

# AETS

AGRI ENVIRONMENTAL TRAINING SCHEME  
By ACA Member Owen O Driscoll



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## Current CAP – 2 pillars



### Pillar 1

Annual direct payments  
Basic payment  
Greening

### Pillar II

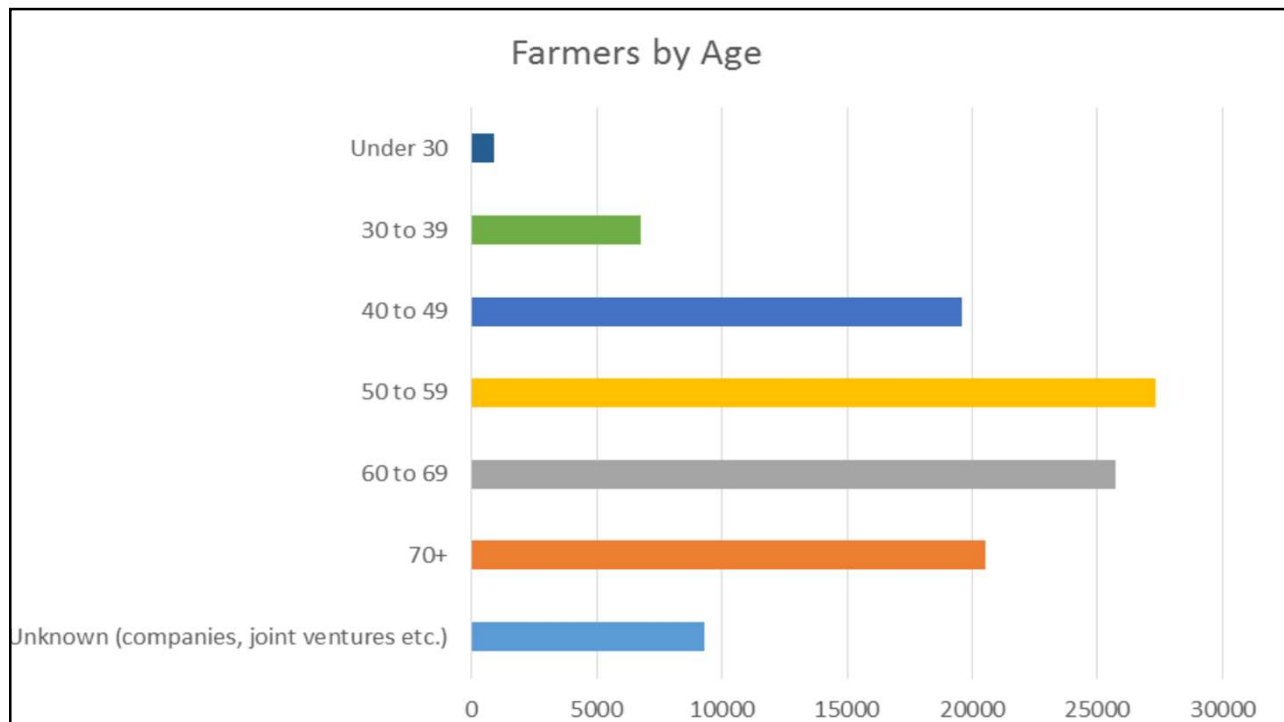
Rural Development Programme

Green Low-carbon Agri-environment Scheme (GLAS, €1.3 bn)

Areas of Natural Constraint

Locally led and EIPs

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## CAP Post 2020 proposals

**Nine specific objectives** set out what the policy is intended to achieve for farmers, citizens, climate etc.



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## CAP Strategic Plan (CSP)

- New CAP starts on 1 January 2023.
- CSP was submitted to EU Commission 31 December 2021.
- CSP approval expected September 2022.
- Information presented is subject to change.
- More information will be distributed as we move through 2022.



