

Rural Development Programme (RDP) of Ireland

Ireland CAP Rural Development Programme 2007-2013 – 18.2.2008¹

Relevant Contact Details

Managing Authority Website:

http://www.agriculture.gov.ie/

Other useful links:

Rural Development Programme (RDP):

http://enrd.ec.europa.eu/country-

<u>information/programming/en/programming_home</u> en.cfm

National Strategy Plan (NSP):

http://www.agriculture.gov.ie/ruralenvironment/ruraldevelopment/strategiesandprogrammes/

National Rural Network (NRN): http://www.nrn.ie/



Map of Ireland (© European Commission)

General socio-economic situation in rural areas in the Ireland

Ireland is a predominantly rural country. According to the RDP 2007 to 2013, the total land area of Ireland is approximately 6.9 million ha of which 4.3 million ha (62% of the land area) is used for agriculture and approximately 710,000 ha for forestry (about 10% of the land area). Some 79% of the agricultural area is devoted to grass, 11% to rough grazing, 7% to cereals and 3% to other crops (potatoes, sugar beet etc).

The RDP makes clear that the population of Ireland has been growing in recent years from 3.6 million in 1996 to 4.2 million in 2006 (49.9% is female whilst 50.1% is male). The greatest rate of growth has been in urban areas and along the east coast. Interestingly, 40% of the population consider themselves to be rural dwellers. However, in rural areas, between 1926 to 2002, 18 out of 26 counties have experienced population decline in excess of 50%. In fact, recent research shows that 30 % of rural dwellers live in areas experiencing weak population structure.

The agri-food sector continues to be one of the most important and dynamic indigenous manufacturing elements in the Irish economy. The figures provided by the RDP illustrate that the sector consists of around 131,000 family farms and 800 industrial units spread across the country. In 2006 the sector accounted for just over 8% of GDP and employment, and almost 10% of exports (growing export potential represents a significant opportunity for the sector). However, primary agricultural output has been static in recent years and low productivity is endemic in the sector. This is not helped by low education levels and poor age structure(8% of farmers are under 35 years of age and 48% of Irish farmers are over 55 years of age). In addition, high land prices are a barrier for entry for young farmers.

The RDP articulates that Ireland's forestry industry is particularly vibrant and over 90% of all new planting is undertaken by farmers, with 16 000 plantations now established. This trend offers significant future opportunities.

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¹ The text of this version of the programme has been revised in March 2010



In terms of tourism potential, the green landscape of Ireland helps it retain its unique image and attractiveness. Agriculture is therefore perceived as undertaking a multifunctional role in safeguarding rural Ireland's natural resources and strong biodiversity assets. The RDP is positive about the fact that there is a high participation of farmers in agri-environmental schemes but concerns exist about the possibility of land abandonment. Other parts of the rural environment have been lost to urbanisation and overuse of fertilisers and pesticides, along with loss of biodiversity continue to represent further threats to the country's natural resource base.

Rural communities have fully adopted the Leader approach to rural community development which is supported by a well educated and dynamic population. There is a good base for enterprise development and there is a strong tourism sector and cultural identity. However, the level of ICT usage in rural communities is low and community identity has suffered from increased commuting activity and outward migration.

RDP strategic objectives

The strategic objectives of the RDP focus on improving the competitiveness of agriculture by supporting restructuring, development and innovation; enhancing the countryside by supporting land management; improving the quality of life in rural areas and encouraging diversification of economic activities.

The strategic objectives feed into goals to enhance the competitiveness of the agro-food industry in order to ensure that it remains consumer-focused, and to continue to prosper and address key issues such as age imbalances, structural improvement and on-farm capital investment; to enable agriculture to drive forward afforestation in order to enhance environmental benefits; and to support local development issues such as village regeneration, local infrastructure and rural enterprise development, local governance structures and strategies namely via the Leader approach. Ireland's RDP adopts a Leader approach for implementing almost all of its axis 3 activity.

