

DÁIL ÉIREANN

AN ROGHCHOISTE UM THALMHAÍOCHT, BIA AGUS MUIR

SELECT COMMITTEE ON AGRICULTURE, FOOD AND THE MARINE

Déardaoin, 6 Bealtaine 2021

Thursday, 6 May 2021

Tháinig an Romhchoiste le chéile ag 12.30 p.m.

The Select Committee met at 12.30 p.m.

Comhaltaí a bhí i láthair/Members present:

Teachtaí Dála / Deputies	
Martin Browne,	
Matt Carthy,	
Michael Collins,	
Brian Leddin,	
Charlie McConalogue (Minister for Agriculture, Food and the Marine),	
Michael Ring.	

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

Estimates for Public Services 2021 (Revised)

Vote 30 - Agriculture, Food and the Marine (Resumed)

Chairman: Apologies have been received from Deputy Paul Kehoe. Before we begin I remind members that in the context of the current Covid-19 restrictions only the Chair and staff are present in the committee room and all members must join remotely from elsewhere in the parliamentary precincts. The secretariat can issue invitations to join the meeting on MS Teams. Members may not participate in the meeting from outside the parliamentary precincts. I ask members and witnesses to mute their microphone when not making a contribution and to use the raise hand function to indicate. Please note that messages sent in the meeting chat are visible to all participants. Speaking slots will be prioritised for members of the committee.

The meeting has been convened to resume consideration on the Revised Estimate for Vote 30 - Agriculture, Food and the Marine referred by the Dáil to the committee on 16 December 2020. I welcome the Minister for Agriculture, Food and the Marine, Deputy Charlie McConalogue, and his officials. He is accompanied by Dr. Kevin Smyth, assistant secretary general and chief financial officer, Ms Rebecca Chapman, principal officer of the finance division, and Mr. Tom Corkery, assistant principal of the finance division. They are all joining remotely from a witness room. They are welcome to the meeting.

Today's meeting resumes consideration of the Revised Estimate for Vote 30 following an initial meeting on 30 March 2021. At the previous meeting, consideration of programmes A and B was concluded. Therefore, the proposed format of today's meeting is that we will deal with programmes C and D of Vote 30 in turn, with questions on programme C before we move on to programme D.

Briefing material from the Department on the Revised Estimates has been circulated in advance to members. The Minister's opening statement for the meeting of 30 March has also been recirculated and is taken as read.

Witnesses are protected by absolute privilege in respect of the evidence they are to give to the committee but if they are directed by the committee to cease giving evidence on a particular matter and continue to do so they are entitled thereafter only to qualified privilege in respect of their evidence. They are directed that only evidence connected with the subject matter of these proceedings is to be given and they are asked to respect the parliamentary practice to the effect that where possible they should not criticise or make charges against any person, persons or entity by name or in such a way or as to make him, her or it identifiable.

I invite the Minister to make his opening remarks.

Minister for Agriculture, Food and the Marine (Deputy Charlie McConalogue): I thank the Chair. It is good to join the committee members today and I thank them for this opportunity. We had a good session the last day and I hope we can complete the work today. We have dealt with programmes A and B so programmes C and D are outstanding. I will confine my opening remarks to dealing with programmes C and D.

The budget last autumn was set in unique circumstances with the challenges of Brexit and Covid, and in the transition between the current and new Common Agricultural Policies. The

agriculture Vote for 2021 provides my Department with the resources to deal with the current challenges and opportunities in the various sectors in agriculture, food development, marine and forestry.

My priority was to ensure the CAP transition did not result in any gap in funding for farmers and I wanted to maintain supports for vulnerable sectors without losing focus on the strategic development of agriculture and food. I also wanted to lay the foundations for a major new agri-environment scheme to support farm incomes and incentivise future climate and environmental action. These objectives have been achieved while providing significantly increased support for sectors such as horticulture and organics and in areas such as strategic research and innovation, marketing and promotion, and investment in the sea fisheries sector.

It is important to say that with the Covid-19 pandemic we have found ourselves in an unprecedented situation and decisions and actions must be led, and have been led, by public health advice last year and into this year. The agrifood sector, which is critical to maintaining food supply chains, from farm inputs to retail distribution, has very much demonstrated its resilience over this period. While there were undoubtedly some disruptions in the food supply chain due to issues such as labour shortages, transport and logistical difficulties, these were generally short term in nature, thankfully, and the food system overall proved remarkably resilient.

The delivery of essential services to farmers, fishers and the food and forestry sectors has been prioritised by the Department and its agencies throughout the course of the pandemic. The necessary steps have been taken to ensure that producers and processors can continue to operate effectively and keep supply lines open and that the Department and agencies can operate as effectively as possible.

The resilience of the sector over that period was certainly demonstrated by the fact that total agrifood exports for 2020 are down only 3% in value compared to the previous year, from €14.6 billion to €14.2 billion. I will ensure the Department and its agencies, in consultation with stakeholders, will continue to monitor the impacts on the agrifood sector as the situation evolves. We are all grateful to be in a much stronger position with regard to the pandemic and the roll-out of the vaccination programme. This is certainly very welcome for the agrifood sector as it is for every other aspect of the economy and very important for society.

For 2021, the total Exchequer contribution to the Vote of the Department amounts to €1.826 billion. This comprises €1.526 billion in current expenditure and €299 million in capital expenditure. There was an additional carry-over of €31.6 million in capital from 2020. This figure represents a gross increase of approximately 4%, or €69 million, on the 2020 allocation. When appropriations-in-aid are considered, the 2021 net Vote is estimated at €1.46 billion.

The agriculture Vote is subdivided into four expenditure programmes corresponding to the four key strategic objectives set out in the current statement of strategy. I will confine my remarks to programmes C and D, which we did not get to deal with at our previous meeting. The total allocation for programme C in 2021 is €398 million. Many of the programme C allocations reflect the comprehensive approach to Brexit responsiveness and how this links with the continuing implementation of the FoodWise strategy.

The agrifood sector has been well served over the past 20 years by having a series of ten-year strategies such as FoodWise 2025 to guide its development and we have committed in the programme for Government that this should continue with the preparation and development of a new strategy to 2030. While the sector faces significant challenges, it has also many opportu-

nities to develop further and prosper. We have a strong international reputation as a supplier of safe, nutritious and sustainably produced food. International consumers seek out our food and beverage products in what is a very competitive international market. We should be proud of this and work to build and enhance this reputation for the benefit of our farmers, fishers and all other stakeholders within the sector.

A committee of sector stakeholders has been working since late 2019 on this new strategy and has taken a food systems approach to the 2030 strategy, importantly encompassing environmental, economic and social dimensions. In addition, the committee is adopting a food systems approach which involves considering the connections of the food system with nutrition, health and the environment.

The pursuit and development of new markets for Irish agrifood exports is an ongoing and central component of the strategic development of the agrifood sector as set out in the Food-Wise 2025 strategy. In recent times, it has gained particular relevance given the need to diversify our markets in the advent of Brexit and in response to the circumstances created by the current pandemic. Over recent budgets, increased funding has been provided to Bord Bia in order to strengthen its understanding of consumer priorities and preferences in Ireland and in distant markets, and to communicate these insights to Irish food companies for use in product promotion, development, branding and marketing. The Bord Bia grant has increased by more than €4 million to €52 million in the 2021 Estimate.