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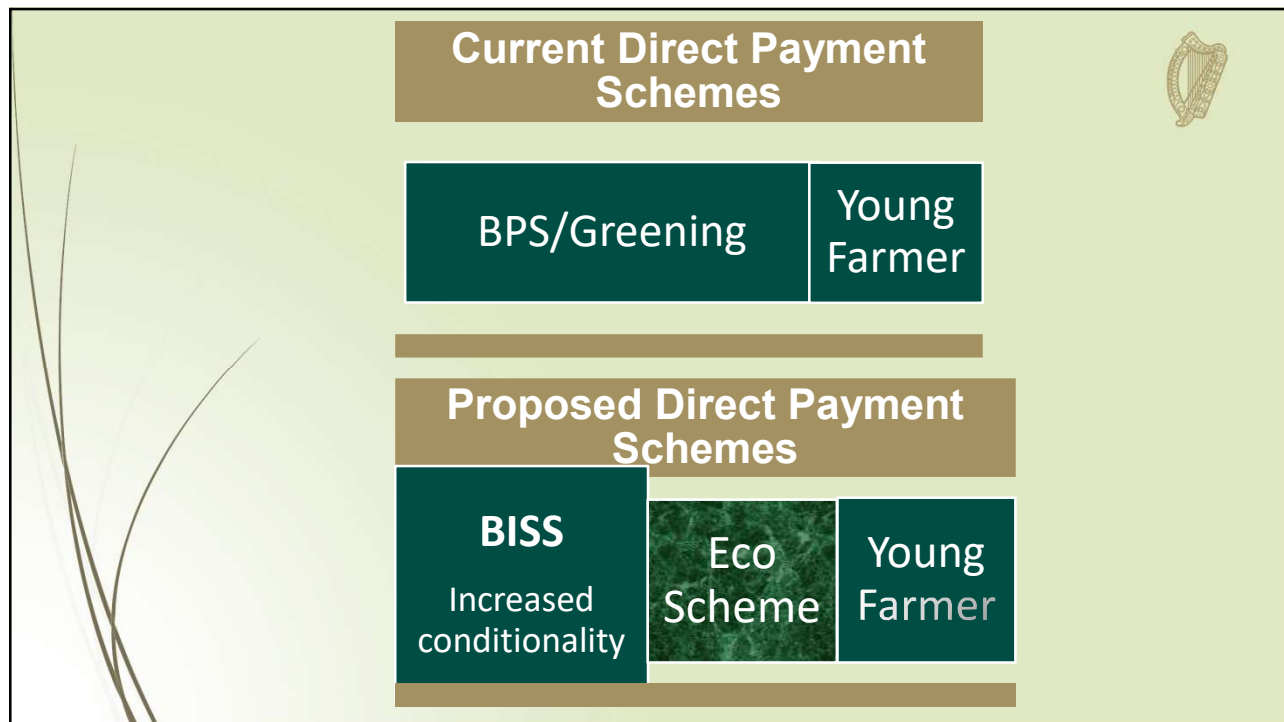
## Direct Payments Creation in 2015



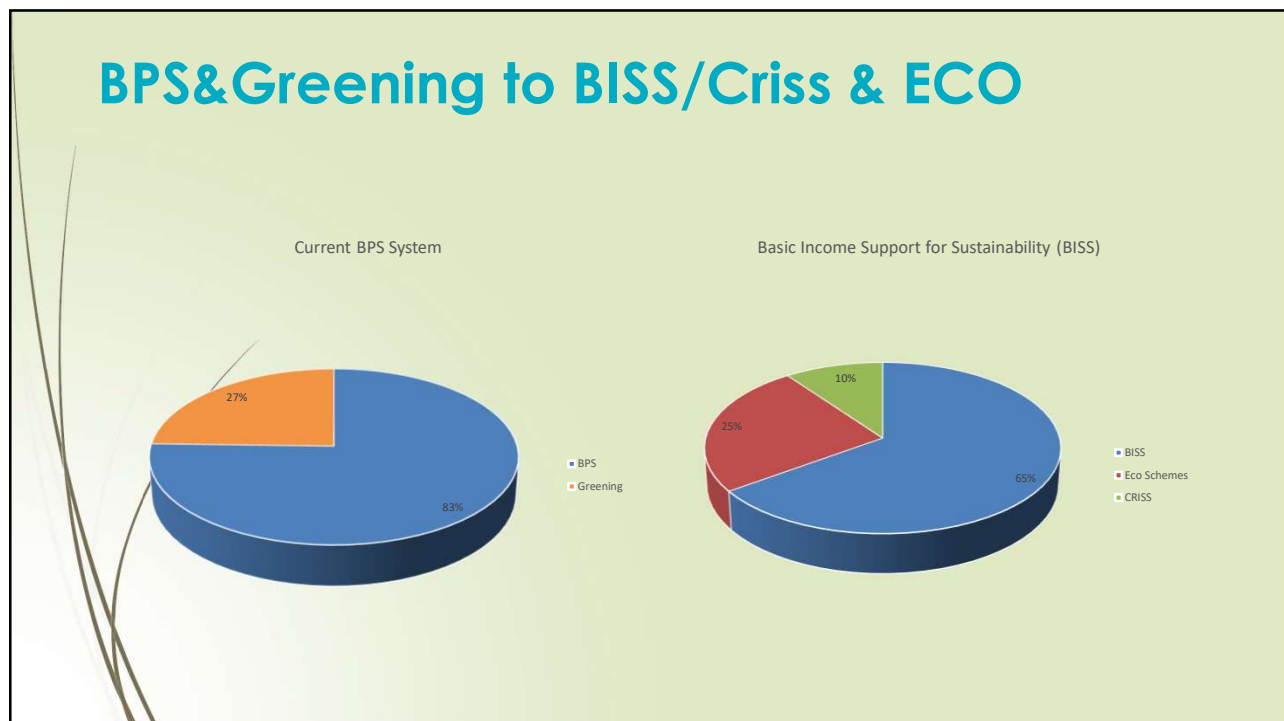
It is the amount of entitlements owned by the farmer in 2014 – that is the pot of money he/she possesses in 2014 from entitlements – and this is divided by the lesser number of hectares of land he/she claims in 2013 or 2015.