In recognition of the greater emphasis now being given to the 'new challenges' facing agriculture and rural areas, the RDP was revised in 2009 to take account of additional financing provided by the CAP Health Check and the European Economic Recovery Package. This placed a higher strategic priority on initiatives that contribute to biodiversity (which received 61% of the additional financing), water management (17.5%), climate change (12.5%) and broadband internet infrastructure in rural areas (9%). With regard to the support for broadband internet infrastructure, this will be delivered through a new measure (321) under axis 3, which remains the only type of axis 3 activity that has not been allocated to Leader Local Action Groups.

Expected impact / outcomes of the policies

The implementation of the RDP is expected to deliver a positive impact on rural Ireland. The competitiveness of agri-food and forest enterprises will be supported through restructuring and innovation. This will be an outcome of the combined efforts from various activities such as training, early retirement, developing food quality and downstream food and forestry activities.

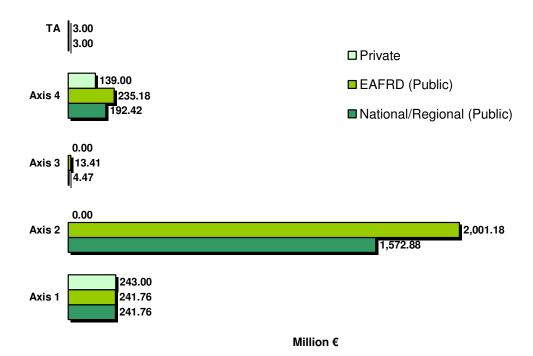
Consequently, structural changes at farm level will be supported as well as investment in key sectors. The RDP is also directed at preserving, and where possible enhancing, the environmental, biodiversity and amenity values of the countryside. This will contribute to maintaining environmental standards and help preserve the countryside from abandonment. Afforestation will lead to an improvement of the countryside and also help secure biodiversity. Economic activity in localities will be promoted and community initiatives will improve the overall quality of life for rural



dwellers. This will be driven by local social capital generated by via the Leader approach.

Modifications to the RDP output-indicator targets have been made to take account of the 2009 alterations following the CAP Health Check and the European Economic Recovery Package. These are presented below in the axis information sections. Detailed information on output-indicator targets for individual measures is available in the RDP indicator tables.

RDP budget breakdown by axis: Total expenditure (including national + EAFRD + private funding) of €4,891,085,202



The RDP budget allocations are broadly divided into four main areas of expenditure, known as axes (namely: Improving the competitiveness of the agricultural and forestry sector; Improving the environment and the countryside; Quality of life in rural areas and diversification of the rural economy; and Leader). Approximately 15% of the updated RDP budget in Ireland is allocated to axis 1 (€726.53 million); Approximately 73% is allocated to axis 2 (€3,574.06 million), just over 0.3% is allocated to axis 3 (€17.88 million) and 12% to axis 4 (€566.6 million), with more than 0.13% available to fund Technical Assistance (€6.0 million).

Within axis 1, National public funding represents approximately 33% share of the total axis funding; EAFRD 33%; and private funds 34%.

Within axis 2, National public funding represents approximately 44% share of the total axis funding; EAFRD 56%; and private funds 0%.

Within axis 3, National public funding represents approximately 25% share of the total axis funding; EAFRD 75% and private funds 0%.



Within axis 4, National public funding represents approximately 34% share of the total axis funding; EAFRD 42%; and private funds 24%.

Within technical assistance, National public funding represents approximately 50% share of the technical assistance funding and EAFRD 50%.

As a consequence of the CAP Health Check and the European Economic Recovery Package, Ireland has been assigned an additional €195,101,333 (including €146,326,000 of EAFRD and €48,775,333 of national public funds) to support 'new challenges' (agri-environment, Natura 2000 and combating climate change) and to support expansion of broadband infrastructure in rural areas. These funds are intended to reinforce existing and new development actions in rural areas.

