

DÁIL ÉIREANN

AN ROGHCHOISTE UM THALMHAÍOCHT AGUS MUIR

SELECT COMMITTEE ON AGRICULTURE AND THE MARINE

Déardaoin, 3 Nollaig 2020

Thursday, 3 December 2020

Tháinig an Roghchoiste le chéile ag 10.10 a.m.

The Select Committee met at 10.10 a.m.

Comhaltaí a bhí i láthair / Members present:

Teachtaí Dála / Deputies	
Matt Carthy,	
Michael Fitzmaurice,	
Charlie McConalogue (Minister for Agriculture, Food and the Marine).	

Teachta / Deputy Jackie Cahill sa Chathaoir / in the Chair.

Estimates for Public Services 2020**Vote 30 – Agriculture, Food and the Marine (Supplementary)**

Chairman: Members are requested to ensure that for the duration of the meeting mobiles are completely powered off. I remind members of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against any person outside the Houses or an official by name or in such a way as to make him or her identifiable.

The meeting has been convened to consider the Supplementary Estimate for Vote 30 – Agriculture, Food and the Marine, which was referred by the Dáil on 25 November to the committee. I welcome the Minister for Agriculture, Food and the Marine, Deputy McConalogue, and his officials. The Minister is accompanied by Dr. Kevin Smyth, Ms Rebecca Chapman and Mr. Tom Corkery. They are all welcome to the meeting.

Members have been circulated in advance with briefing material from the Department on the Supplementary Estimate. I call the Minister to make his opening statement.

Minister for Agriculture, Food and the Marine (Deputy Charlie McConalogue): I thank the Chair and I welcome the opportunity to present to the committee this request for a Supplementary Estimate for 2020. We require this Supplementary Estimate to pay for the Department's share of the Brexit infrastructure costs undertaken by the Office of Public Works. We are also using the opportunity to provide for an early payment to the World Food Programme, which is fully offset by savings from elsewhere in the Vote. Taken together, the additional funding allocations for subheads total some €41.6 million, which we propose is to be funded by €16.8 million of additional voted funding and €24.8 million in savings across other subheads. As the proposed transfers and expenditure involve changes to the original 2020 voted allocations, I believe it is important to seek the committee's input and approval.

The areas where savings have emerged reflect the very dynamic and uncertain environment in which the sector and the Department have operated this year, most of it related directly or indirectly to Covid-19 and Brexit. It has been an extraordinary year but, despite the challenges, we have continued to carry out our business as usual. In recent weeks, we have seen payments issued to farmers under the basic payment scheme, the green low-carbon agri-environment scheme, GLAS, and the beef finisher scheme. In the next fortnight, payments will issue under the areas of natural constraints scheme, ANC, the beef data and genomics programme, BDGP, and the beef suckler scheme, as will balancing payments under the basic payment scheme. Payments under the targeted agricultural modernisation scheme, TAMS, are ongoing.

I will outline where the savings which we propose to use have emerged, starting with the payroll saving of €4 million. Due to the Brexit extension to 31 December 2020, the bulk of staff for Brexit, some 73 staff in total, were recruited in the third quarter of 2020 and, therefore, incurred only approximately 50% of the budgeted payroll costs. Full year costs associated with these staff will be incurred in 2021. My Department engaged in prudent management of the payroll budget in 2020, despite extremely challenging circumstances. Although a greater degree of predictability was established regarding Brexit, precise timetables and a final outcome remained unpredictable. This created a need to balance the risk of ensuring sufficient staff were available to meet our Brexit obligations as soon as they materialised with the risk of having

surplus staff in the Department, in particular at Dublin and Rosslare ports, in the event that such requirements did not materialise as anticipated. It was particularly essential to balance that in the context of the Covid-19 crisis and the implications for staff accommodation that arose as a result.

A combination of recruitment, redeployment and contracted service engagement were progressed to address potential requirements. This process included the recruitment of 114 Brexit-specific staff across multiple functions where potential requirements would have been focussed, particularly import controls for products of animal origin, animals, plants and forestry, mainly at the ports. The bulk of this recruitment related to clerical officers on portal inspection duty and veterinary inspectors. Staff who were recruited for Brexit but not required at the ports due to delays in Brexit progressing were deployed either to posts within the function relating to their recruitment or to other functions across the Department where appropriate. However, the vast majority of them have now returned to the duties for which they were originally recruited. All of these challenges took place in the context of Covid-19, where normal work patterns were not possible. In spite of this, all recruitment and deployment targets were met.

Under the subhead relating to other support scheme costs, there are total savings of €1.2 million available for redistribution as the provision for product storage was not required.

In the development and promotion of agriculture and food subhead there are savings of €2.3 million, made up of small amounts from several areas, such as food promotion measures, trade shows and reduced spend on lean reviews by food companies.