The allocation for development and promotion in the food sector has increased by 23% to €15 million, and the provision for research and development has also increased this year to €29.9 million. I have also provided for the establishment of a national food ombudsman, in accordance with the commitment in the programme for Government. Strengthening the position of farmers in the food supply chain is a priority of mine and the Government. The Department is drafting the legislation needed to establish a food ombudsman, and I am making an initial provision of €1 million to assist with start-up costs.

The allocation to the horse and greyhound racing fund has been increased to €97.5 million in total in 2021. This includes an allocation of €1.5 million for the Irish Equine Centre.

Access to finance is a crucial business need. As well as liaising with the main banks on matters relating to the agrifood sector, my Department and I have been working very closely with the Tánaiste and Minister for Enterprise, Trade and Employment, Deputy Varadkar, and the Minister for Finance, Deputy Donohoe. Together we have put in place important schemes to support businesses and ensure they have access to finance and had such access during the pandemic and to help deal with the challenges brought about by the end of the Brexit transition period.

Finance is required as working capital to ensure the efficient functioning of businesses on a day-to-day basis and as investment capital to develop and evolve to meet future needs and challenges. I am working to ensure farmers, fishers and food businesses have access to appropriate supports, whether that be by private provision or with the help of State-backed schemes.

The Covid-19 credit guarantee scheme provides an important source of working capital finance and it is important that it continues to the end of this year in line with the recent extension of the EU temporary state aid framework, which facilitated this support. We are all hopeful that developments in 2021 will see the economy reopening fully and it is probably only then that we will see the full extent of the need for working capital support. The €2 billion facility put in

place by the Government is a signal of our intent to do everything we can to ensure as many viable businesses as possible survive this crisis and it should continue for as long as it is required.

The future growth loan scheme has provided farmers, fishers and food businesses with a source of long-term, unsecured investment finance that was previously unavailable in the market here. There has been a high level of demand from the agrifood sector and I know there is now only limited capacity available. Together with colleagues, we will consider whether further support is required.

The Strategic Banking Corporation of Ireland, SBCI, working capital scheme, which comprises the Brexit loan scheme and SBCI Covid-19 working capital schemes was due to conclude on 31 March 2021. Extending the scheme to the end of December 2021 will provide certainty to businesses on their working capital needs, keeping viable businesses going and protecting jobs. Given the current uncertainties, it is difficult to forecast how demand will materialise and therefore it is prudent to adopt a flexible approach to emerging demand on the subschemes.

The renegotiation with the European Investment Fund on the guarantee arrangements for the SBCI working capital scheme, as well as making the full €200 million extension available, provides us with an opportunity to seek improvements to the scheme, including making it available to farmers and fishers.

I will move to programme D, which relates to the seafood sector. The provision for the Department's seafood programme has been increased by 8% to a total of €167.7 million for the continued promotion of the environmentally sustainable development of fisheries, aquaculture and wider seafood industry. This sector supports approximately 16,000 direct and indirect jobs in the coastal communities. The provision will help fund vital investment in our fishery harbours, most particularly in Killybegs, Howth and Castletownbere. The 2021 provision will allow the Marine Institute to progress the construction of a new €25 million modern research vessel and this will provide critical national infrastructure to enable Ireland to address the considerable challenges of Brexit and the Common Fisheries Policy, as well as climate-induced effects on our oceans. The budget allocation for the Sea-Fisheries Protection Authority, SFPA, in 2021 will allow the authority to continue to meet its national and EU obligations as Ireland's competent authority for the enforcement of sea fisheries and seafood safety law and to meet challenges arising from Brexit.

The SFPA will be required to support additional activity in the certain areas as a result of Brexit, including import consignments, import direct landings, export consignments and export direct landings. I designated additional ports for third country landings in early 2021 in order to facilitate Northern Ireland-registered vessels landing into Ireland. Greencastle, Howth, Burtonport, Ros an Mhíl and Rathmullan have been added to the list of designated ports. The core areas of the SFPA include the costs associated with certifying seafood in food business premises throughout the country, providing 24-7 inspection services at the main fishery harbour centres and at numerous secondary ports around the coast.

With regard to the multi-annual financial framework negotiations concluded in July 2020, I am pleased to say that Ireland has retained a CAP EU funding package in excess of €10 billion for the 2021 to 2027 period. These funds are essential in supporting the farming sector through the years ahead. This funding is not reflected in the Vote for 2020, there are significant preparations ongoing in my Department to meet the challenges of a new delivery model for CAP.

This is a brief overview of the range of measures that apply in the agrifood and marine

sectors for 2021. These funding allocations will assist us in focusing on competitiveness, innovation, new market development and environmental sustainability, while responding to the uncertainty arising from Brexit and the Covid-19 pandemic. I look forward to the discussion and questions from committee members.

Chairman: We will start with questions relating to programme C, policy and strategy. I will throw the first question at the Minister and it concerns the Teagasc grant. It is up 1%. Climate change is bringing challenges to the sector and climate action legislation has been discussed in the Dáil over the past couple of days. Teagasc is in a very good place to develop some of the technologies that could modernise and help reduce emissions at the farm and processing level.

I suggest that we allocate money for pilot research projects into different types of modern technology that might deal with slurry, for example, and the alternative production of energy. There is also the feeds given to animals, with research indicating that additives might reduce methane emissions from animals. The technology must be developed and I respectfully suggest that Teagasc is in a very good place to do that research. It is a challenge we must meet head-on. We are the most sustainable producers of food in Europe and of dairy in the world but we cannot sit on our laurels. We must embrace and research these new technologies. We need an allocation for pilot projects to develop research and bring it forward.

Research is one side of it but technology must be installed at a farm level, which is the next step. Teagasc has done that successfully over a long number of years through a direct connection with farmers and discussion groups. It has the track record of being able to progress technology and bring it back to the farm level. There is technology being developed at Moorepark and such a model could be used in some of the research farms and pilot schemes to try to develop practical ways to reduce emissions without hindering food production. We need an allocation for that to happen urgently. Funding for pilot schemes and an extra allocation for Teagasc must be on the agenda to meet the challenges that climate change is bringing.

Deputy Charlie McConalogue: The Chairman makes a very important point. I emphasise that Teagasc is doing much work in the area and it has a really important role to play in leading us in meeting the climate change challenge in particular. It is there to ensure we continue to be a very effective and efficient producer of high-quality food while doing more in the environmental space and taking up a leadership role in the biodiversity challenge.

I take this opportunity to recognise that the director of Teagasc, Professor Gerry Boyle, will retire at the end of September and we will conduct a process to find a replacement for him. We should recognise the tremendous work he has carried out in his time there. It is a very effective organisation and one that has served farmers well. It has been very well served by Professor Boyle.

The Chairman made a point about Teagasc's role in leading research to allow us become more efficient and reduce our carbon footprint. It is important. Teagasc is doing much work on that with regard to feed additives and it is working with the Irish Cattle Breeding Federation, ICBF, on potential genetic gains. I take the Chairman's point on the importance of funding that work. We will certainly ensure that can be the case.

Chairman: I thank the Minister.

