



At a glance:

IRELAND'S CAP STRATEGIC PLAN

Agriculture
and Rural
Development

CAP Strategic Plans support the transition towards a smart, sustainable, competitive, resilient and diversified agricultural sector, while ensuring long-term food security. They also contribute to climate action, the protection of natural resources and the preservation/enhancement of biodiversity, as well as strengthen the socio-economic fabric of rural areas.

CAP Plans support a wide range of interventions addressing the specific needs of Member States and their territories. Designed in line with a new result- and performance-oriented approach, they aim to deliver tangible results in relation to EU-level CAP specific objectives, while contributing to the European Green Deal.

For the first time, each CAP Plan defines a strategy covering all the main CAP funded instruments: direct payments, support for rural development and interventions specific to certain market sectors.

The needs of rural areas will also be addressed by other EU instruments such as the Recovery and Resilience Facility (RRF) or the European Structural and Investment Funds (ESIF).

The Russian aggression against Ukraine and the ongoing commodity price surge highlight the integral link between climate action and food security. In this context, the Commission invited Member States to review their CAP Strategic Plans to exploit all opportunities: to strengthen the EU's agricultural sector resilience; to reduce their dependence on synthetic fertilisers and scale up the production of renewable energy without undermining food production; and to transform their production capacity in line with more sustainable production methods.

Ireland submitted its first proposal for a CAP Strategic Plan on 31 December 2021, after consultation with stakeholders. On 11 August 2022, Ireland submitted a revised proposal, addressing the Commission's observations on the first draft. The Commission approved this proposal on 31 August 2022. This document presents some of the main features of the CAP Strategic Plan of Ireland.

1. DID YOU KNOW?



Ireland has a much higher percentage of its territory and population living in rural areas compared to the EU average. Ireland has an estimated 6.9 million hectares of land, of which about 64% are suitable for agriculture. Ireland has **127 000 active farmers** and the total labour productivity in this sector is high. However, despite high levels of productivity, employees in this sector have low income levels compared to other sectors of the economy. The **agri-food sector accounts for 4.3% of the country's economy** (total GVA). Irish exports of agri-food products account for around 9% of total merchandising exports.

- ➔ **99% of Ireland is covered by predominantly rural and intermediate regions** (more than double the EU-27 average).
- ➔ There are around **135 000 farms** in Ireland, with an **average farm size of 33.4 hectares**.
- ➔ Farms in Ireland have become increasingly specialised towards livestock production (particularly beef and dairy).



2. GOALS AND STRATEGY OF THE CAP STRATEGIC PLAN OF IRELAND

Ireland has designed a strategy to promote the sustainable development of the farming and food sector by supporting viable farm incomes and enhancing competitiveness. The Irish CAP Plan also contributes to the achievement of environmental and climate objectives at national and EU levels, and aims to improve socio-economic conditions in rural areas.

2.1 AN ECONOMICALLY SUSTAINABLE AND FAIRER CAP

Ireland aims to **reduce the income gap between farming and other sectors of the economy**, as well across different farming systems. In order to improve the viability of farms, Ireland is building a more targeted and fairer system of financial support to farmers, through the combination of an upper limit of high payments, redistributive support for small and medium sized farms, and the harmonisation of the amount of payments to farmers.

Ireland will **support the development of the arable farming sector**. In particular, Irish farmers growing protein crops (such as peas, beans, lupins, and soya) will receive bonuses in order to improve their competitiveness.

The fruit, vegetable and apiculture (beekeeping) sectors will benefit from dedicated support to cover their specific needs with, for example, investments, training, advice, or crisis prevention and management.

Support for **investments to modernise holdings**, including digital farming technology, will also be available for Irish farmers.

- *Ireland will dedicate EUR 590 million to promote a more balanced distribution of support towards small and medium sized farms.*
- *To secure the long-term economic sustainability of the agriculture sector, around EUR 180 million will be allocated to complementary income support for young farmers.*

2.2 A GREENER CAP

Ireland faces major challenges in relation to environmental and climate-related objectives, such as increasing greenhouse gas (GHG) emissions from agriculture.



