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**CAP Rural Development Division
Department of Agriculture, Food and the Marine,
4 C, Agriculture House,
Kildare Street**

October 2019

Re: Cap Strategic Plan SWOT analysis

Dear Sir/Madam,

The Environmental Protection Agency (EPA) welcomes the opportunity to comment on the strengths, weaknesses, opportunities and threats of the nine strategic objectives of the new Common Agricultural Policy (CAP). This submission builds on, and should be read in conjunction with, the EPA's recent submission on the Department's Statement of Strategy 2020-23, several recent reports and submissions that are listed therein, the Interim review of the Nitrates Derogation, and the annual Article 10 Nitrates report submitted to the Department in July this year. The key points from those submissions are provided in brief below, followed by some specific comments on the SWOT analysis.

EPA recommends:

1. That measures and supports for farmers should be targeted and aimed towards delivering multiple benefits for climate, air quality, biodiversity, water quality and flood protection where possible.
2. That a whole farm planning approach should be introduced so that farmers can be supported to achieve their business goals in the context of achieving multiple environmental targets.
3. That consideration should be given to rolling out farmer led, results based, supportive programmes such as the Smart Farming Programme and the Agricultural Advice and Support Programme (ASSAP) more widely, to deliver environmental outcomes.
4. That measurable, reportable and verifiable evidence that agriculture is playing its part in reversing these trends, by halting environmental deterioration and making measurable environmental improvements, will be essential.

General key points

Given the overall importance of agriculture and food production to the Irish economy and to rural communities, and the current period of change across the agricultural and climate policy landscapes, there is now a unique opportunity to position Ireland as the world leader in sustainable, low carbon and environmentally friendly land management supporting the production of safe, nutritious, high-quality foods, renewable energy, and valuable inputs to a growing bioeconomy.

Climate change, sustainability and environmental protection have emerged as much stronger factors influencing and shaping the future development of agriculture and land management in Ireland in recent years, in comparison to approaches of the previous decades. The review of the CAP, coinciding with the development of a new Statement of Strategy 2020-23 for DAFM, presents a timely opportunity to strengthen the agri-food sector's commitment to continued growth in an environmentally sustainable way.

A core principle of FoodWise 2025 was that 'environmental protection and economic competitiveness are equal and complimentary – one will not be achieved at the expense of the other'. The strategy also stated that 'future food production systems must be as focused on managing and sustaining our natural resources as they are on increasing production'. The evidence is now showing that these two objectives have not been met. FoodWise 2025 strategy has delivered the intensification and growth that it promised, but the natural environment has deteriorated, with trends in water quality, greenhouse gasses, ammonia and biodiversity all going in the wrong direction. It is also clear that agriculture and other land management practices are key drivers of these negative trends. The deteriorating trends present a significant threat to Ireland's environment which underpins our health and wellbeing and our economy, including the agricultural sector which depends on our reputation and marketing advantage as a food producing nation with strong environmental credentials. Ireland's commitments to sustainability and the environment are at risk of being viewed as of lesser importance to commitments to expansion and intensification. The agriculture and land management sectors need to become as strong advocates for a clean and well-protected environment as they have been for intensification and efficiency.

Currently, the principal model for generating sustainable incomes for farmers is intensification which has been driving the expansion of the dairy herd. This expansion is being subsidised by the environment in places, and is leading to a lack of diversity and resilience in the agri-food sector and the environmental assets on which it is based. Consideration needs to be given to whether land is suitable for intensification, and if not, what other farming systems are available to support sustainable incomes. The issue of perverse incentives to remove habitats under Pillar 1 so that land is eligible for the basic payment, and then reinstated under the Pillar 2 agri-environment schemes, needs to be addressed.

Many of the actions set out for farmers under current policies to help with tackling climate change and other environmental challenges are based on driving efficiencies, with an inherent assumption that if farms are efficient they will be environmentally sustainable, which is not the case. Efficiency must be a mandatory baseline so that best use of resources is made. Every catchment has a nutrient limit and inefficient nutrient management practices use up the available 'headroom', which takes from other farmers and the environment. The environment is effectively subsidising poor farming practices in some areas. Efficiencies, on their own, will not deliver adequate environmental outcomes, particularly where the efficiency savings are used for further intensification. Additional measures, beyond efficiencies, are required in some areas.