There are savings of €1.6 million available in the fisheries subhead. This is due mainly to delays to projects supported under the European Maritime and Fisheries Fund, EMFF, caused by the challenges of 2020. These projects remain on track and will be met from 2021 funding. I assure colleagues that my Department remains on course to fully utilise the €239.3 million in public funding available under the EMFF operational programme. The Sea-Fisheries Protection Authority subhead has savings of €1.2 million.

Under capital expenditure, my Department continues to operate TAMS, which is a large on-farm investment scheme. It is made up of a suite of seven measures and was launched under the Rural Development Programme 2014-2020 with a budget of €395 million over the full period of the programme. To date, expenditure under TAMS II has exceeded €245 million. Payments under the TAMS II scheme continue to issue on an ongoing basis. To date in 2020, we have issued payments of €66.6 million. The allocation was increased in the Revised Estimates in anticipation of increased spend. However, there have been some impacts of Covid-19 on investment works, particularly building works during the first lockdown. I am, therefore, declaring a saving of €6.5 million from the revised allocation for 2020. My Department has actively encouraged all approved applicants under the scheme to submit payment claims, including through contacting approved applicants individually by text message on a number of occasions and reminding approved participants to submit their payment claim as soon as they are in a position to do so. However, TAMS II is a demand-led scheme and the timing of the completion of works and submission of payment claims within the timeframe set out in the approval letter is entirely a matter for the farmers themselves. In general, participants have 12 months from the date of approval to complete works and submit a payment claim, with a shorter timeframe of six months for equipment.

On the capital side, we are seeking to move €8 million in capital expenditure from the forestry allocation. This saving has arisen because new planting is much less than anticipated at

the beginning of the year. It is expected to total less than 3,000 ha. This can largely be attributed to a fall-off in interest by farmers, which has been the trend in recent years. I am aware that the current licensing delays are a contributory factor. We are addressing the current delays in a robust way, with additional resources, a dedicated project plan and a reformed appeals system. We are also looking at ways to re-engage farmers so that they see forestry not as a displacement activity, but as complementary to their farming enterprise.

Utilising savings from TAMS and forestry this year will ultimately free up funding for 2021 as we prepay some 2021 commitments now. This will leave us better able to take on the many challenges that will face the industry next year. Taken together, this €24.8 million in savings described is to be combined with additional gross provisions of €16.8 million to provide €17.3 million for Brexit infrastructure and €24.3 million for the World Food Programme.

With regard to Brexit infrastructure, there is a need for substantial extra funding for the non-pay administration part of programme A. This funding is for border control posts that arise in the context of Brexit. It reflects the requirement to have property and infrastructure to facilitate and support the movement of legitimate trade. There is provision to carry out necessary sanitary and phytosanitary checks at ports in the event of a disorderly withdrawal from the EU by the UK. My Department is the lead tenant in most parts of Dublin Port and Rosslare Harbour and our proportion of the considerable costs involved amounts to some €14.5 million in capital and €2.8 million in current expenditure, largely undertaken on our behalf by the Office of Public Works. As was the case last year, this is being dealt with at year end to provide for actual costs rather than estimates.

The other important item is the additional allocation for the World Food Programme, WFP, which will allow for the early payment of next year's commitment under Ireland's strategic partnership agreement with the programme. I recently received a request from Mr. David Beasley, the executive director of the programme, to consider early disbursement of Ireland's next annual contribution, which for 2021 is €25 million. This request does not involve any additional funding but, rather, only early payment. Paying our commitment early will allow funding in 2021 to be spent addressing the many additional challenges there is no doubt the year will bring. This advance will significantly contribute to the WFP's capability to plan its interventions and better address the several growing humanitarian needs currently facing the world, including large-scale emergencies in Yemen and Syria, the developing emergency with Ethiopian refugees in Sudan and its ongoing efforts assisting vulnerable people affected by the current coronavirus pandemic.

Ireland's partnership with the WFP is making a difference in the efforts to achieve the shared objective of sustainable development goal 2, Zero Hunger. The programme will receive the Nobel Peace Prize for 2020 on 10 December. The Nobel committee's citation in the announcement of the award to WFP was that it was "for its efforts to combat hunger, for its contribution to bettering conditions for peace in conflict-affected areas and for acting as a driving force in efforts to prevent the use of hunger as a weapon of war and conflict". I am, therefore, recommending early payment of the 2021 contribution. It will signal Ireland's ongoing commitment to the work of the programme and will be especially appropriate at this time when the work of the programme is getting such international recognition.

In conclusion, I believe this is a necessary and important Supplementary Estimates, which I recommend to the committee for support. I am happy to respond to any questions members may have.