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## Key Messages

- The direct payment schemes are all changing in 2023, with different funding allocations under each category
- All entitlement values will change in 2023
- Changes planned for clawback mechanism around sales and leasing of entitlements from 2023 onwards



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## What will make up Direct Payments from 2023?

- **BISS/Basic Income Support for Sustainability** (the new BPS)
- **Eco-schemes** (a new scheme replacing Greening)
- **Complementary Income Support for Young Farmers** (the new Young Farmer Scheme)
- **Complementary Redistributive Income Support for Sustainability** (a new scheme often called Front loading)
- **Coupled Income Support** (Protein Aid)



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## Payment Entitlements

- No new allocation in the draft Regulations – no “reference years”
- Number of entitlements stays the same, but the value of each is adjusted to match the funding ceiling – **new average ~€155-160**
- Convergence will continue, reaching a minimum of 85% by 2026, in equal steps
- All entitlement values will fall into a range from **~€130-285 by 2026**
- Transfers still possible in the usual way but with some changes to clawback
- All farmers will receive a statement of entitlements in February 2023 for the new CAP



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## Clawback Changes

- Lifting of the current clawback on entitlements sold without land for 2023 and 2024 only
- Imposition of 10% clawback where a farmer leases out **>80% of their entitlements for less than 5 years**
- This reflects much discussion with stakeholders and analysis held throughout the past few years
- Facilitate hand overs, security of tenure, sync with eco-schemes, strengthen active farmer and targeting



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## Key Direct Payment Changes

### 2. Capping – the reduction of individual payments above a limit.

#### Current situation

- Capping of €150,000 under the Basic Payment Scheme

#### Proposal:

- Mandatory Capping of **all** Direct Payments - **Maximum €100,000**
- Capping for payments in excess of €66,000

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## Capping

Capping will apply in two separate bands to BISS (payment entitlement value only)

- Above €100k – 100% capping
- Between €60-100k – 85% reduction
- Maximum BISS payment of €66k – based on entitlements held (i.e. no distinction whether these are leased/rented or owned)
- No deduction of salaries

Farmer A: BISS €110k (before capping)  
Farmer A: BISS: €66k (after capping)

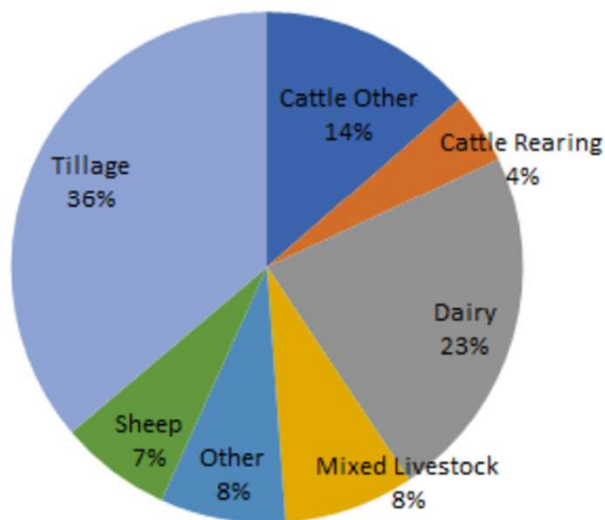
Farmer B: BISS €80k (before capping)  
Farmer B: BISS: €63k (after capping)



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Figure 6 below illustrates the sectoral breakdown for the 716 individuals within the sample population with modelled BISS Payments over €60,000 per annum.