Measures and supports for farmers should be aimed towards delivering multiple benefits for climate, air quality, biodiversity, water quality and flood protection where possible. Regional variation around the country in soils, climate, environmental problems, and in the social and economic circumstances of farmers, mean that measures must therefore be farm-specific, tailored and targeted. The one-size fits all approach to managing all farms in a similar way through regulation, on its own, is not enough and should be considered only as the basic minimum. Specific measures will be needed in some areas that are appropriate for local farming practices, different farm settings, and local biodiversity, water quality and climate conditions.

Consideration should be given to adopting a whole farm plan approach that would place the farmers business goals within the context of farm-specific environmental targets for water quality, biodiversity, flood mitigation, and ammonia and greenhouse gas reduction. This would help ensure there was one set of consistent and complementary targets and goals.

Measurable, reportable and verifiable evidence that agriculture is playing its part in reversing adverse environmental trends, by halting environmental deterioration and making measurable environmental improvements, will be essential. Better ways of sharing data amongst public bodies need to be found, so that the evidence can be brought to communities on positive environmental outcomes that can be directly related to their actions, so that a sense of ownership and pride can be achieved to celebrate successes.

Ireland has strong national research structures in place, through Teagasc, the DAFM, the Universities and the EPA research programme, which are generating scientific advancements and innovations that underpin the Irish agricultural sector. Much of the research is multi-disciplinary and multi-Agency which provides a focus on addressing the key environmental challenges in an interdisciplinary way, and is to be encouraged.

Programmes such as the Smart Farming Programme, results-based payment schemes under the European Innovation Partnership programme, and the new ASSAP programme bring the science, along with environmental advice and support to farmers, in a tailored way that is specific to their farm. These programmes may serve as a useful model that can be leveraged to achieve targeted outcomes across all the environmental issues. Consideration should be given to rolling them out more widely, supported by a comprehensive training programme for the agricultural advisors. In the longer term, a greater emphasis should be placed on environmentally sustainable farming techniques in agricultural training colleges, so that the need to achieve a balance between agronomic and environmental outcomes is instilled in our young farmers.

Specific key points on the SWOT

EPA notes that objectives 4, 5 and 6 discuss the environmental aspects of CAP, and therefore this submission focuses mainly on those key objectives. In general, the analysis is comprehensive and appears to have considered the majority of the main issues. The key specific comments are as follows:

Under Objective 4, it could be acknowledged that there is potential for increases in the carbon footprint of Irish agricultural exports and imports under Brexit, as new markets are developed.

It is listed under Objective 5 that it is a strength that there is '*Low level of concentration of nitrates in freshwater in Ireland*'. As reported in the annual nitrates report, national scale reporting masks regional and local evidence that tells a different story. The evidence is clear that agriculture is

causing water quality problems in some areas, and in those areas, the problems are getting worse. The catchments to the south of the country in particular, have elevated nitrate concentrations that are too high to support Good Ecological Status in a number of our estuaries. Additional nitrate mitigation measures are therefore required in those catchments and this should be acknowledged. This will require a targeted approach to measures rather than a 'one-size fits all' approach. It should also be acknowledged that the potential loss of the Nitrates Derogation is a threat, as is the potential for the loss of Ireland's 'clean green' marketing advantage if our environmental credentials are perceived to be lacking. The Smart Farming Initiative could be noted as an opportunity under this objective, alongside the Agricultural Sustainability Support and Advice programme.

Under Objective 6, there is also a threat that ammonia emissions may impact on habitats, particularly from intensive farms. This has been the subject of additional controls in Northern Ireland.

Across all three environmental objectives, it could be acknowledged that there is a threat of increased national financial penalties for not meeting environmental commitments.

Two other threats that could be considered elsewhere are lack of diversification on Irish farms which is contributing to the environmental issues, and the resilience of the farming sector in periods of stress, due to for example, market pricing and climatic events. Consumers dietary preferences in the marketplace may also emerge as a challenge for the sector.

The EPA welcomes the Department's collaborative approach to developing the CAP strategic plan. The EPA looks forward to continuing to work with the Department and its Agencies to further its overall objective of developing and supporting thriving, sustainable and resilient agricultural sectors, built on a foundation of a clean, healthy and well-protected environment.

Yours sincerely



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