Opening Statement

Joint Committee on Agriculture, Food and the Marine ACRES and TAMS

I would like to thank the Chairman for this invitation to address the Committee regarding the TAMS and ACRES schemes.

The Agri-Climate Rural Environment Scheme, or ACRES as it is generally known, is, as the members of the Committee know, Ireland's main agri-environment climate measure in Ireland's CAP Strategic Plan 2023-2027. An indicative allocation of €1.5 billion has been made to the Scheme over its duration.

The Scheme has been designed to address a range of environmental objectives, including in relation to biodiversity, improvement of water quality and climate mitigation. It is an ambitious scheme, and its design has been informed by its predecessor, GLAS, by the Results-Based Environment Agri Pilot Programme (REAP) and by the various agricultural projects supported under the European Innovation Partnerships Programme. A key underlying principle in the scheme design has been the location of 'the right action in the right place', in order to optimise the benefits of the various management practices or 'actions'.

There have been two significant innovations compared to previous environmental schemes. The first is the adoption of two approaches, namely, a General approach and a Co-operation approach, with the latter available in eight defined geographical areas of high nature value lands. The other innovation is the incorporation of results-based payments, whereby the level

of payment is determined by the score, or environmental status, assigned to the relevant land.

ACRES has proven to be very attractive to farmers, with both tranches oversubscribed. It had been intended that intake would be phased, with 30,000 to be accepted in Tranche 1 and a further 20,000 in Tranche 2. However, given the level of interest demonstrated by farmers, the Minister decided that all valid applications in each tranche would be accepted. The result is that there are now just under 55,000 active participants in the scheme.

The implementation of a new scheme can be challenging, and this has been the case with ACRES. The main contributory factors have been:

- The considerably more ambitious and complex nature of the scheme which has required the development of new administrative and IT systems to accommodate the two approaches that I mentioned, as well as the introduction of results-based payments;
- The significant additional workload for the Department and for advisors and Co-operation Project Teams - associated with scoring land; and the intake of a greater number of applicants in Tranche 1 in 2023 than had been planned.

These have presented difficulties for all involved, but we have been working through them resolutely, collaboratively, and with a determination to succeed with what is a considerable step up - and indeed a step change - in how agri-

environmental programmes are undertaken in Ireland. And I would like to acknowledge the immense contribution of the ACRES Co-operation Project Teams and farm advisors in rising to this challenge.

It is important also to note that there have been many positive and important achievements under the scheme to date. One of the most striking, in my view, is the fact that 25% of all land under agricultural management in Ireland has been environmentally assessed and scored, and will continue to be scored in the next few years - this will provide a massive and unprecedented knowledge base that will inform future policy right across Government.

The Department has also been responsive to issues that have arisen over the last year, for example, by providing extensions to deadlines for the completion of certain ACRES actions impacted by bad weather or land conditions.

In terms of payments to farmers, advance payments of €88.4 million issued to 19,719 ACRES participants between December 2023 and February 2024. When it became apparent that additional time would be required to pay the remaining participants, nationally funded interim payments, totalling €119.5 million, were made to those participants who had not received their advance payments by mid-February 2024. The result was that payments totalling €207.9 million had issued to 44,780 ACRES participants by early March 2024.

The Department commenced balancing payments on the 19th of June, and 31,081 participants have been paid to date. Further balancing payments will continue to be made on a fortnightly basis as cases are cleared.

There is still much work to do. Tranche 2 is currently being rolled out, year 2 scoring of lands is now in full swing, and work is ongoing on the introduction of Non-Productive Investments and Landscape Actions, which will gather pace over the coming months. The close collaboration that I mentioned earlier with advisors and Co-operation Project Teams will continue to be central to the delivery of the latter elements, as they also provide their own challenges, but the focus will be on ensuring that these can be delivered in as timely a manner as possible.

Turning to the Targeted Agriculture Modernisation Scheme (TAMS 3), a total of 21,115 applications was submitted in the first three tranches, the final one of which closed on 12 April. To date, more than 13,800 approvals have issued, with approvals in respect of all Tranche 2 applications expected to issue by the end of this month (July).

There has been some commentary on the delayed rollout of TAMS 3. Development of the scheme has involved significant upgrade of systems to cater for the new investments and increased ceilings across the various schemes. In addition, the huge number of applications in Tranche 1 (more than 8,000) was four times the average amount received per tranche under TAMS 2, while the 21,115 applications received over the first three tranches is almost three times the volume of applications received in the corresponding three tranches of TAMS 2.

A priority access facility was provided to assist farmers that required the construction of slurry and manure storage facilities, or urgent animal welfare-related investments for the winter of 2023/2024. All applications received under this facility have now been assessed.

I would also point out that more than 50% of all investments are in respect of mobile equipment. Applicants may purchase the mobile equipment, at their own risk, subject to verification of eligibility in accordance with the Terms and Conditions of the relevant schemes.

TAMS 3 payments commenced in June, and payments are continuing to issue on a weekly basis. To date, approximately €3.5 million in payments have issued to farmers.

Overall, TAMS has been a hugely successful and beneficial scheme since its inception. I believe that the suite of schemes now available in TAMS 3 is the best mechanism for ensuring that funding is targeted at the most appropriate enterprises. It has delivered key modernisation, environmental and safety improvements on thousands of farms while also boosting local economies in the construction phase of developments.

My colleagues and I will be happy to answer any questions the Committee may have.

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