Deputy Michael Collins: I thank the Minister and our other guests. I will ask a few questions together and the Minister might be able to take them down. This committee has, as the

Minister knows, devoted a considerable amount of time to the forestry licensing crisis over the past 12 months. We published a report on the issue earlier this year which made clear the disastrous impact the crisis is having on the forestry and timber sector. Much has been made of the additional resources which have been thrown at forestry but it seems to be having a negative impact in terms of licensing output. Will the Minister outline exactly what additional resources are being committed to resolving this issue in 2021 and why exactly do these resources appear to be having such little impact on saving an industry that employs 12,000 people up and down the country, particularly in rural Ireland, where jobs are needed most? Will the Department hit its targets of 4,500 licences for this year, based on the current licensing run rate? That question requires a simple “Yes” or “No” answer.

A new agricultural scheme has been announced, namely, the results-based environment agri pilot, REAP. It seems that heather is exempt from funding under the scheme. Can that be changed? That is a blow to rural Ireland, the population of which is waiting for a well-funded scheme. It does not seem to be delivering the funding that people expected or were promised. The exemption of heather excludes most farms in rural Ireland.

Decommissioning is coming to the marine and fisheries sectors whether we like it or not. Is a separate fund being made available for affected areas in rural communities where decommissioning is going to have a serious effect? It may affect the Minister’s constituency and my own. Is there a plan to turn a negative into some kind of a positive, if that is humanly possible.

Chairman: Excuse me, Deputy Collins.

Deputy Michael Collins: Yes?

Chairman: We will deal with the seafood sector under programme D, if that is okay.

Deputy Michael Collins: Perfect.

Chairman: I will bring the Deputy back in. We will stick to programme C for the moment, if that is okay.

Deputy Michael Collins: I thank the Chair.

Deputy Charlie McConalogue: We dealt with forestry under programme B when we last met. I can touch on the subject briefly. It has obviously been a challenging space over the past year, in particular, and we have put massive work and effort in at departmental level and also in terms of legislation and structure to try to address the significant backlog that was there and get into a space where there can be confidence around the length of time a licence application takes to be processed and administered. There has been a significant increase in staffing. We currently have 38 forestry inspectors, 21 ecologists and 28 administrative personnel dealing with the matter. Where there was one ecologist working in the area 18 months ago, there are now 21 full-time equivalents. There has been a significant allocation of resources in that regard. The Deputy will know that the Minister of State with responsibility for the forestry sector, Senator Hackett, has put tremendous effort into making progress in this area. A Bill was introduced in the Dáil to streamline the legislative position, the process around forestry licensing and the appeals process. That has made a difference to the capacity of the forestry appeals committee to deal with applications. The committee has done strong work but there are still real challenges and difficulties on which we are working hard all the time to try to make progress. There is still a backlog that emerged as a result of changes occasioned by court outcomes which indicated that additional ecological input would be required for each application, which takes more time.

We must be able to administer and issue licences in a timely fashion. We cannot have a situation where delays in the processing of applications is impacting on the development of the sector. That has been the case for the past year and we are determined to address that.

The Minister of State, Senator Hackett, also recently put forward Project Woodland, which includes reforms of the way in which applications are dealt with by the Department. We are implementing that new project and the action plan relating to it. Ms Jo O'Hara had been appointed by the Minister of State to facilitate and work on the implementation of the Mackinnon report and that is being followed through upon. That does not take away for a second from the challenges involved. Not for one second would I minimise the importance of these issues but I assure the Deputy that we are working in every way we can to try and address them.

Deputy Michael Collins: Will we meet the target of 4,500 licences this year? Will the Minister give me a “Yes” or “No” answer?

Deputy Charlie McConalogue: Our objective is certainly to do that and we are working towards that target in every way we can.

The Deputy mentioned REAP. It is an important pilot measure that has been brought in during the transition period between one CAP programme and the next. The new CAP will not start until January 2023, which means that a two-year transition period has been granted at European level. Primarily, what that means is that the old CAP programme will continue, by and large, until January 2023 but there is capacity, during the transition period, to introduce pilot measures. Such measures can only be pilot measures. The programme for Government commitment to a new flagship agri-environmental scheme can only start in January 2023. A Government cannot introduce new schemes during the transition period but pilot measures can be used.

I have worked with the Minister for Public Expenditure and Reform, Deputy Michael McGrath, to deliver an 11% increase in funding for this year. That funding will be used to continue all of the schemes that are in place, such as the green low-carbon agri-environment scheme, GLAS, the sheep welfare scheme, the beef data and genomics programme, etc., throughout 2021 in order to ensure that farm incomes are underpinned. The funding will also be used to introduce a number of pilot measures, of which the REAP scheme is one. This shows our intent, our direction of travel and what we want to achieve in the new CAP, that is, farmers working in partnership with the Government to continue to be massively successful producers of healthy, safe food while doing more to reduce our carbon footprint and play an even stronger leadership role in addressing the biodiversity challenge. The REAP scheme will run from now until December next year. It will facilitate farmers to draw down on just 10 ha, which means that small farmers as well as large farmers can fully participate in, and benefit from, the scheme. Such farmers can draw down between now and the end of next year up to a maximum of €13,000 over the next 20 months, as such.

It is a pilot scheme and is therefore limited in terms of how many people can take part. I have made clear from the outset that a maximum of 2,000 applicants is as far as it can be pushed. The closing date is 10 May. There has already been strong demand from the farming community. We are already oversubscribed and I expect a lot more applications to come in between now and 10 May, which shows that farmers regard it as a really practical scheme for them to take part in, one that delivers in terms of income. Farmer reaction will ultimately do the talking about the merits of this scheme, particularly when one considers that people who participated in GLAS were unable to apply for REAP. We are dealing with the narrower cohort of farmers who were

not previously involved with GLAS. I have been heartened by the response to the scheme and look forward to it making an impact after its roll-out. I also look forward to learning from the scheme. It is results-based and we will learn from this pilot measure to inform the development of the new flagship scheme thereafter.

The Deputy also made a point about heather. He is from a part of the country which is similar to that in which I live and understands hill farming in a similar way to me. When one is dealing with commonages and so forth, it takes more time to pull people together to get measures agreed. We are dealing with a 20-month period. It took time to put commonage management plans in place when GLAS was introduced. The vast majority of commonage farmers are in GLAS, or were facilitated in it. The other thing to consider is that because REAP will pay out to farmers with lands of up to 10 ha, that will include any commonage farmers or privately owned hill farms that are not in GLAS. There would be very few of those sorts of farmers who do not have some lowland and grazing ground. They would be able to apply for and fully benefit from this scheme if they have up to 10 ha of such land.

You cannot do the devil and all, unfortunately, with a pilot scheme. I am absolutely committed to ensuring that commonage and hill land will be fully accommodated in the new flagship environmental scheme that will come into play in January 2023. In the interim, this is a good option. There has been a good response in the uptake to this scheme from hill farmers and some lowland farmers. Very few farmers will not be able to apply for and participate in it.

Chairman: I call on Deputy Carthy.

Deputy Matt Carthy: I thank the Minister for making himself available this afternoon.

On programme B, the Minister made a budget announcement of €79 million for agri-environmental and other farm support measures. Dealing with some of the farm representatives over the past few days and breaking the figures down, it looks like €10 million for the straw incorporation measure and €10 million for REAP, the results-based environment-agri pilot project, with €4 million for organics and €12 million for training. Will the Minister outline where the additional €43 million will be allocated? Will he elaborate on where the €12 million allocation for training will be disbursed?

