

**Opening Statement by the Minister for Agriculture, Food and the Marine  
to the Select Committee on Agriculture, Food and the Marine on the  
Supplementary Estimate 2023**

**22 November 2023**

I welcome the opportunity to present to the Committee this request for a Supplementary Estimate for 2023. This supplementary estimate is required in order to make use of savings on the Department's vote and to provide for Brexit Adjustment Reserve (BAR) schemes and for Ukraine related schemes.

In gross terms, an additional €90.906 million is required by my Department to meet costs that have arisen in 2023 and is broken down as follows:

- €17.5m for BAR fishery schemes,
- €68.4m for Rosslare Europort development costs, and
- €5m to fund Ukraine schemes.

The upgrade to Rosslare Europort is a critical infrastructure project to develop the necessary permanent infrastructure to comply with Customs, sanitary and phytosanitary (SPS) and official food controls as a consequence of Brexit. The current temporary solution in Kilrane, situated outside of Rosslare Europort, is not in compliance with the requirements of the Union Customs Code, nor is it in complete compliance with the infrastructural requirements for Border Control Posts handling of live animals, as laid down in European legislation. The €68m will go to the Office of Public Works as my Department's apportionment of the development costs.

The net amount of €236.506 million is €145.6 million higher than the gross requirement. This additional provision is to account for a reduction to the projected Appropriations in Aid to be received in 2023 by Vote 30, as receipts from the European Commission are now expected to be received in 2024.

The Estimate will also provide for the movement of savings within certain subheads and across other subheads (€90.093m) to meet cost pressures arising in other areas, including for T.B. eradication and the Organic Farming schemes.

These proposed transfers and expenditure involve changes to the original 2023 voted allocations.

The areas where savings have emerged reflect the very dynamic environment in which the sector and the department has operated in this year.

Despite the continuing challenges facing the Agri-Food sector, including additional pressures arising as a result of the continuing war in Ukraine this year and the delivery of new CSP schemes , we have continued to carry out our usual business.

Since October 2023, over €888 million has been paid to farmers in respect of their 2023 Basic Payment Scheme and Areas Facing Natural Constraints Scheme. The Department issues these advance payments (at a rate of 70% and 85% respectively) to farmers at the earliest date possible under EU Regulations. The remaining balancing payments (at a rate of 30% and 15%) are due to commence in early December.

I will outline where the savings which we propose to use have emerged, starting with:

**Programme A: Food Safety, Animal and Plant Health and Animal Welfare**

To ensure the highest international standards of food safety and quality are maintained I am requesting an additional €22.3m to bring the non-administration part of Programme to €190.630m.

The main reason for the increase is because the level of bovine TB in Ireland has increased slightly in 2023 following a relatively flat lining of disease levels in recent years. Herd incidence currently stands at 4.81% on a 12-month rolling average up from 4.13% this time last year. The number of reactors is increasing also compared to last year at 26,987 compared to 22,498 on a 12-month rolling average. This reinforces the need to both support the TB programme not just financially but also ensure that the policies the TB Forum are developing are implemented in a robust manner.

The On-Farm Market Valuation Scheme is the principal compensation measure available to Herdowners whose herds are affected by disease under the TB Eradication Scheme. This compensation is based on the market value of that animal subject to individual animal ceilings under the On-Farm Market Valuation (OMFV) Scheme. The number of reactors disclosed to date in 2023 is up 20.9% on the same period in 2022.

Compensation payable for each animal removed under the OFMV scheme is 13% more expensive on average compared to 2022. Compensation is now 29.9% more expensive when compared to costs in 2019.

The large increase on the administration side of Programme A is in the main due to the payment OPW payment for the Rosslare development.

### **Programme B: Farm Sector Supports & Controls**

The total allocation for Programme B reduced by approximately €34m. With the savings identified throughout the Vote I have allocated extra funding as follows:

- €4m for organics (B.3)
- €3m beef sustainability schemes (subhead B.6)
- €1.4m for sheep improvement scheme (B.8)
- €22m for Ukraine related schemes the fodder balancing payment in the main (B.12)
- €3m for Brexit Beef schemes (B.16)

Savings in Programme B are arising from less than anticipated take-up of demand led schemes from especially capital funded schemes. I would like to reassure the Committee that I will ensure that the maximum levels of funding will be paid out to farm families between now and the end of the year.

### **Programme C Policy and Strategy**

Programme C's funding will increase from €404m to €457m. €25m of the €53m will be for the World Food Programme.

My Department leads on Ireland's engagement with the World Food Programme (WFP), which is funded exclusively from voluntary contributions. It works in partnership with other UN and international organisations, NGOs, civil society and the private sector to enable communities and countries to meet their own food needs.

Ireland's commitment to the WFP, expressed through three-yearly Strategic Partnership Agreements, is €75 million for the period 2022-2024. This proposed €25 million allocation in 2024 represents an advance on next year's commitment and it will help save lives by supporting food security & nutrition and rebuilding livelihoods in fragile settings. It reaffirms Ireland's role as one of WFP's most engaged partners.

€10.853m is being provided to support the Sustainable Beef and Lamb Assurance Scheme which is managed by Bord Bia.

### **Programme D Seafood Sector**

The allocation within Programme D has been increased from €337.450m to €351.850m. Savings within programme D were identified and used elsewhere within the Vote. This increase will provide in additional funding to schemes funded by the BAR and managed by Bord Iascaigh Mhara and the Brexit Adjustment Local Authority Marine Infrastructure (BALAMI) scheme.

## **Programme E – Appropriations-in- Aid**

As mentioned earlier I am reducing my Department's receipts estimate from €376.610m to €231.010m because receipts from the European Commission related to the CAP Strategic Plan and the European Maritime and Fisheries Fund (EMFF) are now expected to be received in 2024. The majority of these receipts are expected in the first quarter of 2024, and my Department's revised estimates will also be amended next month to reflect this change.

## **Conclusion**

In conclusion, I believe this is a necessary and important supplementary estimate which I earnestly recommend to the Committee. I am happy to respond to any questions that members may have.

ENDS