Chairman: I thank the Minister. We have a small attendance today. Before I allow Deputy Carthy to ask his questions, I refer to the Minister's remarks on forestry. He stated, "This can largely be attributed to a fall-off in interest by farmers, which has been the trend in recent years." I fundamentally disagree with that. We got various estimates for the number of licences that are being processed through the system, whether for planting, clear felling or thinning. The committee was told there were 1,900 licences in the system but it has transpired that there are 4,000. The Department has also prohibited planting on land designated as unenclosed or on land to which changes have been made. I do not feel the issue is a lack of farmer interest at all. It is just plain bureaucracy that has caused the huge fall off in the amount of planting that is taking place. We are only at one quarter of the target of 8,000 ha set out in the programme for Government. We will probably only hit one quarter of that this year but to attribute the reduction to a fall off in interest among farmers is fundamentally incorrect.

Deputy Matt Carthy: I thank the Minister for being here this morning. Attendance of members is low but there is a lot happening this morning, including the fact that people are moving between Leinster House and the convention centre, which is never easy. I thank the Minister for his clear outline of the contents of the Revised Estimates but I seek clarification on a number of matters. The Minister referenced upcoming farm support payments. I ask him to clarify if there are moves afoot to issue those payments earlier in the year. Is it possible to provide full payment under any of the schemes much earlier in the year? As we know, once the autumn arrives, many farmers are badly in need and many have been repeatedly checking their bank balances in eager anticipation of their payments. The fact that most of these payments came through this week is very welcome but they would have been just as welcome, if not more so, a number of weeks ago.

In reference to the basic payments scheme and the beef data and genomics programme and the 2021 payments, it appears that at least one of these is accounted for as a Covid-19 measure. I ask the Minister to clarify which one that is and whether the intention is to treat them as Covid emergency measures as opposed to payments in their own right, which I would have understood to be the Minister's intention, in terms of them being long-standing payments.

One never likes to see a situation where money for a scheme like TAMS is unspent. I ask the Minister to give an assurance that the money not spent in 2020 will not be lost to his Department. Will he outline his intentions *vis-à-vis* TAMS during the transition period? What level of funding will be required and what changes, if any, does he propose to make to the scheme? The Minister's predecessor in the last Dáil, Deputy Creed, indicated in February that he intended to increase the ceilings for the pig and poultry sector. When we discussed this previously, the Minister said he would examine the scheme in advance of the next tranche of payments. Where are those examinations at? This is a demand-led scheme and if the ceilings are increased, there are many operators in the pig and poultry sectors who would be all too willing to ensure there is no underspend on TAMS.

I support the Chairman's proposition with regard to forestry. I do not want to repeat the long-running debates we have had with the Minister and the Minister of State, Senator Hackett, regarding the failures which cannot be put down to a fall-off in interest on the part of farmers. Farmers will be interested in what makes sense and at the moment it does not make sense for them to engage in forestry. All they see is a mountain of bureaucracy that they need to overcome and the fact that supports are not in place. Does the Minister accept that the exclusion of marginal land from the scheme has played a role? Is he willing to quantify that? Is he going to include marginal land in any new forestry policy and what cost is associated with that?

I welcome the Minister's highlighting of the World Food Programme which will be awarded the Nobel Peace Prize next week. Ireland's role in that programme is incredibly important and I welcome the Minister's proposal to ensure our 2021 contribution is paid early, which is an appropriate signal. I ask him to provide an outline of his Department's efforts to ensure Ireland's contribution to the programme is spent effectively and well and is having the desired impact.

I am being very positive this morning because I also want to welcome the response I received to a parliamentary question yesterday regarding the potential for financial supports for agriculture students attending Teagasc colleges. In his response the Minister indicated that Teagasc is examining ways in which financial supports can be put in place. Our agriculture students are essentially the future of Irish farming and they need support. It is very disappointing that Covid-related measures and other financial supports that are in place for all other students have been denied to our agriculture students. I note that there is no reference to that in the Minister's opening remarks and I cannot see any reference in the Revised Estimates. According to the written response I received, the intention is to put measures in place by the end of the year. Is it also the intention that the supports will be in place by the end of the year or should students expect to wait until next year? I ask the Minister to give an indication of the level of support that will be available. Will it be the same as what is available to other students? Is it intended that this will just be a Covid measure or will the Department use the fact that this issue has been highlighted during Covid to put in place a permanent financial hardship scheme for students in agricultural colleges?

Chairman: The Department budgeted €395 million for the length of the TAMS programme and expenditure to date is €245 million. A sum of €66.6 million was allocated this year. Is that part of the €245 million? If so, it appears that there will be a shortfall in the spend over the term of the programme. The scheme will not close for another few weeks so it is probably hard to put a final figure on it. Is the €66 million figure part of the €245 million or in addition to it? Does the Minister expect that when the scheme closes in the middle of January, we will have applications for the full €395 million?