We heard this week that there were 317 applications for the organics scheme this year. Will the Minister agree that this is pathetic in terms of the stated objective to expand the organic farming sector? How does he plan to ensure the encouragement of a much bigger take-up by farmers in the organics scheme?

The Minister referred to the REAP for which there is quite a bit of interest. It is an indication, however, of just how desperate many farmers are to get any additional income, as opposed to necessarily being a vindication of the scheme itself. The REAP scheme was originally sold as the new REPS, rural environment protection scheme. The feedback I have got about it is that it is much further away from the old REPS than people were led to believe it would be. The Minister referred to additional obligations which will be imposed on those who are part of the REAP scheme. The average payment is set out at €4,700, very similar to the average payment in the old REPS but with the additional obligations and, of course, much less buying power. What are the Minister's proposals to ensure this scheme delivers? What will he do to ensure the scheme's obligations do not result in the money just coming in and going out at the same time? Does he envisage the level of funding for the scheme will be increased, considering we have been told that the €1.5 billion from the carbon tax will be ring-fenced for agri-environmental

schemes? Will this be additional money? Will we see additional payments for farmers who participate in the future scheme?

The forestry issue is becoming an emergency at this stage. If we do not implement necessary reforms, it will be a whole generation before we get any landowner in the State who will be willing to participate in any future forestry scheme because the current experiences are so bad. The Minister said the Department's officials are working hard on this, of which there is no doubt. Is the work productive, however? Will the Minister set out the target changes? When will we actually see the benefits in terms of licences and timber harvesting being brought back to a substantial level? When does the Minister see us getting to the point set out in the programme for Government of 8,000 ha of forestry per annum being planted?

Deputy Charlie McConalogue: The organics scheme is open for applications. We are certainly making every effort to fund it well and ensure farmers who want to get into it can do so. Over the time ahead, we will have to work hard in facilitating those farmers who wish to convert to organic farming. We have significant additional capacity at national level to get to the European average. Alongside that, we must work hard with, for example, Bord Bia to develop the market returns and market opportunities for organics. It is important the market rewards organic farming. We are seeing additional growth in consumer demand for organics. It is important we respond to that in generating and stimulating it.

On the €79 million additional funding in the budget, there has been significant spending of that through some of the schemes already. There is still more of that to be spent and announced. For example, we are looking at soil sampling and farm environmental study options as part of that. There is still more space and capacity there on which we are working.

Deputy Matt Carthy: Will the Minister give a figure of how much is left out of that €79 million to be allocated?

Deputy Charlie McConalogue: I do not have that particular figure to hand. What is clear is that we have €79 million to spend. I am determined we use that well. We still have capacity which we will be following through on in the time ahead.

The REAP scheme comes under that €79 million funding. If Deputy Carthy has been talking in detail to farmers about this scheme, he will know how well received it has been. The application numbers demonstrate that too. I have heard very little criticism from anyone since it was announced. There was certainly a lot of pre-emptive criticism which has not stood up to scrutiny. As farmers have looked at the scheme, they have seen how good and attractive it is, as well as how well it works for them. They have also seen how it can deliver from an income point of view. Between now and December next year, on just 10 ha, one can get a payment of up to €13,000. We are expecting that the average payment for farmers will be between €9,000 and €10,000 between now and next year on 10 ha.

It is practical for farmers to be engaged in the scheme. I have not had one complaint from any farmer about it. Some criticised it because commonage was not included. I dealt with that comprehensively in response to Deputy Michael Collins. No one, including Deputy Carthy, put forward any proposal as to how it might be included. The two key measures included are lower input permanent pasture and multispecies sward with also the option for credit with how ditches, hedges and margins are maintained and improved. The majority of commonage farmers would be in GLAS, the green low-carbon agri-environment scheme. For those who are not, such as private hill owners, for example, very few of them would not have some lowland which

would allow them to be part of the scheme. Confining the scheme to 10 ha is aimed at ensuring that farmers in that type of category can fully benefit from it. It also allows small farmers to fully benefit from it and make a big contribution.

Any criticism of it I heard today harks back to before people even looked at the scheme in detail. Farmers have looked at it in detail and have seen it was put together with a lot of time and attention to make sure it was farmer friendly. It was put together to make sure that, while it delivered in terms of environmental benefit it, more importantly, delivered for farmers to take part in it. Whenever people were criticising this scheme in advance I made clear that the only criticism we would hear would be that more people could not take part in it. While everybody was saying we should forget about it, I was challenging people and setting them straight by pointing out that, unfortunately, my hands were tied regarding how many could be part of the scheme. That is proving to be true. I have no doubt that from this point on, the challenge will be that we cannot accommodate more people in it and we will not have any criticism of the way it will contribute to farm incomes or how practical it is for farmers to take part.

Deputy Carthy is peddling the claim that this is not the new rural environment protection scheme, REPS. As he and everybody else on the committee who is aware of these issues know well, we are in a transition period. We cannot do new schemes in a transition period. There is a full commitment to a new flagship agri-environmental scheme from January 2023 when the new Common Agricultural Policy, CAP, kicks in. As I said, we can only do pilot measures before the end of the year, and this is a really good pilot measure. If the Deputy comes up with any genuine criticism of the scheme, after he looks at it in detail, I will be glad to hear it. I have not heard any criticisms other than those made before people even looked at the detail of the scheme.

I substantially addressed the issue of forestry with Deputy Michael Collins. This is a real challenge. There is no doubt that the delays in licensing are significantly impacting on our capacity to reach our target of 8,000 ha. It also does not instil in farmers the confidence we want them to have that they will get a prompt response to applications and their licences will be issued in a timely manner. We will continue to do everything we can to address this matter and to increase and improve the output in the time ahead.

Deputy Matt Carthy: I asked about training. Will the Minister elaborate on that?

With regard to the €75 million, I appreciate if the Minister does not have figures on what is yet to be allocated. Will he give a commitment that this paper will be issued on how that money has been allocated to date and the outstanding amount?

Chairman: In fairness to the Minister, he came in today to answer questions on programmes C and D.

Deputy Matt Carthy: I accept that.

Chairman: If he does not have the full breakdown of the €75 million, we fully understand. I am sure he will send details on to Deputy Carthy.

Deputy Charlie McConalogue: That is no problem. We are engaged with the Commission and seeking its approval for the other measures. They are, therefore, subject to that approval being given. We are continuing to work on that.

Deputy Matt Carthy: May I ask some questions on programme C? I will be very brief.

Chairman: The Deputy can do so after some of the other members have contributed.

Deputy Matt Carthy: That is fine.

Deputy Martin Browne: I welcome the Minister and his officials. I have two quick questions on programme B and one on programme C. I will ask all three together. If the Minister does not have the information on programme B, I ask him to provide it in writing. The €18 million extra for forestry reflects the ambition to increase forestry by 8,000 ha this year. We all accept at this stage that this target will not be met. Is the Department setting its sights on a lower target than what has been suggested?

Will the Minister provide a breakdown of the man hours involved in processing Coillte licences versus private applications? There is a presumption that Coillte is getting preferential treatment, as I have heard on a couple of occasions. The Minister might not be able to deal with the issue today but I would appreciate if we could get provide the information in writing.