Axis Information²

Axis 1 objectives: Improving the competitiveness of the agricultural and forestry sector

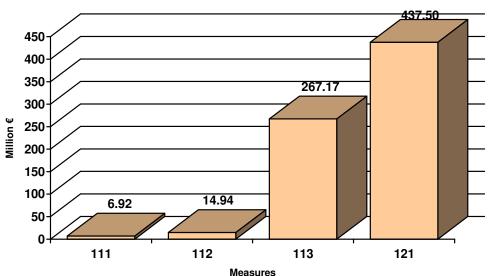
The objective of axis 1 is to respond to identified issues that impact on the competitiveness of the agriculture and food sectors, progress restructuring and investment for the challenging era ahead. The axis therefore aims to meet the objective of improving the competitiveness of the agriculture sector through: achieving the transfer of land to trained young farmers who are more able to meet the new challenges; providing agri-environment training to beneficiaries to integrate sustainable development in agricultural production; encouraging the transfer of holdings from older farmers to young farmers; support capital improvements in farm structures, ensuring that primary agriculture becomes more competitive and market-oriented.

Result and output-indicator targets are being used to assess the measures: for measure 113, increase in gross value added €5m per annum in supported farms in relation to early retirement of farmers and farm workers,; for measure 112 increase in gross value added totalling €8.5m per annum in supported farms in relation to setting up young farmers; for measure 121 8000 farms introducing new products and techniques in relation to modernisation of agricultural holdings.

No modifications were made to axis 1 during the 2009 update.

² A full list of the RDP measures can be found in Annex I.





Axis 1 budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €726,530,752³

Axis 2 objectives: Improving the environment and the countryside

The second axis of the RDP is directed at preserving, and where possible enhancing, the environmental, biodiversity and amenity values of the countryside. The axis therefore aims to ensure that agricultural production complies with environmentally friendly standards and farmers will be offered support to bring about improvements going beyond EU standards.

Measures utilise result and output-indicator targets: measure 212 (80,000 supported holdings in more severely handicapped areas); measure 213 (300,000 ha under successful land management in relation to Natura 2000); measure 214 (64,000 farm holdings receiving support under agrienvironment payments).

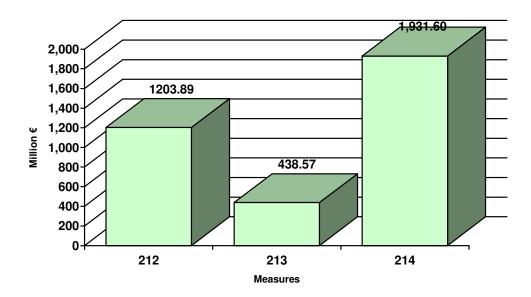
Specific modifications to output indicator targets have been made to take account of the amendments to the RDP. Notably, a number of measure 216 actions are now being financially delivered under measure 214. In addition, a number of actions are also being governed under the principles of both measure 214 and 216 but will be delivered under measure 214. Targets added to the RDP following its amendment include measure 213 (8,000 farm holdings and land managers to receive support for setting up of management plans for Natura 2000); measure 214 (701 farm holdings and land managers to receive support for conservation of priority wild bird habitats); measure 214/216 (1,877 ha supported for establishment and maintenance of habitats); measure 216 (9,043 ha under tree planting and environment support); measure 214 (1,624 farm holdings supported for conservation and maintenance of traditional hay meadows); measure 214 (18,000 ha supported for conservation of genetic resources); measure 214/216 (30 ha of traditional orchards supported); measure 214/216 (1,183 farm holdings and land managers to receive support for hedgerow planting and rejuvenation); measure 214 (1,210 farm holdings and land managers to receive support for traditional dry stone wall maintenance); measure 214/216 (2,760 ha supported for riparian margins); and measure 214 (1,374 farm holdings and land managers to receive

³ Please note that no private spending has been allocated for measures 111, 112, and 113.



support for use of trailing shoe technology). For further information on output-indicator targets, please refer to the impact indicators table in the RDP Programme.