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## Key Direct Payment Changes

**CRISS**



### 4. Complementary Redistributive Income Support for Sustainability

- Transfer payments from larger to small or medium sized farmers
- To improve sustainability
- Challenge of a number of different redistributive schemes
- 30ha's x €44 = €1320 max



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## Summary of direct payments modelling



- Redistribution is a mandatory measure required at EU level to target payments to those who need them most, or those who are contributing to the CAP objectives
- Eco-Schemes will represent an important portion of a farmer's direct payment
- CRISS (Complementary Redistributive Income Support for Sustainability) will make a contribution to a farmer's direct payment, but is likely to be smaller than BISS (Basic Income Support for Sustainability) or Eco-Schemes
- Greater allocation to eco-schemes and CRISS greatly reduce the impact/influence entitlements have (less money moving because entitlements represent a smaller proportion of the fund)
- These measures redistribute from those with more land/entitlements and/or those with high value entitlements
- Very limited funding will result from capping

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## CRISS (front loading)

- Total amount dedicated to this scheme is €118m, or 10% of the total annual budget
- Farmers will receive a payment ~€44 per ha up to a maximum of 30ha (max benefit ~€1320)

Farmer A: CRISS €880 (20 ha at €44)

Farmer B: CRISS €1320 (30 ha at €43)

Farmer C: CRISS: €1320 (50 ha but paid 30ha at €43)



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## Key Direct Payment Changes



### 3. Convergence of Payment Entitlement values

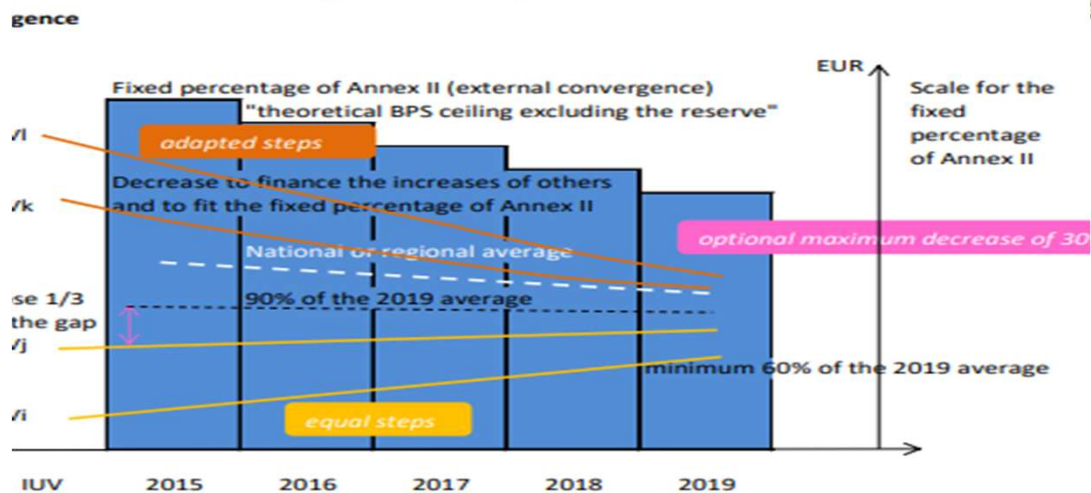
- Bringing values closer to the national average Payment Entitlement unit value
- Currently all on at least 60% of national average value
- Proposals - moving to at least 85% of national average value