Deputy Charlie McConalogue: On the issue of forestry, there have been fewer expressions of interest coming forward and there is no doubt that the licensing situation has had a significant impact. The backlog should never have reached its current level, as has been well documented in contributions in both Houses of the Oireachtas by myself and the Minister of State, Senator Hackett. An immense amount of effort, time and resources have been invested recently to try to address the undoubted difficulties in the sector, including the real crunch in supply. There are approximately 4,400 licence applications on hand in the Department. Approximately 2,000 of them require ecological input but the remainder do not. The primary delays lie with those applications that require the ecological input. The problem stems from a court case in the middle of last year, on which we received further legal advice in September of last year. That advice changed the way in which licence applications were dealt with, particularly with regard to the need for more ecological input. This time last year we had only two ecologists in the Department but now we have 16 and that number will be increased further. There have also been significant and ongoing increases in the number of forestry inspectors attached to the section. This is leading to significant volumes of licences coming back into the system but they cannot come too soon and the pressure must be maintained. The changes we made a number of weeks ago to the legislation on forestry licensing, with the co-operation of all parties in the House, have been a significant help in this regard and have streamlined the licensing process and the appeals process. The forestry appeals committee, which could only sit in plenary session before this to hear one application at a time, is now able to subdivide into four subcommittees, increasing its

capacity to deal with licensing also.

I would not for a second diminish the challenge that has arisen as a result of the licences, and the Minister of State, Senator Hackett, officials in the Department and I attach absolute importance and urgency to addressing this challenge and the backlog that arose during late summer and early autumn of last year as a result of the court outcomes. This will continue. I understand the pressure the sector is under, and we are doing all we can to get volume back into the system to ensure sawmills can operate and forestry contractors have work ahead of them again. The foot will be kept to the pedal to reap the benefits of the additional staff and the streamlining of the licensing system by bringing additional forestry volume through in terms of new harvesting material and addressing the backlog for thinnings, road openings and afforestation

I will now deal with Deputy Carthy's questions. With regard to ensuring the funding for TAMS will not be lost, I assure him it will be maintained. As he outlined in his response, 12-month licences and permissions are given within which people can do their work and come back and draw it down. This work has been ongoing. It means there is movement between years and there is a 12-month window. Every year, there is a moving of funds to ensure the annual accounting period is accounted for within the 12-month rolling period that farmers have for the applications they make. The current tranche closes in mid-January, and I will be making decisions on the next tranche in the weeks ahead with regard to any changes that will be made to the eligibility criteria and what type of investments are eligible, alongside announcing when the next tranche will be opening and closing. The issue with regard to the pig and poultry sectors is certainly something that is under my consideration in that regard.

With regard to farm payments, we have a strong record on ensuring payments are paid promptly at European level and we are top of the league in this regard, which is crucial because it is such an important aspect of farmers' incomes. We have to do everything that can be done as a State to ensure the payment system runs efficiently and that farmers get their payments in time. For example, under EU rules and the regulation, the earliest the basic payment scheme can be paid is 16 October, and for the balancing payment it is 1 December. These are the dates we work to every year. This year, a record number of farmers, at 97%, received the 70% advance payment at the start of October, and over recent days the balancing payments have issued to farmers. A lot of effort has gone into this. It is the highest number of farmers who have been paid on time what was due to them. It was a very strong effort and it is something I very much prioritise and put a strong value on as Minister.

To touch on other payments made over the course of the year, 44,000 farmers have been paid €154 million through GLAS and another 3,000 farmers received €3.7 million through GLAS plus. With regard to TAMS, €66.5 million was paid out this year. The beef finishers payment has seen 27,000 farmers avail of €46 million and 24,000 farmers were able to avail of €40 million through the basic payment scheme, which is a total in these schemes of €317 million. With regard to the basic payment scheme, so far we have seen 121,000 farmers paid €1.13 billion, which is 99% of eligible applicants. This is a very successful outcome and particularly important in the run-up to the back end of the year. As the Deputy pointed out, it is a pressured time with stock housed, bills starting to flow in and, of course, family and Christmas pressures. It is important that payments flow efficiently, effectively and on time in advance of this.

The Deputy also mentioned the issue of forestry and I covered some of this with regard to the Chairman's remarks. The Deputy mentioned the issue with marginal land and what the future of the forestry programme will look like. Certainly, we will consult widely on the future direction of forestry, and the Minister of State, Senator Hackett, recently established a new

stakeholder group that met for the first time last week. It is representative of all those with an interest in forestry, including farmers, industry and NGOs. Certainly, the issue of marginal land will be something that gets discussed at the forum.