Axis 2 budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €3,574,060,766⁴



Following the 2009 update of the RDP, the total budget allocation under axis 2 was revised to $\in 3,574,060,766$. This contains an additional $\in 177,217,333$ (comprising $\in 132,913,000$ EAFRD and $\in 444,304,333$ national public funds). The additional funding will be used to fund actions targeting the 'new challenges' including those outlined in the above paragraph.

Axis 3 objectives: Quality of life in rural areas and diversification of the rural economy

The broad objectives of axis 3 are to improve the quality of life in rural areas and encourage diversification of economic activity including diversification into non-agricultural activities. Axis 3 initiatives will focus on developing rural micro-enterprises in sectors such as artisan food, forestry, marine, rural/agri tourism, cultural heritage and community enterprises as well as farm diversification and development of local heritage activities.

Development of local services is also prioritised such as community and sport facilities and upgrading of village infrastructure. Environmentally-friendly initiatives like developing ecological heritage sites and using alternative energies will be undertaken. Training will be offered in relevant areas such as enterprise development, ICT awareness and electronic public services.

All of these axis 3 measures (except new priorities within measure 321 relating to increased broadband coverage in rural areas) are being implemented under axis 4/Leader.

The new broadband priorities reflect additional support provided by the European Economic Recovery Package. This has resulted in an modification to the output indicator targets with the inclusion of measure 321 (25,000 actions will be supported to enable access to and upgrading of

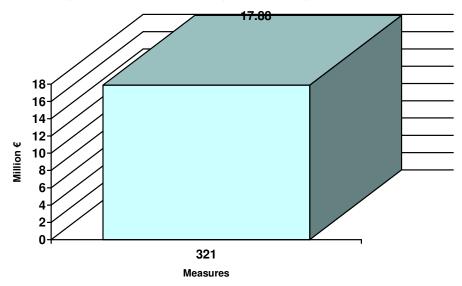
⁴ No private spending has been allocated for measures 212, 213, and 214.





rural broadband services). All other output targets for measure 321 are being delivered through axis 4.

Axis 3 budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €17,884,000⁵



The only budget line in axis 3 of Ireland's RDP relates to funds for the dedicated broadband support priority with measure 321. This amounts to €17,884,000 (€13,413,000 EAFRD and €4,471,000 national public funds).

Axis 4 objectives: Leader

Axis 4 will work in tandem with axis 3 which will use the Leader approach to develop local development strategies to implement axis 3 initiatives. The implemented measures will be delivered through a 'bottom up' approach via Local Action Groups, which will be composed of relevant local stakeholders and will ensure the take up of RDP initiatives within a given locality.

Training will be offered to encourage community involvement and harness social capital, and to ensure that the selected Local Action Groups' activities are strategically coherent with the priorities of the local area and meet specified objectives such as developing employment opportunities.

Results targets for the axis 3 measures being implemented through axis 4 include measure 312 (6300 off farm jobs creater related to business creation and development); measure 313 (1500 jobs created in relation to encouragement of tourism development).

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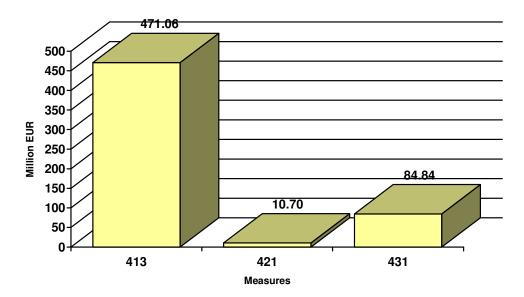
Number of LAGs operational in the RDP areas as of March 2010 was 36.

No modifications were made to axis 4 during the 2009 update.

⁵ No private spending has been allocated for measure 321.



