

Opening Statement; Invitation to JOCFM to discuss water quality and nitrates derogation.

Mr Chairman, committee members, I very much welcome the invitation to come before you today on the topic of water quality and the nitrates derogation.

In my opening statement, I would like to address three key points today. I will provide an update since the last engagement with this committee. I will set out the next steps in terms of implementing the derogation decision. Finally, I want to highlight the need for a clear focus on actions that will deliver improvements in water quality from now on, so that Ireland has a strong hand to play in an application to renew the derogation, a process which must commence again in 2025.

The committee will be aware that negotiations on the derogation in 2021 were particularly difficult. The backdrop to these discussions included Increasing Dairy cow numbers over the previous period, increasing use of chemical Nitrogen and an increasing trend in Nitrates levels in water. The context of any negotiation is also increasingly difficult as fewer member states have a derogation and those with a derogation seeing reduced limits, given the approaching 2027 deadlines under the Water Framework Directive.

Against that background, securing a renewal of the derogation at all, was extraordinarily challenging. As a condition of the renewal decision, the Commission insisted on a mid-term water quality review and a 'step-down' in the limits of the derogation in areas that would fail any one of four identified water quality criteria.

The water quality review required a report to be completed by the EPA and this exercise resulted in a map showing the areas that failed the criteria as set out. This was completed in line with the Commission's Implementing Decision and the resulting map was submitted to the Commission on the 30th June.

Following this mapping exercise, I asked my officials and their colleagues in the Dept Housing, Local Government and Heritage to engage with the Commission Services to seek more time before any reduction was necessitated. ,

Thereafter, I personally sought a meeting with Commissioner Sinkevicius on the matter.

To fully represent and capture stakeholder views in advance of my engagement with the Commissioner, I engaged extensively, including seeking submissions from the Agriculture Water Quality Working Group. Those views were reflected in my engagement with the Commissioner, including identifying the unique nature of our pastoral systems, the potential for adverse impacts arising from the Commission decision, the efforts being made by farmers in recent years and most importantly, this government's focus on bringing all stakeholders with us to achieve our shared ambition of delivering improved water quality.

The Commissioner made it crystal clear that he was not prepared to re-open the Commission Decision of March 2022, the formal legal instrument that granted a derogation to Ireland. He also made it clear, that only three member states had a derogation at all, and that Ireland's was the most generous of the three.

The Commissioner identified some very limited scope, within the strict confines of the existing Commission Decision, to interpret elements of the mapping. The impacts of this exercise will be marginal. It would be misleading and wrong to suggest otherwise. My Department has committed to concluding it by the end of this month so that derogation farmers will have the definitive information necessary to make their plans.

This is certainly not the outcome I would have hoped for. It does clarify the situation however and I am committed to moving quickly in terms of engagement with stakeholders to bring clarity to farmers impacted as well as the broader industry as soon as practically possible.

To that end, my Department will issue interim 2023 N and P statements to all farmers in the coming days. These figures will be based on cattle numbers on farm up to the end of August and therefore represent the most up-to date information available.

As stated earlier, I understand and very much appreciate the challenge this change represents for those farmers those are impacted, however it is important that I also outline there are actions that impacted farmers can take.

Farmers will be supported through this period. My Department has engaged directly with Teagasc and the private consultants this week to provide farmers with the necessary assistance to manage their way through this period.

I cannot speak to you today without addressing the absolute need for all stakeholders to work together on the shared objective of securing a renewal of our current derogation from 2026 onwards.

Ireland's derogation is an exception to EU Rules provided for in the Nitrates Directive. It cannot be taken for granted and it must be recognised that water quality improvement must be at the heart of Ireland's robust defence of our derogation facility.

It will never have been more critical that Government, Industry and Farmers all work together over the next two years to deliver water quality improvements and facilitate maintaining the derogation at the maximum limit possible.

Leadership from all stakeholders will be required.

Recognising the challenge, earlier this year, I set up the aforementioned Agriculture Water Quality working group, involving industry, farm representatives and officials across a number of departments and agencies. The group is working on three key areas currently which I very much support (1) connecting farmers and water quality data locally (2) improving compliance and indeed enforcement of current regulations and (3) actions and measures we can take as part of this year's review of the Nitrates Action Programme that support the objective of improved water quality.

The group has engaged intensively since it was established in May and it is important that I recognise the work of this group and I see as critical to building a collaborative approach.

This is not the only action I have taken on water quality. As you know, earlier this year I approved all applicants under the ACRES scheme which includes many actions farmers can take to support improvements in water quality. More recently I have also confirmed eligibility of all applicants under Tranche 1 in TAMS and the introduction of a system that will facilitate prioritisation of approvals for those intending to construct slurry storage.

In addition, the work of the ASSAP programme continues with 42 advisors providing free advice to farmers in areas identified for priority actions.

I recently announced a €60 million euro contract with LAWPRO delivering a specific support for water quality actions. This will provide funding directly to farmers , focused on a 'locally led' approach of working with farmers and industry using the 'right measure in the right place approach'.

Following enactment of the primary legislation on a fertiliser databased, I am delighted to confirm in recent weeks that 106,000 farmers have registered on this important resource for farmers in calculating their fertiliser use. This to me is a very strong signal from farmers of their commitment to overall delivery on sustainability.

In conclusion, we now need to work together, to deliver on water quality improvement and to ensure we approach the end of the current derogation period with confidence regarding our application for a further derogation.