We have to look at forestry with regard to the great benefit it can be to farmers as an industry and a core income for many who are in it in a heavy way. It also has the potential to contribute further to average farmer income in terms of additional forestry complementing farm enterprises. There is a lot of potential as to how it can contribute to carbon capture, climate change objectives, biodiversity improvements and addressing the decline we have seen in recent years and decades. This is certainly where we are at. This year's afforestation levels are not where we want to be and trying to address this, increase it significantly and meet our targets on afforestation in the years ahead is something the Government takes seriously.

The Deputy mentioned the basic payment scheme with regard to its categorisation under Covid funding. This is how it was categorised for the year ahead, and we are obviously in a transition year. My absolute focus as Minister is on ensuring that I deliver funding for farmers and that I deliver to beef and suckler farmers in particular, in every way I can. Obviously this year there was also the beef finishers payment as a result of Covid market impacts. There is no doubt that Covid, like Brexit, has had impacts on markets and prices. I am not especially picky about where money comes from as long as it goes to farmers and is helping to ensure farming incomes are supported. That will always be my priority and objective. Obviously, how I as Minister support our beef and suckler farmers will be central to how we develop the plan for the next Common Agricultural Policy, and this is very important to me. It will be a key priority for me in terms of ensuring the support is there in future.

As I outlined in my remarks, the World Food Programme is a very valuable programme that does tremendous work in very challenged areas of the world. Its effectiveness and impact can be reflected in the fact it is a Nobel laureate this year and is something with which the Department engages closely in terms of updates and assessments on the impact of the funding we give. The tri-annual funding commitments we make are valued and important to the programme. As a country, we should reflect positively on our contribution.

With regard to Teagasc students, I have been working closely with Teagasc over the past number of weeks on providing additional support to Teagasc students proportionate to the support that is being given to other third level students through the Department of Further and Higher Education, Research, Innovation and Science and the budgetary allocation to that Department. There was no specific budget line for Teagasc students but I wanted to ensure it would be there. I have worked, and continue to work, with Teagasc to ensure that will be the case and I hope to be in a position to announce the support that will be available to them in a short period.

The Deputy indicated that he is feeling particularly positive today in some of his contributions. I do not blame him because there have been many positive outcomes from the budget. I am working hard to support the farming community - I am glad the Deputy recognises that - not just with regard to Teagasc students but also through the many significant payments I have been able to deliver for farmers and the support I have given them. They are a top priority for me and I hope to continue that in the time ahead. I thank him for his contributions.

Deputy Michael Fitzmaurice: First, I will deal with the forestry sector. What genius put in the minus €8 million because the less than 3,000 ha, not even at 2,500 ha, is largely attributed to the fall-off in interest by farmers? We know the situation. The Minister referred to 4,300

licences. In fairness, the committee has found it is 4,700 licences. In a statement yesterday, which was like a goading statement, the Minister of State, Senator Hackett, said there is no problem with 2,700 of them. Why are they not issued? It is minus €8 million this year. Where are we going to achieve the targets in forestry? We are 50% down from 2017 to 2020. There seems to be no direction.

The Minister mentioned a court case. I refer to the Department's website in 2012. In the forestry section, it stated that the National Parks and Wildlife Service wrote to the Department and made it clear that it had to comply with the EU habitats directive. I was not even in politics at the time and I knew about the 15 km buffer zone. We knew about the Natura impact statements, NIS, and that one had to get appropriate assessments. Now, when politicians, including me, have been flagging it for three to four years, this is getting worse by the day. I consider it offensive for a committee that officials and a Minister of State, not the Minister, appeared before it and referred to 1,900 licences. I gave the evidence to them. In fact, I was 700 short as there are now 4,700. What control is there and who is responsible in the Department? Would the Minister be concerned if other information comes forward that at that committee meeting we were told things that ended up being incorrect? Would he be concerned about that Department with regard to forestry and its future?

Second, and this also relates to forestry, is there going to be a re-examination of some of the ground? I remember cutting timber years ago in Glenhest, County Mayo. Now this cannot be planted because the standard of land has allegedly gone up. Those people cannot plant. On biodiversity, and I do not know if this relates to the Minister's Department or the National Parks and Wildlife Service, there is talk about a €30 million, nine-year scheme for biodiversity along the Wild Atlantic Way. What Department will do that? I understand it is for nine years and €30 million is currently being suggested. Where does one go after nine years? Can one go in with a digger and pull all the bushes or will one be paid after that? This could be a dangerous thing for farmers to participate in if there is no longevity in the scheme.