On programme C, I welcome the decision to establish an ombudsman and the funding allocation. When does the Minister hope to see that office up and running? It is dragging on now at this stage.

Deputy Charlie McConalogue: The significant part of the forestry allocation for the year is on current expenditure, for example, recurring premiums. Somebody who plants forestry is eligible for premium grants paid annually. The majority of the capital allocation on forestry is based on annual premiums.

We also have planting grants, etc., and this element is most impacted by delays in licensing or if the expected uptake does not materialise. The €99 million, for example, refers to afforestation, of which €30 million is for the new planting of 8,000 ha over the course of the year. The remainder is existing liabilities of €59 million, which covers premiums and second stage grants. The remaining capital is €9.6 million to cover support schemes such as native woodland conservation, neighbourhood woodland creation on public lands, reconstitution and underplanting, forest roads, woodland improvement, etc.

Regarding the ombudsman's office, we have launched a public consultation and I am in a process of engaging with all stakeholders, including farmers, retailers and consumers, to feed into that consultation their ideas on how we can ensure the new office is as robust as possible. This has been a key priority of mine since I was in opposition. Thankfully, its introduction is in the programme for Government. I do not mind whether we call it an ombudsman or a regulator. My objective here is to make sure it has the strongest possible impact in bringing transparency to the food supply chain. I look forward to the end of May, when the consultation closes, to assessing and taking on board the many ideas and thoughts coming forward from that process. I would also welcome any contributions from the Deputy and Oireachtas Members. We will then proceed with the legislative process. Primary legislation will be required to establish the new office. I will be aiming to proceed with the legislation in the autumn.

Deputy Martin Browne: Will the Minister provide a written reply on the man hours that go into Coillte licence applications versus individual or private applications?

Deputy Charlie McConalogue: I will get Deputy Browne the detail on that.

Deputy Michael Ring: The Department will have to do something about an educational programme for forestry. People who are objecting to forestry regularly contact me about cli-

mate change, the environment and everything else. Schools and different organisations are objecting to forestry. I know the licensing situation in the Department is not good and the staffing problem needs to be dealt with. If we are to encourage people to go into forestry, this situation cannot continue.

I know people who have been in the scheme for the past two years. It costs them money when trying to get into the scheme. Two years down the line, they are still trying to get answers to queries. I spoke to a retired farmer the other day who has handed his farm over to his son and kept a bit of land for forestry. He regrets ever having anything to do with forestry. He said that if anybody asked him, he would tell them to stay away from it. We should not have that. We should have a programme. The Department should run an advertising campaign on how important forestry is to the environment and to try to stop these objections. I can understand objections if forestry is to be planted beside homes or houses but people and schools objecting to forestry a couple of miles away does not make sense to me.

The other issue I wish to raise, which I was glad to hear the Minister speak about, is the whole results-based environment agri pilot, REAP, or the REPS, as we all know it. There was a bit of confusion. I am glad to hear the Minister clearing up that confusion. The Irish Farmers Association, IFA, met the Minister and seemed to come out confused. However, listening to the Minister today, I have not got many complaints about the new scheme. The only complaint I am getting is from people who want to get into it and hope they can get into it. The Department's problem will be choosing who can get in and get out. In relation to the funding, I know that the Department will find the funding and it has to be found and I note this is a pilot scheme.

I would like the Minister to touch on a question he has touched on before, because they are a similar constituency to me. It is a question on the hill sheep people. The hill sheep people are saying that this will affect the future of their CAP payments and everything else. Would the Minister confirm to me and say what he said earlier, to reassure them that when the scheme comes out in 2023, they will not be disadvantaged in any way?

Deputy Charlie McConalogue: I thank Deputy Ring for his contribution. I take the Deputy's point on trying to work to advertise the merits of forestry not just to farmers but to the wider community. That will be important. We need to maximise the opportunity it presents in terms of income and what it can do in terms of sequestration, climate change and building a strong, robust forestry and timber industry nationally. I take the Deputy's point on that.

On the results-based environment-agri pilot, REAP, scheme, I am glad to clarify that. There was much commentary that there should have been more awareness that we are in this transition period and as to what is possible within this transition period. I am maxing out what I can do. My only objective is to work well in a way that supports farmers and delivers good schemes. The new flagship agri-environmental scheme cannot commence until January 2023. It is a clear programme for Government commitment.

I have extended the green low-carbon agri-environment scheme, GLAS, at full tilt during that transition period and I am bring in this pilot measure. I would have liked to max that out and have more in. I knew there would be good uptake because it is a good scheme. Much of the criticism in advance of it was unfair. The narrative that somehow we could introduce a new rural environment protection scheme, REPS, during the transition period was incorrect. It was technically impossible and never on the agenda. It was never said by me. I have always been crystal clear in this but others were putting that out and repeating it even when they might have known different.

This pilot measure has been well received. It is when the rubber hits the road and farmers look at this scheme and have the option to apply for it, that one sees the reality. Farmers have come through and looked through that. They see it is a scheme which can be really useful and rewarding for them.

Deputy Ring is absolutely right, the challenge is in terms of the limit on it, because it is constrained by being a pilot measure and by the Commission guidelines on pilot measures within the transition period. However, I take the Deputy's point on that. I note he has not had any negative feedback on it either. The one point he raises is on the hill farmers, which I have outlined in great detail. Deputy Ring will know from all of County Mayo but from his home area of west Mayo in particular where hill farming is strong, as it is in my part of the world, that most hill farmers also have some lowland as well and that is why I went for the 10 ha. Most of them will be able to bring some of their lowland in and benefit from this scheme. I hope those that apply and are approved will be able to benefit fully from it. An absolute clear, crystal commitment from me is to the importance of the hill sheep sector and upland farmers, that they will be there and fully part of the new flagship agri-environmental scheme.

This is a pilot measure primarily about trialling the results-based model. One can only include a smaller number of measures because it is about trialling the results-based model. The couple of anchor measures which were included in it are the low imprint permanent pasture and the multi-species sward. One tries to pick ones which would be as practical for farmers as possible, which allow us to trial the results-based approach and deliver an environmental output and which can be done and achieved between now and the end of next December.

As Deputy Ring knows, very few commonages do not have commonage management plans through GLAS and so they would be covered. However, if a small number of commonages were not in GLAS currently, it is, unfortunately, not possible to pull those together in the next few weeks. We have to live in the realm of what is possible. That strong payment on 10 ha. means the vast majority of hill farmers who are not in GLAS already, of whom there is only a small number, would be able to avail of it and it would be beneficial for them.

No more than Deputy Ring, I am fully committed to ensuring we back our upland farmers in every way possible and ensure they are fully accommodated within the new flagship agri-environmental scheme which we will be working on, to introduce from January 2023.

Deputy Matt Carthy: On programme C, the expected funding toward the Strategic Banking Corporation of Ireland is down by approximately 50% this year. We had the SBCI before the Committee of Public Accounts and it suggested it was planning on launching a new scheme this year that would be twice the size of the previous agricultural scheme. Has there been engagement between the SBCI with the Minister's Department in that regard? If so, how would that square with less investment being allocated in the Estimates? Is it a case that the moneys being repaid from participants in the old scheme will be reinvested in future loans? Can the Minister clarify that?

