#Budget2026

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Strategies to Protect Indigenous Agriculture Amid Economic Uncertainty - July 2025

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Introduction

The Irish economy has successfully faced many challenges in recent years posed by Brexit; COVID-19 and associated economic restrictions; supply chain disruption; and high inflation.

Today, however, the world economy is facing unprecedented uncertainty, with the US trade tariffs impacting every exporting economy, including Ireland and the EU.

In April, reciprocal trade tariffs on all imports into the US were imposed at a base of 10% and higher based on a calculation relating to trade deficits. This resulted in an EU-wide tariff of 20%, including on many Irish products such as food and drink, and has caused a considerable level of uncertainty in future economic modelling.

Regarding Irish food and drink exports to the US, which were valued at a significant €1.9 billion in 2024, trade tariffs have the potential to massively disrupt business.

Dairy, mostly consisting of butter along with alcohol, in the form of whiskey and cream liqueur; are the most exposed products, as these constitute most of our agricultural exports to the US. The ongoing negotiations continue to create significant uncertainty in global trade markets and economies.

International trade deals typically take many years to negotiate. Time is needed to find the correct balance to allow for mutually beneficial trading relationships without disadvantaging the indigenous economies of either trading partner. What the future will bring is uncertain, which is causing economic disruption and making it difficult to model.

Exporters such as the EU trading bloc could be severely negatively impacted by such trade tariffs. They have had wide-ranging effects on the whole economy in the short term until the US provides clarity. This economic uncertainty will stifle much economic activity and investment in 2025.

A slowdown in investment by Irish-based companies that export into the US and the many important US-based companies with a significant presence here will negatively impact all parts of the economy and Exchequer income.

This negativity is all against the backdrop of several years of strong economic performance in Ireland. The public finances remain in a strong position, and the Government has managed to navigate the economy through many challenges in recent years with a healthy budget surplus.

Employment remains at record levels, with the CSO figure showing 2.7 million people at work in Q1 2025. Unemployment was running at 3.9% in early 2025, but the labour supply remains challenging for the general economy, including agriculture and the food processing sectors.

While the resilience of our taxation system has been commendable through the challenges the economy has faced, there is an imbalance in the taxation contribution model, which causes concern.

The increased cost of doing business for farmers.

The past five years have seen significant levels of volatility in farm incomes. The outbreak of COVID-19 and the associated impact on supply chains had a massively disruptive effect on trade and, as a consequence, the prices of both agricultural inputs and outputs. The Russian invasion of Ukraine in 2022 further exacerbated input prices. It had a significant impact on both fertiliser and energy prices, both of which have a very significant influence on agricultural input prices.

Regulatory changes have also played a significant role in income volatility. Changes to nitrates stocking regulations have forced livestock farmers (predominantly dairy) to either acquire more land or reduce output. This directly impacted the income and costs of these farms but indirectly affected other farmers by increasing overall land rental prices.

Since 2022, we have seen overall farm costs remain high, leaving family farm incomes vulnerable to volatile commodity markets that are influenced by a wide range of both economic and political factors.

All sectors have been exposed to this growth in total farm costs, with increased costs of fertiliser, feed, machinery, land rental, and employment common to many sectors.

IFA proposal to address the cost of business on farms

Farm income impact analysis

Any regulatory changes imposed on farmers, either National or European policy changes, must have a prior income impact assessment completed. Major policy decisions, such as CAP, must have an income impact analysis completed before being implemented. Similarly, the Department of Agriculture did not conduct an impact analysis of changes to nitrates regulations.

Stable regulatory environment

Regulations related to farming have been in a state of constant flux over the past five years. This is creating enormous uncertainty among farmers, making medium-term planning very difficult, which in turn has a knock-on impact on farm efficiencies. A period of stability is now required, with a pause to any further regulatory changes badly needed.

Continued and additional support for vulnerable sectors

Farm incomes have experienced extreme volatility in recent years, particularly among vulnerable sectors. The Government must intensify its support for these sectors in Budget 2026 to ensure their long-term viability. It is also vital that any support schemes provided to small businesses do not exclude farmers.

Support for employment

IFA make several proposals on employment costs in this submission, in particular, to assist the horticulture sector, where labour can constitute up to 50% of total costs.