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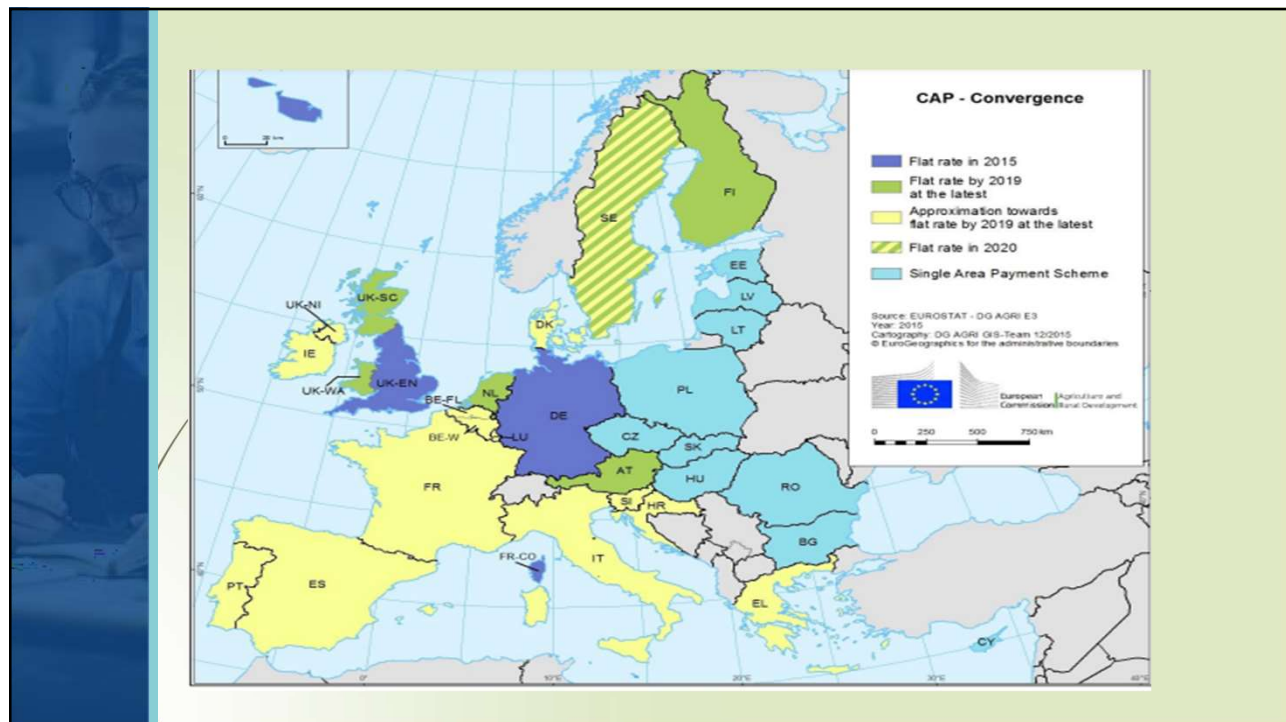
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## 60% Convergence By 2019