I would like the Minister to deal with the discussions we had with some of his Department's officials at the Committee of Public Accounts, as well as previous conversations with the Minister. What level of interaction has the Minister's Department in terms of monitoring and analysing the funding that goes to the horse and greyhound funding scheme, in terms of its impacts? Nobody is doubting the importance of these sectors for the rural economy. I have cast doubt as to whether the huge State investment is being spent in the most productive way, with the majority of it being diverted through prize money, for example. Has the Minister carried

out an economic appraisal? What level of engagement does the Minister have in ensuring that Exchequer funding delivers the stated benefits in terms of rural communities?

Agriculture will face a big existential question over the next number of years. We are debating the climate action Bill in the House at present. What, if any, target does the Minister think will be set on his Department in terms of emissions? What reduction or percentage does the Minister see being brought in down the line? We can all talk about different measures that have been in place and we have spoken about some of the schemes aimed at emission reductions and some of the work that has already been done. However, if it is a case there will be responsibilities on agriculture to reduce its emissions, where does the Minister see those emissions reductions coming from, in a substantial way? It is the big question people ask and there is no simple answer to it, but I would like to get a sense of the current thinking of the Minister and the Department in this regard. Everybody agrees the climate action Bill is important. It is an important statement of intent on the part of the Government and the Oireachtas but we also need to know what the outworkings of it will be. Many of the concerns and the scepticism expressed regarding the Bill are centred on the lack of clarity as to what this will mean for people's jobs, livelihoods and farms. It would be useful if the Minister was to give an overview of where he thinks this will be going for agriculture in the next couple of years.

Deputy Charlie McConalogue: First, Deputy Carthy asked about the Brexit loan schemes and the detail around those. As there was a strong uptake on them last year, the expenditure that had been due to be made in 2021 was brought forward to 2020. Working with the Tánaiste and Minister for Enterprise, Trade and Employment, we are bringing forward legislation - it was approved at Cabinet on Tuesday - to amalgamate two of the schemes that were in place in order that we can continue to have strong SBCI-backed funding for farmers and primary producers in the period ahead. It has worked well and been a good model and SBCI has done good work in this regard. It is a strong model for us to take forward. As indicated, this is something we are committed to doing. We will continue to keep this as a key anchor support measure for investment and capital in the agriculture, food and marine sectors.

The Deputy also referred to horse racing. There is very strong engagement between me, Horse Racing Ireland, HRI, and the racing sector. I meet the CEO and chair regularly and there are also quarterly governance meetings. There is a code of governance and compliance for the sector and the Comptroller and Auditor General plays a significant role. There are opportunities for this committee to engage with HRI and the racing sector to discuss policy and budgets. I know that happens regularly. I commend the work the sector has done over the past year. This has been a challenging and difficult time for it and it has coped admirably. We were all delighted to see the fruits of that success at both Cheltenham and Aintree this year. The whole country stood up with pride for Rachael Blackmore and her tremendous achievements, which transcended all sports. As a national sportswoman, she is a tremendous role model for young women and for all of our sports. Henry de Bromhead and Willie Mullins have also realised a number of tremendous achievements. The number of Irish winners and Irish horses across the line in the first ten in races at Aintree and Cheltenham is a reflection of the quality of what we have, our domination and the fact that our horse racing sector punches above its weight at a global level. This is an endorsement of the approach the State takes to this sector, the support we give it and how we work together. It is important that we continue doing that.

The Covid pandemic has also been a challenging time for point-to-point racing. We have seen through Cheltenham how the point-to-point sector has fed in to it and been a breeding ground and source for top-quality horses, which go on to lead out on behalf of the industry.

Like all other sectors, point-to-point racing was challenged as a result of the Covid pandemic and we did our best to work with it and recognise that. I acknowledge the Chairman's role in advocating on the sector's behalf. HRI also stepped up to the mark to facilitate races for four- and five-year-olds at its racecourses. It was important for those in this sector to have the shop window of those point-to-point races to demonstrate the potential of their horses in order that they could be sold and we could keep the market ticking over and ensure there would not be a trickle-down impact in respect of younger animals. Those races for four- and five-year-old horses were important but they could not come soon enough for those in the industry. There is additional capacity, in the context of our most recent announcement facilitating further easing of restrictions, and there will be potential for more races to be run, although we are getting to the end of the season, which is coming up on 31 May.

Regarding climate change and the climate action Bill, farmers and the agricultural sector know about this better than anyone because no sector is more impacted by the environment around us or more dependent on the climate. Farmers will continue to take a leadership role in this area. The particular merits of agriculture from a socioeconomic perspective and the science around biogenic methane are clearly outlined in the programme for Government and the climate action Bill that is going through the Oireachtas, which will inform the approach the Government takes. Once the Bill is enacted, the Climate Change Advisory Council will report with its advice and it will then come back to the Government. As the Deputy knows, I published Ag Climatise at the end of last year, which outlines a clear pathway as to how we can make real contributions towards reducing our carbon footprint and emissions, whether by moving from nitrogen to protected urea or using low-emission slurry spreading to try to maximise the fertility and benefit of our soil and grass-based agriculture. There are many measures in that document and we will be engaging at Government level to see how we can progress matters in the time ahead. We will work closely with farming organisations on that.

Deputy Matt Carthy: I read Ag Climatise and I appreciate the efforts that have been made across many individual farms, as well as across the sector as a whole, to try to address this issue. We are expected to adopt legislation that will include very clear overall targets. Does the Minister expect to have targets for emission reductions in his Department's carbon budgets? Does he have any sense of what they will be? For example, will there be specific targets for the reduction of biogenic methane emissions? What might they be? Now is the time to be having these conversations. There is no point allowing the legislation on the overall targets to run through and for people to speculate about what it might mean. It would be much more useful if we had a Government analysis as to what it will mean.

Does the Minister have any updates on the protected geographical indication, PGI, application for grass-fed beef? Is there any intention to pursue a suckler PGI? As the Minister knows, many of us feel that is warranted if we are going to have a marketing strategy for our suckler herd.

Deputy Charlie McConalogue: The legislation clearly outlines the socioeconomic importance of agriculture and that it must be taken into account, both by the Climate Change Advisory Council and the Government in their deliberations. It also clearly outlines that the science around biogenic methane must also be taken into account. As the Deputy knows, in terms of moving towards climate neutrality by 2050 and capping the potential for global warming, the science around biogenic methane is different from that relating to other gases. It is important that this is taken into account.

The process for any sector or Department will be ongoing over the coming period. Targets

have not yet been defined for any sector of the economy. As the Deputy will know from engaging with the Bill, there will be a process in which the Climate Change Advisory Council will first make its deliberations and then come back with a report to the Government. It is then up to the Government to consider that and set the way forward. I believe the Deputy's own party has taken the approach that the Bill does not go far enough and should go further, if I picked that up right when I dipped into one of the debates two or three weeks ago. There is no doubt that the challenge we have set is ambitious from the point of view of the entire economy. Given that the Deputy's party is saying that the Bill does not go far enough, I look forward to hearing his thoughts and considerations as to what extra things should be happening if we were to be even more ambitious in that regard.

If we can achieve the 51% reduction economy-wide by 2030 and climate neutrality by 2050, we will be a world leader in playing our part in climate action and addressing what is undoubtedly a climate change crisis at world level. It is important that we do that, and farmers are willing to play their part. It is essential from my point of view that incomes are central to what we do, farmers are rewarded for the actions they take and options they have, and we seek to build farm incomes and provide new income streams in that process.