Benchmarking of farm incomes to industrial wage

Farm incomes should be benchmarked to the average industrial wage on an ongoing basis. This would enable a proper comparative analysis of farm incomes to average wages in the broader Irish economy.

2. Farm schemes

Government must deliver on pre-election commitments.

Despite consistently delivering a wide range of the highest quality food ingredients globally, most farmers struggle to obtain a positive market return for their endeavours – a derivative of stubbornly high costs of production, increased regulation, and farmers failing to secure their fair share of the value chain.

Combined, it explains why there remains a considerable dependence on direct payments to remain viable, most particularly among the vulnerable drystock sectors, but also why it is imperative that all our elected representatives, both here and in Brussels, work collectively to deliver a strong, dedicated and enhanced CAP budget, in its traditional 2-pillar format, as part of the upcoming Multi-Annual Financial Framework (MFF) and CAP proposals which are expected from mid-July.

The EU Commission appears keen to put a knife through the heart of the CAP as we know it and push ahead with their 'single fund approach' to the MFF. For both the existing and next farming generation, this needs to be resisted. And given Ireland, on a per capita basis, is among the top net contributors to the EU budget, we need our political figures to use all the tools within their arsenal to be front and centre in its resistance.

A rushed CAP with no budget line would be an insult to farmers and the entire sector. We need a CAP that puts farmers and food production back at its core, not proposals that increase complexity and uncertainty for farms, weaken the Single Market, and negatively impact EU rural areas, particularly in light of the continual and unfolding volatile geopolitical and trade risks at play.

The EU Commission discusses the need for greater simplification, risk management, and attracting the next generation. Still, they need to realise that, in many instances, it is they who are the genesis of many of the challenges we, as farmers, have to endure today.

The complexity and bureaucracy surrounding existing farm payments must be reviewed and simplified, with maximum possible allocations to active farmers. It is imperative that the DAFM maximise all available flexibilities about the design and implementation of the CAP Strategic Plan afforded via the recent CAP Simplification Package launched on 14th May.

In addition, it is worth noting that this is the second corrective package on the CAP within a single year. This fact should serve as a lesson for the future and shape our discussions as we advance on CAP. Farmers and the agricultural sector require policies that are coherent, consistent, meaningful, and implementable, with greater farmer input throughout, particularly in the design stage.

These principles must apply not only within the CAP but also across all EU policies that impact agriculture. In this regard, we have high expectations for the simplification measures already announced outside the CAP framework, which are expected to be implemented later in the year, as they will also directly affect the sector.

It must be emphasised, too, that future simplification efforts must not undermine the common nature of the CAP or open the door to uncontrolled renationalisation. Flexibility is one thing, divergence is another. Irish farmers, as stated, need a strong, dedicated, and enhanced CAP budget in its traditional two-pillar format as part of the upcoming Multi-Annual Financial Framework (MFF) and CAP proposals, expected to be released in mid-July.

Table 2: Relative importance of Direct Payments as % of Farm Income by Farm Sector (2024)

	Average Farm Income (FFI)	Average Direct Payments (DP)	DP as % FFI
	€	€	%
Dairy	108,189	24,640	22
Cattle Rearing	13,547	19,927	147
Cattle Other	18,101	15,687	87
Sheep	27,796	28,610	103
Tillage	38,685	32,420	84
All Farms	35,685	21,431	60

(Source: Teagasc National Farm Survey, 2024)

More broadly, the continued uncertainty and delay in receiving ACRES payments without clear information or timelines is completely unacceptable and cannot be allowed to happen again. For farmers to have to wait over two years for payment is unforgivable. Payments need to be issued to this cohort without delay. Farmers, too, cannot be penalised for delayed or non-action on the part of the scheme required by contracted third parties. Flexibilities should apply where contracted actions are delayed/damaged following severe climatic events.

Whether relating to any farm scheme, any anomalies in individual applications need to be promptly advised, in both physical and electronic formats, to both the farmer and planner to allow for corrective action. Farmers cannot be expected to continually check AgFood for potential notifications of non-compliance or further information requests. Physical transcripts, along with a potential DAFM follow-up call, would be far more effective and beneficial. Where approvals are subsequently granted, including where appeals/inspections may be involved, payments should be issued within an agreed short timeframe. Currently, this is not the case, as farmers are often forced to wait a considerable amount of time before receiving payment.