Ireland will apply strict good agricultural and environmental conditions to better **protect wetlands and peatlands** contributing to carbon sequestration. In buffer zones along watercourses, the use of all types of fertilisers and plant protection products will be restricted. Farmers must cultivate agricultural soils in a way that prevents or minimises erosion. In order to maintain and restore biodiversity, a minimum share of land will be dedicated to protecting areas that are valuable for biodiversity, such as hedgerows, scrub or small ponds.

Ireland will allocate **EUR 1.4 billion to promote more ambitious environmental- and climate-oriented practices**, such as reducing chemical nitrogen usage, increasing tree planting and extending nature and biodiversity rich land areas.

The quality of water bodies will be improved through multiple interventions targeting around 32% of the agricultural area.

➔ *In total, more than EUR 1.5 billion will be used for a new environmental scheme targeting 50 000 farmers with specific actions to achieve improved biodiversity, climate, air and water quality outcomes.*

➔ *EUR 256 million will be dedicated to tripling the area of agricultural land under organic production.*



2.3 SOCIALLY SUSTAINABLE CAP

Ireland is facing challenges in terms of depopulation of rural towns and villages, as well as an overall decline in young farmer numbers, an ageing farming population and a gender imbalance in farming. Some **7 000 young farmers will be granted targeted bonuses and higher financial support** for the investments they intend to realise in their farms, and/or will receive support for sustaining the professional costs of establishing farm partnerships and obtaining advice in relation to succession and retirement.

To **attract and retain women farmers**, a gender balance approach will be applied in the distribution of the CAP Plan's financial aid. Women farmers will also receive bonuses for investments and will benefit from female focused groups for knowledge transfer.

Moreover, the Irish CAP Plan will include measures designed to meet societal demands in relation to **animal welfare and food safety**, including through reducing use of antimicrobials and pesticides.

- ➔ *With a total financial allocation of EUR 180 million, the LEADER programme will fund some 29 Local Development Strategies, which will reach 82% of the rural population. Their aim will be to support the development of viable rural communities, by applying a community-led local development approach.*
- ➔ *Support will be provided to improve animal welfare for over 330 000 livestock units, particularly in the dairy, beef, sheep, pig and poultry sectors.*



3. KNOWLEDGE SHARING, INNOVATION AND DIGITALISATION

Ireland has a well-structured and interactive approach to **fostering knowledge, innovation and digitalisation in agriculture and rural areas**. This involves clear coordination and collaboration within the Agricultural Knowledge and Innovation System (AKIS).

Ireland will keep building and improving its AKIS and provide training and advisory activities for farmers to help them address new challenges, including those related to the environment and digitalisation.

A similar purpose will also be pursued by 36 European Innovation Partnership Operational Groups, which **will address the innovation gap between research and the practices** implemented in the field.

- *Around 300 000 persons will benefit from advice, training or knowledge exchange or participate in European Innovation Partnership Operational Groups supported under the Irish CAP Plan, mainly in the field of environmental or climate-related performance.*
- *Over 10 000 advisors will be supported in their work to make innovation available to farmers.*





4. FINANCIAL ANNEX

	EU budget (€)	National funding (€)	Total (€)
Direct payments	5 931 409 980	n/a	5 931 409 980
Sectoral support	298 714	298 714	597 428
Rural development	1 558 204 139	2 299 502 263	3 857 706 402
Total	7 489 912 833	2 299 800 977	9 789 713 810

National funding does not include additional national financing referred to in Article 146 of Regulation (EU) 2021/2115. Direct payments include allocations for cotton set out in Annex VIII of Regulation (EU) 2021/2115 and reflect possible transfers between pillars. Payments for support under Regulation (EU) No 1308/2013 are not included in the CSP. National funding for sectoral support only relates to apiculture. Rural development reflect possible transfers between pillars and include technical assistance.

EU FUNDING RESERVED FOR	In EUR
Young farmers (generation renewal)	177 942 300
Environmental and climate objectives under rural development	1 046 329 456
Eco-schemes under direct payments	1 482 852 495
LEADER	77 940 000
Complementary Redistributive Income Support	593 140 998

The minimum financial allocations for support for young farmers can be reserved under direct payments and/or rural development. Eco-schemes under direct payments may be lower than 25% if the possibility to use the rebate mechanism from rural development is used, in line with Article 97 of Regulation (EU) 2021/2115.

More financial information can be found in section 6 and in Annex V of Ireland's CAP Strategic Plan.