Chairman: As there are no more questions on programme C, we will move to programme D. I cut Deputy Collins off earlier so I will let him come in first on the seafood sector.

Deputy Michael Collins: I thank the Minister for his answers to my earlier questions. As we all know, fishermen got a bad deal from Brexit. I want to talk about a fisherman - there are probably others in similar circumstances - who had a boat built to replace one he had for the previous 41 years. Contracts for this were signed in 2018, so this man never thought he would lose 25% of his pelagic quota. Fishermen were promised financial help from the EU. Apparently the EU is giving €1 billion to help those worst affected. Can this fisherman access funds to help with the new vessel costs or is the State able to intervene with some compensation for fishermen who purchased trawlers before the new deal was made?

While I do not agree with decommissioning, it seems to be the only option on the table for many fishermen, unfortunately, after the Brexit deal. What funds are being set aside for fishing communities that are going to suffer massive job losses? What are the Minister's thoughts on that? The decommissioning option may be available for the owner of the trawler, but the community will be affected by the loss of jobs. How will we counteract that and what funds are available?

The weighing of fish is going to be a massive issue for trawlers, especially on small piers. Will resources be made available now that there are new rules and guidelines in place for piers such as Union Hall pier in west Cork? Boats may have to come in to harbour on a stormy night at 4 a.m. Will they be stacked when they come in to have fish weighed and ensure everything is done above board? These trawlers cannot wait until 7 or 8 o'clock in the morning for this to happen. There could be a line of trawlers waiting to come in if catches are being weighed one at a time. What will happen in such a situation? Have funds been set aside for the weighing of fish on small piers, like Union Hall and others, because of the change in guidelines being forced on fishermen? I would appreciate it if the Minister could answer those questions.

Deputy Charlie McConalogue: Deputy Collins and I both come from constituencies where fishing and coastal employment are very important. Cork South-West and Donegal are very similar in that regard. It has been a challenging time for the fisheries sector. Brexit was a big danger and challenge, and one which posed a great threat to the sector. I work very closely

with the fisheries industry and its representatives to meet that challenge and fight our corner at European level.

We catch one third of all our fish in British waters. In a no-deal scenario, if we did not have access to those waters, one third of our fish would not have been accessible. The British Government made this a big target in its Brexit negotiations. It wanted to get back 100% of the fish that the Irish and EU fleet catch in its waters. The outcome of the trade and co-operation agreement was that it would get 25% as opposed to 100%, between now and 2026. We will be able to catch 75% of what would have been caught previously in British waters. While that is a much smaller amount than what the British set as their target and objective from Brexit, it is certainly much less bad than what a no-deal scenario would have been. It is very impactful on the fisheries sector nonetheless, reducing our national quota to the tune of 15%. There is no doubt that hurts everyone in the sector. I am very much aware of that and worked closely from the outset with everyone in the sector to limit any damage. Now, I am working closely with everyone in the sector to address the outcome of Brexit.

I set up a task force to advise us on how best we can invest not only in the fisheries sector but also in the coastal communities, as Deputy Collins has identified, that depend on the fisheries sector for employment. I brought all stakeholders together and there has been tremendous work done on that under the chairmanship of Aidan Cotter, who I would like to thank for his work with those stakeholders. I thank those who have taken part. The task force will advise me and the Government on how we can best support the sector in the time ahead, deal with the blow from Brexit, maximise the capacity of our industry going forward so it can grow and add value, and ensure our fishery, which is an important part of our national economy and an important driver of the economy in coastal communities, is sustainable.

Deputy Collins referred to the weighing issue, which is a particular challenge at the moment. He will have seen the European Commission decision to revoke the control plan that was in place. That has, undoubtedly, caused challenges and difficulties in terms of what it had facilitated previously. I know the Sea Fisheries Protection Authority, SFPA, is engaging closely with the fisheries sector on how to respond to that.

Regarding funds to support the sector, there is a clear commitment from the Government and an acknowledgement that of all the sectors in the economy that have been impacted by Brexit, fisheries has been most exposed and is at most danger following the outcome, as it was in advance of Brexit. The sector has been impacted. While a deal scenario meant the worst excesses and dangers posed by Brexit were significantly mitigated across most of the economy, fisheries is an area which has had an adverse outcome.

There is a clear Government commitment that we will seek to invest and support the sector. We will be guided by the task force report in how we can best use and utilise that investment. There is also ongoing engagement at European level regarding the Brexit adjustment reserve and we are working hard to get the maximum possible amount from that fund. It is obviously a contested space at European level but we are making a very strong national effort to maximise the amount we can get from Europe and to consider how best to spend that domestically.

Deputy Michael Collins: In relation to those who signed a contract in 2018 and have lost 25% of their pelagic quota, what is their situation now? One fisherman will incur massive losses after purchasing a newly built boat, which will be received soon. Is there a compensation package in place for those affected?

Deputy Charlie McConalogue: Deputy Collins is correct that the pelagic sector has probably been most impacted. We have had a 26% reallocation of our national mackerel quota, which is very significant. That is not to minimise the significant impact on whitefish, whether it be haddock, monk or megrim, or prawn which, after mackerel, is our second most valuable species nationally. The pelagic sector has been impacted. The issues Deputy Collins raised are being considered as part of the task force. I have asked it to consider all the impacts that derive from Brexit and how best we can support the sector in the time ahead. I will see what advice, strategy and guidance come from that process and consider the matter in light of that.

Deputy Matt Carthy: In relation to the Commission ruling on the derogation for weighing at factories, I note the Minister said the Sea-Fisheries Protection Authority was liaising with the fishing community. I would like to get an indication of whether the Minister is intervening. There must be a question mark over the SFPA's role in this decision. There is no evidence to suggest there was widespread abuse. From what I have seen, there has certainly not been any level of convictions that would have pointed to that. I am interested to hear about the Minister's interventions in this regard and what the Department plans to do about the Commission ruling. How does he propose we respond to it? Will a legal appeal be taken to the decision? Will we submit a new application for a derogation or will we simply accept that weighing cannot take place? I expect the Minister will agree that this would have very negative implications.

Deputy Charlie McConalogue: I am sure the Deputy is aware of the legal division of responsibilities and powers, under the 2006 Act, between the Minister, who has responsibility for policy and corporate governance issues, and the SFPA, which is legally responsible for operational matters. The Deputy will also know that were the Minister to stray beyond the areas for which he or she is responsible, versus those for which the SFPA has responsibility, he or she would be in breach of the law. There are legal boundaries around who has responsibility for what. Operational matters in regard to compliance with the EU regulations around weighing and control are legally the responsibility of the SFPA. There is no doubt that the Commission decision to revoke the control plan that facilitated in-factory weighing, which was taken on the back of the administrative inquiry it carried out in 2018 and its indication that it did not have faith in our control plans and system, has had an impact on many fishermen, particularly whitefish fishermen. The SFPA is engaging with the sector on that issue.

In the context of the findings of the administrative inquiry, my team and I are engaging with the Commission on that. There is an ongoing legal process under the Common Fisheries Policy. Given that we are in the middle of that process, I am constrained from going into the detail around it. I assure the Deputy that I am representing the national interest in the strongest and best way possible in that process.