More generally, there needs to be an 'opt-out' facility provided to beneficiaries for mandatory online applications within limited, pre-defined parameters, most notably for those residing in areas with poor mobile or broadband coverage and/or those who are not confident or suitably IT-competent.

IFA Propose:

- Targeted sectoral support: sucklers (€300/cow), sheep (€30/ewe), tillage (€250/ha for Tillage Survival Scheme in 2024; €400/ha in 2025 [€250/ha in 2026-2028] for additional [and retained] cereal crops grown), calf rearing (€100/dairy beef calf); beef sustainability (€100 per dairy and suckling yearling) . Further detail within this submission.
- Support for Generational Renewal: Strong measures to support committed young farmers & new entrants across all schemes.
  - Report and recommendation DAFM Commission on Generational Renewal due in July 2025.

2.1 Areas of Natural Constraints (ANCs)

The ANC payment is the first direct payment typically received by farmers annually and represents an integral revenue stream, particularly for the more vulnerable farm sectors. Currently, it is worth approximately €250 million to nearly 100,000 farmers annually. It is essential that ANC payments are received on time and the total budget allocation to ANCs, as well as the maximum permitted eligible area, is increased to past levels to account for inflationary pressures and the low farm incomes that this payment supports.

IFA Propose:

- Funding for the ANCs is increased by an additional €50 million, bringing the total budget for the scheme to €300 million
- The eligible area for an improved ANC scheme should be increased from the maximum current 34Ha to 45Ha

2.2 Targeted Agricultural Modernisation Scheme (TAMS)

TAMS reference costs remain significantly out of kilter with prevailing material costs (see Table 1). This may substantially limit the number of farmers applying for TAMS support. To align with current inflation levels, further investment ceilings should be increased, and costings should be indexed and/or updated annually to reflect current market conditions. This is particularly relevant given Revenue's changed perspective on items eligible for reclaim under the VAT reclaim process, with many items previously eligible for VAT reclaim now ineligible.

Table 3: Variation in select input prices May 2025 vs. February 2023

Wholesale Price Index (Excl VAT) for Building and Construction Materials	April 24 v April 22
Sand and gravel	+10%
Ready-mixed mortar and concrete	+33%
Concrete blocks and bricks	+24%
Structural steel	+14%
PVC pipes and fittings	+13%

(Source: Central Statistics Office, 2025)

IFA Propose:

- Increased resources should be allocated to swiftly resolve the backlog in application approvals and the issuing of payments.
- Alongside unutilised allocated TAMS funding from previous years, adequate funding is required to optimise necessary on-farm investment and avoid use of rank & selection procedures.
- Investment ceilings should be revised upwards, and costings should be updated at least annually to keep up with current inflation levels.
- Removal of current cow number restrictions in the Diary Equipment Scheme.
- Additional items, including grant aid for dribble bars, rubber mats, ATV/UTV's and quad gates, should be added.
- TAMS should be made available for all sectors, with a baseline rate of 70% grant aid for young farmers and organic farmers (50% for all others) and 60% grant rates for Hill farmers, LESS, Farm Safety, etc
- Increased TAMS grant aid of 70% from a ring-fenced national fund for slurry storage investment will be made available to all farmers regardless of their Nitrate status and/or current levels of on-farm slurry storage.
- All farm safety, nutrient management, animal welfare & water quality investment items are to be prioritised.
- Regarding the Young Farmer Capital Investment Scheme and the Women Capital Investment Scheme, a clear and simplified activity demonstration process needs to be established, with no farmer disadvantaged by previous DAFM guidance—e.g., a reduction in names listed to a holdings herd number.
- There is a need for a significant upward revision of TAMS 3 for the pig sector to facilitate the substantial investment required at the farm level, and consideration should be given to funding this through a separate mechanism to TAMS 3.
- Greater proactive communication from DAFM regarding tranche closing, changing thresholds and compulsory LESS applications well in advance to enable impacted farmers to apply for grant aid for key eligible items while still in scope.
- Solar panel funding should be removed and provided independently of the TAMS program. Most emissions reductions from solar panels and anaerobic digestion will accrue to other sectors, not agriculture. A new 'Roof-top Solar Scheme'(RTSS) and a new 'Anaerobic Digestion Support Scheme' (ADSS) should be established and financed by the Departments whose sectors are getting the associated emissions benefit.