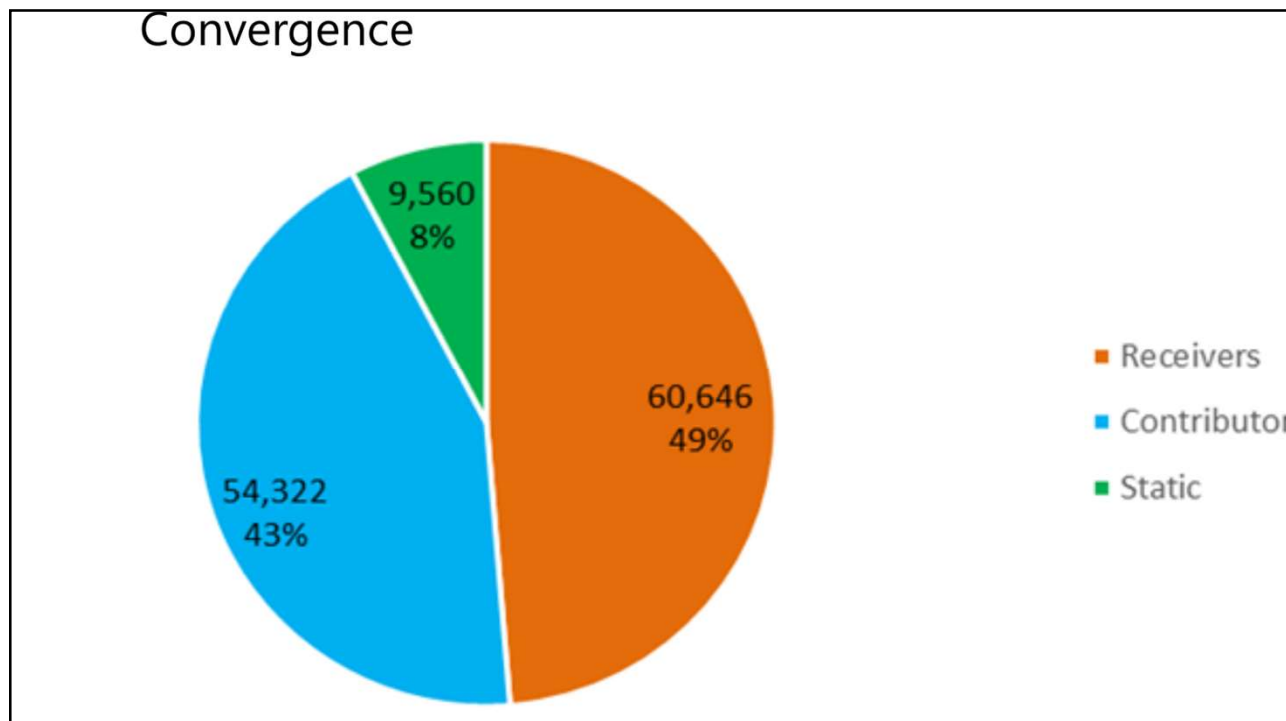


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## Models



Parameters	Minimum Model				
	Model Min 1	Model Min 2	Model Min 3		
Convergence by 2026	85%				
BISS Ceiling (After National Reserve)	€780m				
CRISS Percentage of National Ceiling	10%				
CRISS	€118m				
CRISS Max Hectares (ha)			30		
CRISS Payment Per Hectare (ha)			€44		
CRISS Max Payment			€1320		

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## Case Study: Farmer A

### Farmer A – 5 Low Value Entitlements

MODEL	Current (2021)		Year One				Total Year One	Change vs. Current
Payment	Unit Value	Payment	UV	BISS	ECO	CRISS	Payment	Difference
Model Min 3	€160	€800	€120	€600	€320	€110	€1,030	€230
Model Max 3	€160	€800	€117	€585	€320	€220	€1,125	€325

### Farmer A – 5 High Value Entitlements

MODEL	Current (2021)		Year One				Total Year One	Change vs. Current
Payment	Unit Value	Payment	UV	BISS	ECO	CRISS	Payment	Difference
Model Min 3	€681	€3,405	€429	€2,145	€320	€110	€2,575	-€830
Model Max 3	€681	€3,405	€364	€1,820	€320	€220	€2,360	-€1,045

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## Case Study: Farmer B

### Farmer B – 20 Static Value Entitlements

MODEL	Current (2021)		Year One				Total Year One	Change vs. Current
Payment	Unit Value	Payment	UV	BISS	ECO	CRIS	Payment	Difference
Model Min 3	€261	€5,220	€178	€3,560	€1,280	€440	€5,280	€60
Model Max 3	€261	€5,220	€165	€3,300	€1,280	€880	€5,460	€240

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## Case Study: Farmer C

### Farmer C – 40 Low Value Entitlements

MODEL	Current (2021)		Year One				Total Year One	Change vs. Current
Payment	Unit Value	Payment	UV	BISS	ECO	CRIS	Payment	Difference
Model Min 3	€160	€6,400	€120	€4,800	€2,560	€660	€8,020	€1,620
Model Max 3	€160	€6,400	€117	€4,680	€2,560	0	€8,560	€2,160

### Farmer C – 40 High Value Entitlements

MODEL	Current (2021)		Year One				Total Year One	Change vs. Current
Payment	Unit Value	Payment	UV	BISS	ECO	CRIS	Payment	Difference
Model Min 3	€473	€18,920	€305	€12,200	€2,560	€660	€15,420	-€3,500
Model Max 3	€473	€18,920	€266	€10,640	€2,560	€1,320	€14,520	-€4,400

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## Helpful tools – [www.gov.ie/cap](http://www.gov.ie/cap)

CAP payment calculator

You will need:

1. Number of hectares
2. Number of entitlements
3. BPS & greening value per entitlement



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## Generational Renewal

Strategy to attract new farmers

60% TAMS Grants

National Reserve

YF Top up €65/ha

Proposed 90 to 50ha's

Off Farm income €40k to go?