With regard to the BPS, I give the Department credit. It is quite good at getting money out to farmers. I have to be honest and say that, and give credit where credit is due. That is also the case with the ANC. However, if there is a satellite inspection or a departmental inspector calls to the farmer, that farmer's grants are held up. One is guilty until proven innocent. We know that the person will be applying next year and in the following years. Why is there not a system whereby a month or six weeks before the payments are made those farmers get their money? There is always a clawback in the following year or the next year. Why is the farmer guilty until proven innocent?

There is a big worry in forestry. After ten to 14 years or in the 15th year, an assessment is carried out. People could get a big bill, as there might be a section but that is multiplied by the number of years. Should there not be a farm charter that states that if the Department has not found an error in the size of the parcels in the first three years, it is tough luck after that? The Department cannot go to somebody after 15 years and tell the person that he or she owes €10,000 or €5,000. There has to be some time limits on such things.

Regarding the new environmental scheme the Minister talked about, many farmers are out of the agri-environment options scheme, AEOS, and are finishing the current schemes. The Minister is rolling over some of the schemes. When will they be rolled over and what will the conditions be? Somebody might be in GLAS for five years. If it is being rolled over and the farmer had rivers in one part, but he is out of that land and is moving to another place because the leases are only for a certain time, will he be able to go into the new, rollover scheme, to put

it simply?

TAMS has done much good around the country. I hope that it continues, especially for the young farmers. I concur with Deputy Carthy regarding the young students who are not only attending the Teagasc colleges but also attending the education and training boards, ETBs, courses. ETBs such as the one in Westport do great work in delivering courses for young farmers. Is there financial help for them? They are all online now. Will there be financial help for them into the future to continue to encourage youngsters into farming?

With regard to the WFP and the €24.3 million, is that the final payment on that? I realise we brought it forward a little.

How much money does the Minister envisage for the farmers who came out of the AEOS? He says the GLAS farmers will be covered for another year or two. How much money will be made available or how many farmers will be able to enter that scheme? What does he anticipate to be the average income on it and what is the length of the scheme?

Deputy Charlie McConalogue: I responded to the Chairman and Deputy Carthy on the forestry issue. There is no doubt that the licensing backlog and licensing challenges have contributed to the reduction in the forestry area planted. If a licensing system is not operating smoothly and has delays, it acts as a discouragement to applicants. It does not make it attractive. We have a great deal of work to do and we are working hard on addressing the backlog. I outlined some of the measures. The Deputy is aware of the Bill which the parties co-operated on a number of weeks ago. We have significantly increased the number of ecologists in the Department from two whole-time equivalents this time last year to 16 now. We are hiring more as well. We are currently recruiting an additional 13 forestry inspectors, ten of whom will work on licensing files. That work is ongoing. People have also moved in to assist forestry inspectors with licensing. We are starting to see an increase in licensing and an increase in volume in the past two or three months-----

Chairman: An increase.

Deputy Charlie McConalogue: Yes, since the legislation went through, we are.

Undoubtedly there is a crunch in supply within the sector, which has built up as a result of the backlog that was there. That undoubtedly is causing massive challenges and difficulties for the sector. The Minister of State, Senator Hackett, and I are very conscious of it and every step that can be taken is taken within the Department to address that. I have outlined the staffing additions that have been put in, the legislative changes that have been made and the fact that this effort will continue. The forestry appeals committee has sub-divided into four separate sub-committees to increase their capacity. Across all the areas where actions need to be taken and resources allocated, that is happening and it will continue.

In the past couple of months, we are starting to see the volume increase, in terms of licences being issued. That is starting to work its way into the system and it needs to continue. It does not take away from the fact that over the past number of months volume has been decreasing and we have seen a supply crunch, which is causing undoubted difficulty. I want to see this issue resolved and will be doing all that I can, along with the Minister of State, Senator Hackett, to resolve it.

On the pathway ahead and trying to improve afforestation in the years ahead, to meet our targets and make it a more attractive proposition, addressing the backlog is part of that. We also

must work with farmers on how we can incentivise and encourage people to look at forestry as something to add to their enterprise and add to their income.

On the development of the new forestry plan and the new Common Agricultural Policy, I welcome Deputies' input and ideas on how we can increase and improve afforestation levels from where they are at present and how we can see that increase significantly in the years ahead.

On the payments, the Deputy rightly pointed out the importance of being paid on time and the importance of trying to ensure that inspections, and satellite inspections in particular, do not impact on people and lead to significant delays. As Minister, I want to work on this and prioritise it. Fortunately, this year we have seen the highest number ever of applicants paid, with 99% of eligible farmers now having been paid. This is a significant achievement and one that reflects well on all the staff members involved. I will work with the team to ensure this continues to be a priority in the time ahead.

