technology, etc, can help to unlock the economic potential of agriculture, make farming more resilient to economic and climate pressures, and improve its environmental profile.

- *How can the CAP be used to build a smarter agriculture, and to translate research outcomes into real technology adoption that contributes to improved margins, greater resilience and better environmental impact on farm?*
- *What role should vehicles like advisory services and producer organisations play?*

- **On Farm Investment**

The CAP communication identifies a clear need to boost investment in farm restructuring, modernisation, innovation and diversification. It also refers to opportunities around new technology and digital investment, precision agriculture and clean energy to improve sustainability and competitiveness.

- *What should the on farm investment priorities be in the next CAP and how can financial instruments play a role?*

- **Strengthening the socio-economic fabric of rural areas**

The CAP communication identifies the vital role of CAP in supporting rural employment and prosperity. In particular, the CAP directly funds the socio-economic development of rural areas through the LEADER Programme.

- How can the CAP complement other European Structural and Investment Funds and the Government’s Action Plan for Rural Development to support the social and economic development of rural communities, including through the development of new value chains such as clean energy, the emerging bio-economy, the circular economy or rural tourism?

- **Health, Nutrition, Food Waste and Animal Welfare**

The CAP responds to a range of societal expectations in relation to food, in particular as regards food safety and quality, environmental and animal welfare.

- *Can the focus of the CAP in these areas be sharpened, and can it complement other measures in emerging areas of concern such as food waste or anti-microbial resistance and if so how?*

- **Position of the Farmers in the Supply Chain**

The EU Commission is at present examining measures to prohibit unfair trading practices in the agri food supply chain and these are expected to complement existing national measures across member states. The existing CAP legal framework provides for the recognition of farmer led producer organisations to assist farmers in strengthening the position of farmers in the supply chain.

- *Can the CAP post 2020 do more to complement other measures to strengthen the position of farmers in the supply chain and if so how?*

Department of Agriculture, Food and the Marine
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