Axis 4 budget breakdown by measure: Total allocated budget (including regional/national public funds + EAFRD + private funds) of €556,609,684⁶



Monitoring and evaluation strategy

The Department of Agriculture and Food (the Managing Authority) and the monitoring committee, which is composed of key stakeholders such as farm and rural bodies, environmental and equality interest groups, regional and local public authorities and other relevant public bodies, will have responsibility for the monitoring and evaluation system. The system will take into account the EU common monitoring and evaluation framework (CMEF).

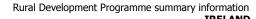
The implementing Departments (Agriculture and Food and Community, Rural and Gaeltacht Affairs) will undertake continual on-going monitoring and evaluation work, which will supplement mid-term and ex-post evaluations undertaken by independent evaluators. The scope and nature of the ongoing evaluation will be informed by the CMEF requirements, the outcome of the independent evaluations and the deliberations of the monitoring committee. Relevant data will be collected from various sources including support applications and from relevant bodies such as the National Biological Records Centre.

Communication and publicity

The Managing Authority will have overall responsibility for the communication plan and will coordinate with other departments and the national rural network to ensure an integrated approach to the dissemination of information. The aim of the communication plan is to raise awareness, understanding and action where applicable among the target groups namely beneficiaries and the general public; to inform and train the beneficiaries about the administrative procedures and applications for finance; to communicate to the target audience information regarding the contribution made by the EAFRD; to provide information and publicity for the general public on

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⁶ No private spending has been allocated for measure 421 and 431.





measures financed under this programme and on its overall progress; and to inform the public about the programme's launch, updates, main achievements and closure. The communication plan will utilise a number of communication channels including an advertising campaign, website, and seminars.



Annex I – Measures

Measures selected by the RDP	Measures selected by the updated RDP	

Promoting knowledge and improving human potential	111	Vocational training and information actions	
	112	Setting up of young farmers	
	113	Early retirement	
	114	Use of advisory services	
	115	Setting up of management, relief and advisory services	
and d physic and p		121	Modernisation of agricultural holdings
		122	Improvement of the economic value of forests
	Restructuring	123	Adding value to agricultural and forestry products
	and developing physical potential and promoting innovation	124	Cooperation for development of new products, processes and technologies in the agriculture and food sector and in the forestry sector
		125	Infrastructure related to the development and adaptation of agriculture and forestry
5 1		126	Restoring agricultural production potential
P	Quality of	131	Meeting standards based on EU legislation
gri	agricultural	132	Participation of farmers in food quality schemes
production and products	,	133	Information and promotion activities
Transi measu	Transitional	141	Semi-subsistence farming
	neasures	142	Producer groups
	measares	143	Providing farm advisory and extension services
Axis 2 - Improving the environment and the countryside	Sustainable use of agricultural land	211	Natural handicap payments to farmers in mountain areas
		212	Payments to farmers in areas with handicaps, other than mountain areas
		213	Natura 2000 payments and payments linked to Directive 2000/60/EC
		214	Agri-environment payments
		215	Animal welfare payments
y it p		216	Non-productive investments
nt m		221	First afforestation of agricultural land
יי בי פ		222	First establishment of agroforestry systems on agricultural land
2 <u>5</u> 8	Cartainahla	223	First afforestation of non-agricultural land
is į	Sustainable use of forestry land	224	Natura 2000 payments
or rorestry la	or rorestry land	225	Forest-environment payments
		226	Restoring forestry potential and introducing prevention actions
		227	Non-productive investments
lity of areas cation ral	Diversify the rural economy	311	Diversification into non-agricultural activities
		312	Support for business creation and development
		313	Encouragement of tourism activities
Diversify the rural areas I diversify the rural economy of the rural areas Timprove the quality of life rural areas		321	Basic services for the economy and rural population
	quality of life in	322	Village renewal and development
	rural areas	323	Conservation and upgrading of the rural heritage
		331	Training and information
Axis life and		341	Skills-acquisition and animation measure with a view to preparing and implementing a local development strategy
	Implementing	411	Competitiveness
<u> </u>	local development strategies	412	Environment/land management
		413	Quality of life/diversification
		421	Implementing cooperation projects
		431	Running the local action group, skills acquisition, animation