2.3 Forgotten Farmer Scheme

'Forgotten Farmers' are a cohort of farmers who lost out following the removal of young farmer supports (Installation Aid) in 2008 due to cuts in public expenditure by the Government following the last recession. They were then unable to qualify for the Young Farmer Supports introduced under CAP 2015 because, in many cases, they had been farming for five years or more.

Despite numerous political commitments, including financial allocations in Budget 2025, the issue of support for 'Forgotten Farmers' remains outstanding. This needs to be addressed as a matter of priority and adequately resourced to provide comparable financial support for this cohort of farmers.

IFA define a Forgotten Farmer (Old Young Farmer) as the following:

- A Basic Payment Scheme recipient before 1st January 2015.
- Was ineligible for the Young Farmer's Installation Scheme under the RDP 2007-2013 because they started farming after 14th October 2008, the date on which applications to the scheme were suspended.
- Was ineligible for the Young Farmer's Scheme under CAP 2014-2020 because they had set up their holding more than five years preceding the first submission of the Basic Payment Scheme.

IFA Propose:

- A Forgotten Farmer scheme be introduced, with all farmers meeting the above parameters eligible to apply for a one-off payment equivalent to what they would have received under the Installation Aid scheme, together with the following and/or equivalent schemes:
  - Complementary Income Support for Young Farmers
  - National Reserve
  - TAMS/Young Farmers' Capital Investment Scheme (Access to increased level of 60% grant aid)

2.4 Agri-Climate Rural Environment Scheme (ACRES)

With payments of up to €7,000 / €10,500 per year to 2027, the Agri-Climate Rural Environment Scheme (ACRES), Ireland's €1.5 bn flagship agri-environment scheme, promised much, but sadly, from a farmer perspective, has underachieved hugely for many, particularly for those in Co-Operation areas.

Mired by complexity, persistent payment delays, I.T challenges, recoupment of funds, lack of parcel scoring transparency, low scoring, excessive 100m buffers around turbary plots, and no means of boosting scores through Non-Productive Investments / Landscape Actions, a complete and urgent review of ACRES and its implementation is required.

See Appendix 1: IFA Proposals for an improved ACRES scheme

3. Measures to Support Climate Action on Farm

The decarbonisation of agriculture has a significant role to play in Ireland meeting its national and EU emission targets reduction targets, given that total national emission from agriculture accounts for 38%[1]. Failure to reduce emissions could result in significant financial penalties, loss of sovereignty in climate policy, and reputational damage, representing a substantial missed economic opportunity. Timely climate action in Agriculture is not just a legal obligation — it's a strategic economic and societal investment.

IFA proposed the following measures to support farmers through funding from the Infrastructure, Climate & Nature Fund announced as part of Budget 2024. A fund of €3.15 bn (from 2026-2030) has been earmarked to assist 'designated environmental projects' with the transition to climate neutrality and deal with nature, water quality and/or biodiversity issues.

Given its strategic importance and the necessary transition at the farm level, a significant proportion of the Climate & Nature Fund must be directed toward on-farm interventions and/or diversification activities, with higher rates afforded to farmers operating on designated lands.

A key area that this fund can be directed towards on farms is improving nutrient management resources and storage capacity. Livestock manure is a valuable asset for both plant nutrition and soil conditioning, and the targeted use of these nutrients will have a positive impact by reducing the requirement for artificial fertiliser. Improved nutrient management will also reduce the potential loss of nutrients leaching into the water table and overground runoff. A substantial grant aid programme, funded to 70% of the total cost of infrastructure and equipment from this fund, would have a positive impact on these key water quality metrics and also assist agriculture in its journey to achieving the climate emissions reduction target of a 25% reduction by 2030.