Deputy Michael Ring: The Minister has answered the question I wanted to ask, which related to the concerns about weighing. I welcome that he and his officials are having discussions with officials in Europe to see what can be done. As Deputy Michael Collins said, it will not be possible for fishermen to go looking for somebody to weigh whatever catch they have in the middle of the night. There has been a big problem in that regard. I understand the Minister's position in terms of what he can and cannot do. He might keep us informed about what is happening in the discussions between his officials and the EU officials to see whether any compromise can be reached to help these fishermen, who have gone through a very difficult time. Theirs is the sector that has really suffered as a result of Brexit.

Chairman: The Minister will be interested to know that our committee meeting next Tuesday is devoted to this subject. We will be joined by representatives of the fishing organisations

and the SFPA for a detailed discussion on these issues.

Deputy Charlie McConalogue: The SFPA can report to the committee, and that would be a useful engagement in the context of updating members on where matters stand and the challenges that exist. I take on board Deputy Ring's feedback regarding the particular challenges that arise at this time as a result of the Commission having revoked the control plan. It is an issue on which the SFPA is engaging closely with the sector, as it is exclusively within the authority's remit. It is good that the committee will have the opportunity to engage directly with the authority next Tuesday and get an update on the situation.

Chairman: That concludes questions on programme D. We move now to appropriations-in-aid. What is entailed under No. 14 on the list, veterinary funding? I note that the allocation under this heading is down by 35%, which is a very significant reduction. Will the Minister give a breakdown of that figure?

Deputy Charlie McConalogue: It is down by 35% due to rising levels of TB and the expectation that the EU payment will be subject to a penalty for 2021 to 2023. Unfortunately, our TB levels have been going in the wrong direction, with reactor rates increasing from 3.5% to 4.5% over the past year or more. The co-funding of our TB programme by the European Commission is conditional on our making progress in this regard. Unfortunately, we have been going backwards, which is something I am determined to address. I have taken very strong action and a leadership role in working with farming organisations through the TB stakeholders forum to agree a new strategy. I commend all involved in that forum, particularly the chairman, Michael Cronin, on the progress it is making in pushing on with this and getting things going in the right direction. Unfortunately, one of the outcomes of our increased TB numbers is not only pain, stress and financial loss to farmers whose herds get locked up but also the loss of co-funding from the Commission, which means we have to put in more taxpayers' funds. That is reflected in the item to which the Chairman referred.

Chairman: Was there a certain figure that triggered the reduction in funding from the EU? The Minister referred to an increase in the reactor rate from 3.5% to 4.5%. Would the reduction have applied if, for instance, the increase had been to 4%? Was the reduction triggered at a specific level?

Deputy Charlie McConalogue: I have no doubt that it was but I do not know that level offhand.

Chairman: That is fine. It is a specific question.

Deputy Charlie McConalogue: Unfortunately, I know what it has meant in terms of euro lost.

Chairman: Does Deputy Carthy have a question on appropriations-in-aid?

Deputy Matt Carthy: I am looking for clarification on the reference to the salaries of officials on loan to outside bodies. An 11% increase is anticipated under this heading. Is that because of a new agency or body? How many staff are loaned out to outside bodies and what is the average time for which they are on loan? I presume it has something to do with Covid testing. Will the Minister clarify the position?

Deputy Charlie McConalogue: For officials seconded to the Commission, for example, to gain international expertise, two to three years would be the norm. The increase in the alloca-

tion is due to salary increases and the number of officials seconded. We discussed at Cabinet this week the importance of ensuring that staff in the Civil Service take up secondment positions on a temporary basis, whether in the Commission or other agencies, to build up our level of national expertise. Such secondments can be of great benefit in developing that expertise and knowledge base. It is an important initiative and we want to build on it in the time ahead.

Deputy Matt Carthy: Does the Minister know offhand how many people from his Department are currently seconded?

Deputy Charlie McConalogue: I do not have that figure but I can drop the Deputy a note on it.

Deputy Matt Carthy: That would be great. A very slight increase is anticipated in the receipts from farmer contributions towards the costs of the TB eradication programme. Will the Minister comment on that? We spoke on a previous occasion about whether other players in the sector, such as meat factories, could be expected to contribute towards a cost that will place an increasing demand on the Exchequer because of the reduction in the EU's contribution. Has there been any discussion in the Department in that regard?

Deputy Charlie McConalogue: There is a structure in place. The vast majority of the programme is publicly funded. Under subhead 8, the Deputy will see there is pretty much no change from 2020 to 2021. The change is one hundredth of a percentage point, which means it is nearly the same figure. Overall, there is a significant increase in the taxpayers' contribution to the TB eradication programme as a result of the increase in infection rates. Of course, there is a significant impact at farm level, where last year there were reactors on 4% of all our farms nationally, with all of the strain, stress and financial impact that goes with it. Despite the compensation that comes from the Department the farmers do not get to operate as normal and it is a real strain and hardship for them. I am committed to putting in the effort and resources to address this, to back fully the work of the TB forum. Only a few months ago, the TB strategy was agreed by all stakeholders. It is the strategy document that points our way forward on this. It was developed after much consultation and engagement, and sometimes a bit of tension as well, as we have seen. It has a strong agreed outcome, with an agreed strategy and an agreed commitment by all of those involved on the importance of all of us getting behind it. It sets our direction and pathway for how we can reduce numbers. I will work with the forum and all of the stakeholders to support them in this because it is very important that we make progress on our TB numbers and get back to a situation where we are not going backwards but can go forwards towards what needs to be the objective, which is working towards eradication and not management.

Deputy Matt Carthy: I thank the Minister. I have several more brief questions. The Minister might not have the answers to hand. The very low amount of €45,000 was included in last year's returns for other guarantee receipts from the EU. There is nothing attributed this year. Will the Minister explain what this is? I see forestry licensing receipts have a blank figure for last year and this year. Is there a reason nothing is being attributed to it? It might be a simple administrative issue. Has it been moved to another line?

Deputy Charlie McConalogue: I have just checked with a member of the team. The other guarantee receipts from EU - agriculture - was €45,000 last year and I believe it was for the marketing of honey. Obviously, it is not recurrent. Which subhead did Deputy Carthy's other question refer to?

Deputy Matt Carthy: It is the very last one, No. 25 on forestry licensing receipts.

Deputy Charlie McConalogue: I do not have an answer to that. There was no income from it last year and there is no line in it for this year.

I have just checked with my officials and it is a brand-new heading this year because of the new legislation we introduced, which for the first time introduces a charge for lodging an appeal. There is now an income stream from the forestry appeals committee, which was not there prior to the legislation being introduced. It is an entirely new heading. This is why there was nothing there previously.

Deputy Matt Carthy: I thank the Minister.

Chairman: That concludes the select committee's consideration of the 2020 Revised Estimate for Vote 30 - agriculture, food and the marine. On behalf of the select committee, I thank the Minister and his officials for assisting the committee with its consideration of the Revised Estimates and for dealing so comprehensively with the questions of 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, Food and the Marine has completed its consideration of the following Revised Estimate for public services for the year ending 31 December 2021: Vote 30 - Department of Agriculture, Food and the Marine.

The select committee adjourned at 2.05 p.m. *sine die*.