On the GLAS rollover, we are currently engaged with the European Commission to finalise and seek approval on rolling it over for another year. I am determined to ensure that it is as practical as possible with as little red tape as possible for farmers. For the 35,000 of the 48,000 farmers who are in GLAS and who are due to finish the fifth year of their scheme this month, it was crucial that the Government prioritised that funding to support the scheme to continue in the budget. It was not easily achieved but the funding was secured as part of an overall 11% increase in funding for agriculture. Those in GLAS will be able to roll it over into next year. We are working on finalising the administrative arrangements around that now.

On the €79 million in additional funding for environmental measures that came in the budget and which had not been there previously, I am currently assessing the types of measures it might be spent on, as well as the level of funds to be spent on the new pilot scheme, which would be targeted at those not currently in GLAS.

The number of applicants and the exact details are currently being worked on and are not finalised just yet.

On the figures for the new rural environment protection, REP, scheme, the pilot scheme for the incoming year will help to inform the nature, content and objectives of the follow-on REP scheme, into which people coming out of GLAS will ultimately transition. Again, I will be consulting and engaging on this widely, including the views of the Deputies and stakeholders, with positive contributions and suggestions around how we can make that a scheme that delivers on our environmental objectives in biodiversity and climate change, while, importantly, working well for farmers and ensuring it delivers net income for farmers. That is very important. I will be very open to ideas around that.

Deputy Michael Fitzmaurice: Does the Minister expect the full allocation of the money to be used up in the TAMS programme?

Deputy Charlie McConalogue: Yes, and further spending in addition to that.

Deputy Michael Fitzmaurice: The Minister has referred to additional people being recruited into the forestry section. Apart from the applications gone to appeal, there are 4,700 applications currently in the system. It was stated yesterday that 2,700 of those have no problems. Why are they not out so, if there are so many people assisting?

Deputy Charlie McConalogue: A total of 2,700 of the applications do not require eco-

logical input. The significant backlog has been in respect of those that need additional work because of the ecological requirements for those particular applications.

Deputy Michael Fitzmaurice: Yes, but why are the 2,700 applications not being sent out?

Deputy Charlie McConalogue: Those 2,700 applications are being processed and being dealt with, and 2,300 licences were issued this year over the course of 2020. As licence applications are coming in, licences are going out but there has been a backlog there. Where there are 4,700 on hand currently, 2,300 have been issued over the year 2020. That needs to be more. It is ramping up and volume is coming out but it needs to continue to come out to address the supply crunches in the sector. Everything possible that can be done is being done to address that. They all must be processed in line with the law. It has to be robust processing and in line with policy and all the various requirements. This is why the additional staff needed to be put in place and are in place. It is also why we introduced the legislation and sought the co-operation of the House to fast-track it because of the urgency of the situation. We have issued 2,300 licences in 2020. Some 2,000 applications are with ecologists. The other 2,700 are regarded as not needing that ecological input and get processed as there is less involved in processing them. They are being processed also. Overall, whether the applications have an ecological input or are in the other category, it is essential that we have the staffing and the team in place to be able to deal with them and drive down the backlog. The immediate priority is to get volume into the sector to ensure we address the supply crunch and the timber that is there at the moment.

Deputy Michael Fitzmaurice: Is it fair to say that the Department has massively ramped up the numbers of people, including ecologists, who are looking after applications in the last six or eight months? Why then is the figure for tree-felling licences for November 2019 greater than that of November 2020, according to the dashboard that we get?

Deputy Charlie McConalogue: The big crunch at the moment is in volume for felling.

Deputy Michael Fitzmaurice: I am talking about felling.

Deputy Charlie McConalogue: Will the Deputy give me the figure again?

Deputy Michael Fitzmaurice: The Department gives us a dashboard, which is very helpful. In November 2019 the number of felling licences issued, with fewer staff members and fewer ecologists and less everything, is greater than the number of licences issued in November 2020, even with the heap of extra staff. That is unusual. This year there were fewer licences issued in November than in 2019, even though the number of staff has been ramped up by double or treble.

Deputy Charlie McConalogue: I do not have those figures here.

Deputy Michael Fitzmaurice: I am looking at them here. I have the dashboard in front of me.

Deputy Charlie McConalogue: Let us look at the output since the legislation passed and since additional staff have come on board. If we look at where we were throughout 2020 and where we have been in the last couple of months, we see volume is starting to ramp up again significantly and it needs to continue to ramp up. I can assure the committee that in terms of the additional staff coming on board, and more will come on board, every effort is being made to address the licence applications that are there and to ensure that volume continues to come out. There is no doubt the backlog and the delays led to a drying up of supply and the immediate

priority is to replenish that supply in the short term, and for next year as well.