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## Generational Renewal

- Complementary Income Support for Young Farmers
- (3% of the direct payments ceiling, approx. €35m annually)
- YF no longer based on Payment Entitlements, but on eligible Ha (max 50)
- YF top up to rise to €170/ha (Max of €8,500 per annum for five years)
- National Reserve for two categories of farmer: No limit in area for 22. (? 23-26)
- Off farm income >€40k gone
  - Young Farmer
  - New Entrant Farmer



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## Active Farmer Land Eligibility Agricultural Activity



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## Active Farmer

- Holding Level Check
- Check to ensure the applicant is carrying out the activity and *taking the agricultural and economic risk*
- Exists within current CAP, but new implementation is different



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## Active Farmer

- Livestock Farmers
  - Stocking Rate Check > 0.10 LU/Ha (ANC)
  - Lower Stocking Rate may be acceptable
  - Previous years data will be used in the first instance
- Tillage Farmers
  - Administrative checks – receipts, share farming agreement...
- Non-Livestock Grassland
  - Evidence of maintenance – receipts from sales of hay/silage



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## Stocking rate coefficients

Species	Age	Coefficient LIVESTOCK UNIT per hectare (LU/ha)
Bovine	Under 1 year old	0.4
	1 but less than 2 years old	0.7
	Male, 2 years old and over	1
	Heifers, 2 years old and over	0.8
	Dairy cows	1
	Suckler cows	0.8
Equine animals*		0.8
Sheep and goats		0.1
DEER*		0.3

\*Same rules as currently in place for ANC (7 month retention requirement, breeding mares must have bred a foal in the previous 2 years and only 50% of the stocking requirement can be fulfilled using donkeys, deers only considered eligible subject to an on-site inspection by the Department)



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## Land Eligibility

- Eligible Hectare
  - Agricultural area** with an **agricultural activity** & land is at the **disposal**
- Many similarities to current rules
  - agricultural area is permanent grassland, arable and permanent crops
  - artificial features are not eligible for payment
  - land must be farmed – no activity, no payment



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## Land Eligibility

### Changes:

- Ireland is proposing that up to 30% of a parcel can be made up of feature beneficial to the climate and environment (e.g. scrub, trees etc.) without the eligible area being impacted
- Maintenance activity every two years
- Objective of revising definitions is to ensure as much coherence as possible between P1 and P2



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## Land Eligibility

Parcel Digitised Area (ha)	14.24
<b>Features (ha)</b>	
- X01 (Farmroad) (100%)	0.05
- X02 (Scrub) (100%)	0.38
- X03 (Scrub) (100%)	0.08
- X04 (Scrub) (100%)	0.13
- X05 (Scrub) (100%)	0.07
Maximum Eligible Area (ha)	13.53
Eligible Hectare (ha)	14.19

As the total area of scrub (0.66) (X02 – X05) is less than 30% of the parcel area the Eligible area is 14.19 ha.



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## Eligible Hectare

We estimate implementing the “up to 30% features that may be beneficial to climate and biodiversity” will bring in an additional 55,000 (approximately) hectares.

This equates to c.1 % of what could be considered high diversity landscape features in the context of the Green Deal Strategy.

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## Conditionality

*Min Entry For all Payments*

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## Conditionality

- GAEC 8 – Space for Nature
  - 4 % of the area must be made up features beneficial to the climate and environment
  - All farmers must comply
  - Hedges, Drains, Field Margins, Scrub etc. qualify
  - Natura lands, commonage, forestry with appropriate weighting factors also qualify
- GAEC 7 – Crop Diversification remains



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## Good Agricultural and Environmental Condition (GAECs)