IFA Propose:

- Grant aid from the Climate and Nature fund to be made available from 2026 to all farmers with 70% grant aid for manure/slurry storage facilities.
- Slurry separation equipment grant aided by 70% to assist in reduction of storage capacity requirements on farm.
- Future funding of grant aid for on-farm solar investments should be funded through this fund at a rate of 70%.
- Future funding of grant aid for on-farm anaerobic digestion (AD) to be funded through these funds at a rate of 70%.
- Grant aid to farmers to plan and install wind generation facilities on farm
- Grant aid and Accelerated Capital Allowance (ACA) schemes should be introduced to support the adoption of targeted interventions, enabling farmers to achieve higher environmental standards that would benefit the entire country.
- A dedicated 'Watercourse Fencing scheme' should be created, financing 100% of the cost of fencing adjoining watercourses on Natura 2000 sites and 75% of the cost on all other lands.
- The provision (free of charge) of a bespoke Rainwater & Nutrient Management Plan to all farmers nationally, alongside one-to-one consultation with a suitably qualified professional on-farm.
- A dedicated 60% grant-aid 'Nature & Nutrient Management Scheme', open 2026-2030, and available to farmers not eligible for TAMS and/or including items not currently in scope for TAMS grant-aid (e.g. 'dribble bars').
- A new 'Farming for Habitat and Farming for Species' payment needs to be introduced to maximise environmental gain and compensate farmers who suffered a loss in income from EIP projects such as the Hen Harrier, Pearl Mussel, and Burren Schemes. Hill / Designated areas should also be eligible for this payment.
- The reintroduction of the NPWS Farm Plan Scheme has been a positive development. However, greater funding is needed to increase its awareness and expand the number of farm plans on the scheme. An Enhanced Farm Plan Scheme should be created to cater for all farmers with designations, with increased payment rates to reflect the additional costs and burden on farmers whose land is designated. Additionally, increased resources should be allocated to ensure the timely and efficient delivery of payments to farmers.
- IFA oppose any further designations of farmland and additional restrictions on existing designated lands until current designations have been adequately compensated for and existing system inefficiencies redressed. Proactive engagement must occur with impacted landowners, with the right of appeal provided.
- Addressing threats from predators and increased recreational activity requires a targeted and comprehensive approach within the National Biodiversity Action Plan. In collaboration with relevant NPWS stakeholders, the financing of an 'Active Predator Management' scheme should be established.
- A new 'Historic Hedgerow Rejuvenation Scheme' to be implemented, along with 'Beehive keeping', to support the reseeding of back hedgerows that have been lost or incomplete, and to increase habitat for flora and fauna to prosper.
- Maintaining open and transparent communication with farmers throughout every stage of the plan's implementation is paramount to its success

1 EPA (2025). Ireland's Final Greenhouse Gas Emissions 1990-2023. Available here: https://www.epa.ie/publications/monitoring--assessment/climate-change/air-emissions/EPA-Final-GHG-Report-Final.pdf.

- Allocate necessary funding to swiftly obtain necessary Tier 3 carbon emissions and sequestration data rather than relying on EU equivalents, which may not fully represent Irish production systems. The over-estimation of emissions from grassland peat soils (and the LULUCF sector more broadly) by 5.1Mt CO_2e per annum[2] (from 9Mt to 3.9Mt, equating to approximately 7.5% of the total national emissions from all sectors as previously estimated) being a case in point.
- Carbon sequestration solutions enhance climate action and, if implemented correctly, bring incentives and additional income potential to landowners. The importance of soil carbon sequestration must be considered when calculating carbon balances. The proposed additionality requirement that farmers would only be eligible for a carbon payment for new actions or measures implemented to remove carbon is viewed negatively by farmers, as it (i) does not value the existing carbon reservoir in soils and or hedgerows on farms and (ii) penalises earlier adopters of practices that have improved carbon removals and prevents them from earning payments. Carbon markets must enable real market possibilities for farmers and foresters. Funding should be provided for establishing a carbon credit verification agency and/or mechanism to derive supplemental, sustainable, diversified farm income streams.
- The restriction on TAMS grants for solar energy should be removed if the energy requirement on the farm is met. Often, farms with low overall energy requirements may have large amounts of shed space, presenting an opportunity for these farmers to contribute to renewable energy production.
- Farmers who receive grant aid (including TAMS) to support the installation of renewable energy sources should be allowed to sell any surplus electricity generated after domestic/business consumption, in full, onto the national grid and receive an income for the same (in arrears if required).
- Farmers who generate surplus electricity should be allowed to export it onto the national grid via a smart meter and then be allowed the same amount as an offset back to them, as required, with no financial transaction necessary.
- Biomethane strategy (See 3.1)