Deputy Michael Fitzmaurice: I worry about this. In the week the committee had the Department in, to be fair, there was a real surge that week and 68 and 41 licences were issued for felling to both Coillte and the private sector. Funnily enough, since then, the figures have come down to 23 and 24, 5 and 21, 23 and 14, and, on the 30th, it was 51 and 22, so that week was way higher. This needs to be addressed, given timber is now coming in from other countries. There are 2,700 licences and I cannot get my head around the question of why, when a Minister says there is no problem with those, they cannot be processed straight away. Why can we not see a figure on our dashboard in the next week or ten days that 1,000 licences will be put out, if there is no problem with them?

Chairman: The Minister does not have these figures in front of him, to be fair. We came in to discuss the Estimate. The Minister might give a written reply to Deputy Fitzmaurice.

Deputy Charlie McConalogue: I was going to say that the notes I have with me are around the Estimate, which is not relevant to the forestry question. I do not have the dashboard in front of me at the moment to compare the figures that the Deputy has in front of him. What I can be very clear on is that every effort is being made to address the supply crunch that is there, and to address the issues in regard to volume and the backlog in licences. I have outlined clearly how the ecological resources and staff have ramped up massively and continue to ramp up, how the number of forestry inspectors has ramped up significantly and continues to do so, and how the forestry appeals committee has subdivided into four committees, when it was previously one. In addition, the legislation which was brought through to streamline the licensing process is now in place.

Over the course of the last year, there were a significant number of appeals in the system. This had increased in the course of the last year to year and a half, which had dried up supply. As licences are coming in and are being issued, thankfully, we are seeing some volume come in. However, that does not take away from the fact that, over recent months, we have seen supply reduce in the market, which is causing real problems. We are doing all we can and making every effort possible, as I have just outlined, to ensure that volume increases and to ensure that, over the month of December and into January, this improves the situation further and we start to get on top of that backlog and start to drive it down to ensure there is a more streamlined application process in regard to the timelines for people making afforestation applications. It is undoubtedly massively frustrating for all of those who are currently waiting on a felling licence or an afforestation, thinning or road opening licence.

Deputy Matt Carthy: I acknowledge that. To be frank, I have always said there is an element of giving the benefit of the doubt to the Department, as someone who has been very critical. There is new legislation and new staff are in place, and we need to see the out-workings of all of that.

I would encourage the Minister to ensure that sentences like “This can largely be attributed to the fall-off in interest by farmers” are removed from briefings in regard to forestry. This is not the fault of farmers; it is the Department’s fault, particularly the forestry section’s fault, that we got to this point. It is not the Minister’s fault either because this is a long time coming. It is a tidal wave that has been allowed to build up.

As I said, what I would like to hear is that there is a commitment by the Minister and the Minister of State, Senator Hackett, that they will review all of these matters in the new year to

see whether the measures that have been put in place have made the difference, and also to review the legislation that was passed. I know there will be a new forestry strategy, and it needs to be very comprehensive.

One of the little concerns I have, and it could potentially be a big concern, is that, in terms of appeals, the cost of making a submission is €200, which is substantial when compared with planning permissions. The purpose of this legislation was to prevent multiple appeals being submitted by one individual or a small number of individuals. My fear is this could prevent local people commenting during the debate on something that is going to have a direct impact on their lives. It needs to be reiterated by the Minister and the Minister of State, that that was not the intention. We need to monitor that because there are some communities where the type of forestry has not suited the area and has been very intrusive, and we have talked about Leitrim many times. All I want to hear today is that the Minister, the Minister of State and the Department are open to having all of these big conversations. The forestry change that is required is a holistic one and a review of the whole forestry strategy is needed, which I understand is going to commence soon. That is not to take away from any of the immediate issues that Deputy Fitzmaurice has referenced but the challenges are very big.

Chairman: The Minister has dealt comprehensively with the forestry issue. We are dealing with the Estimates. We have prepared a report on our series of meetings and we will be making many points in that report to both the Minister and the Minister of State, Senator Hackett. There will be further interchange between us after that. The points have been made and the Minister has answered comprehensively on forestry.

Unless there are other questions on the Supplementary Estimate, we will adjourn. We have apologies from Deputies Martin Browne and Paul Kehoe. That concludes the select committee's consideration of Vote 30 - Agriculture, Food and the Marine. In accordance with standing orders, a message to this effect will be sent to the Clerk of the Dáil. On behalf of the select committee, I thank the Minister and his officials for assisting the committee with its consideration of the Supplementary Estimate and for dealing with the questions from the members.

Message to Dáil

Chairman: In accordance with Standing Order 101, the following message will be sent to the Dáil:

The Select Committee on Agriculture and the Marine has completed its consideration of the following Supplementary Estimate for public services for the year ending 31 December 2020: Vote 30 - Department of Agriculture, Food and the Marine.

The select committee adjourned at 11.17 a.m. *sine die*.