	Main objective of the standard		Is this included in the current CAP	DAFM's comments and possible implementation
GAEC 8	<p>Minimum share of agricultural area devoted to non-productive areas or features</p> <p>Minimum share of at least 4% of arable land at farm level devoted to non-productive areas and features, including land lying fallow.</p> <p>Where a farmer commits to devote at least 7% of his/her arable land to non-productive areas and features, including land lying fallow, under an enhanced eco-scheme in accordance with Article 28(5a), the share to be attributed to compliance with this GAEC shall be limited to 3%.</p> <p>Minimum share of at least 7% of arable land at farm level if this includes also catch crops or nitrogen fixing crops, cultivated without the use of plant protection products, of which 3% shall be land lying fallow or non-productive features. Member States should use the weighting factor of 0,3 for catch crops.</p> <ul style="list-style-type: none"> <li>• Retention of landscape features</li> <li>• Ban on cutting hedges and trees during the bird breeding and rearing season</li> </ul>	Maintenance of non-productive features and area to improve on-farm biodiversity	<p>GAEC 7 of cross compliance</p> <p>Article 46 of Regulation 1307/2013 – EFAs for arable farming.</p> <p>Current Greening requirements</p>	<p>Existing and partially new GAEC (currently part of Greening)</p> <p><b>Requirements:</b></p> <ul style="list-style-type: none"> <li>• Minimum share (4%) of arable/agricultural land devoted to:               <ul style="list-style-type: none"> <li>○ non-productive features or</li> <li>○ catch crops or nitrogen fixing crops, cultivated without plant protection products</li> </ul> </li> </ul> <p>Non-productive features include:</p> <p>land lying fallow, nitrogen-fixing crops, catch crops, eligible forestry, short rotation coppice, field copse, hedgerows, drains, buffer strips</p> <p>This list will be subject to on-going review.</p> <ul style="list-style-type: none"> <li>• Retention of landscape features</li> </ul> <p>List of landscape features will be subject to on-going review</p> <ul style="list-style-type: none"> <li>• Ban on cutting hedges and trees during the bird breeding and rearing season</li> <li>• Measures for avoiding invasive plant species</li> </ul>

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## Eco-Scheme



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- From 2023 onwards, Mandatory for Member State – voluntary for farmers.
- Funded within Pillar 1, 25% ring fencing of Direct Payments allocation, c.€297m.
- List of 8 agricultural practices beneficial for climate, environment, water quality & biodiversity.
- Payment only for interventions going beyond Conditionality and baseline requirements.
- Annual payment per eligible Ha – not linked to entitlements.



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## Administration of the Eco-Scheme

- The Eco-Scheme application process will be integrated with the BISS application
- Intended that Eco-Scheme payments will issue to farmers annually, in late November/early December.
- Eligibility – All active farmers who make commitments to observe agricultural practices (No requirement to own entitlements)
- Farmer can opt in/out on annual basis, can change agricultural practices annually.
- Farmer must deliver two agricultural practices to qualify for Eco-Scheme payment.
- If all 129,000 farmers bring in all their current lands, payment rate per hectare will be c. €66/ha/yr. If only 85% take up (c. 110,000 farmers), payment rate will be c. €77/ha/yr.



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## Proposed Agricultural Practices

### 1. Space for Nature (Non-productive areas and landscape features)

Increasing requirement of land devoted under GAEC 8 to 7%. Enhanced Option: Increasing to 10% (counts as 2 actions)

### 2. Extensive Livestock Production

Maximum overall stocking rate of 1.5LU / ha for the calendar year. Minimum stocking rate requirements similar to ANC (0.10LU/ha). Based on 2022 stocking rate, with further checks in 2023.

### 3. Limiting Chemical Nitrogen Usage

Stocking rate band will be presented based on previous year's data. Tillage farmers will have limit of 139 kgs N/ha .

Grassland stocking rate in 2022 (kgs organic nitrogen per ha)	Max permitted application of chemical Nitrogen in 2023 (kgs per ha)
<90	73
91-130	89
131-170	165
171-210	240
>210	214



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## Proposed Agricultural Practices

### 4. Planting of Native Trees/Hedgerows

*A minimum planting rate of 3 native trees OR 1 metre of hedgerow per eligible hectare per annum.*

*Enhanced Options (counts as 2 actions):*

- *6 native trees/ha OR*
- *2 metres of hedgerow/ha OR*
- *3 native trees AND 1 metre of hedgerow/ha*

### 5. Use of GPS Controlled Spreader and/or Sprayer

*Application of at least 60% of chemical fertiliser (compound or liquid) and/or plant protection products to be applied with a GPS controlled spreader or sprayer. Can be own machine or contractor service.*



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## Proposed Agricultural Practices

### 6. Soil Sampling & Appropriate Liming

*Carry out soil sampling on all eligible hectares and apply lime in accordance with the soil test results where appropriate (only available as an Eco-Scheme action every 3 years once selected).*

### 7. Planting a Break Crop

*Planting of a break crop (beans, peas, OSR or Oats or any combination of these crops) on at least 20% of the arable area.*

### 8. Sowing a Multi Species Sward

*Sowing of a multi species sward on at least 6% of eligible hectares in the year the action is selected.*



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