3.1 Proposals from the IFA Energy from Farms Project Team

IFA Propose:

- Introduction of a min 50% capital grant for development of farmer owned farm scale biogas plants – financed through **Infrastructure and Climate and Nature Fund (ICNF)** and or/feed in tariff
- Immediate introduction of **Renewable Heat Obligation (RHO)**
- Introduction of renewable energy finance scheme that provides state-supported low-cost finance
- Establish a dedicated farmer category within the **Small-Scale Renewable Electricity Support Scheme (SRESS)**
- Budget is maintained and enhanced over in the **Support Scheme for Renewable Heat (SSRH)**
- **Capital Gain Tax (CAT) / Capital Acquisitions Tax (CAT)** reliefs for solar panels should also include wind farms
- Maintain all existing **taxation reliefs** and exemptions for farmers involved in AD and any other renewable activities
- Solar- incentive/allow farmers to install systems beyond their own usage and **export surplus electricity** to the grid

3.2 National Liming Scheme

The correct pH of the soil is essential to maximise the uptake of available plant nutrients.

IFA Propose:

- Extension of the Liming Scheme for 2025 with increased payment of €20 per tonne.

3.3 Protein crop supports

To encourage farmers to grow protein crops such as peas, beans, lupins and combi-crops, rates up to €600/ha for beans/peas/lupins should be offered, 50% for combi-crops.

3.4 Multi-Species Sward Scheme, including support for red clover

This scheme was introduced to promote environmentally sustainable farming methods and significantly reduce nitrogen fertiliser while maintaining forage yields. It has proven particularly popular among farmers and should be extended, with increased eligible areas and financial incentives offered.

2 https://www.teagasc.ie/about/research--innovation/science-communications-and-outreach/research-impact-highlights-2023/climate/

4. Measures to Support Farm Enterprises

4.1 Knowledge Transfer Scheme

Adequate, targeted knowledge transfer and advisory support must be in place to assist farmers in improving on-farm efficiency and/or sustainability.

Farmers must receive the maximum possible payment from participation in mandatory KT events. All sectors must be included in the KT Scheme.

4.2 Suckler Cow & Beef

The suckler cow and beef sector in Ireland is the single largest farm sector in the country, contributing almost €3.3 bn in export value to the National economy from over 80,000 family farms.

The suckler cow and beef sector has a huge role to play in ensuring that production levels and output values from the agricultural sector are maintained while also meeting our climate target ambitions.

The sector will also be pivotal in ensuring that we have the infrastructure and labour required to rear dairy beef calves in a sustainable, long-term, viable framework if supported appropriately.

Suckler and beef farming is a low-income, vulnerable sector dependent on more than 100% of FFI from direct support annually.

The more productive farmers within this sector have seen their incomes decimated in recent CAP changes, with our most productive suckler and beef farmers being the most severely penalised by the transition from food production support under the CAP to an environmental payment.

Direct support for food production has been removed from these farmers, while production standards and environmental requirements have reduced the efficiency and productive capacity of suckler and beef farms.

The low income and vulnerability of the sector are contributing to the exodus witnessed from suckler production and the increasing age profile of farmers in the sector.

The National suckler herd has reduced by 250,000 head over the last 10 years, dropping from 1.1m cows in 2015 to 825,000 in 2024, a decline of almost 25%.

Several factors have contributed to this decline, but a central one has been low income.

Our suckler herd and the small-scale family farms it is located in, in addition to the value of exports to the national economy, are the drivers of the economic and environmental sustainability of rural Ireland.

The suckler herd in Ireland is a key national resource that must be protected through meaningful direct support.

4.2.1 Suckler Cow Supports

Direct supports for suckler farmers must be increased to a minimum of **€300 per cow** to provide economic viability, long-term sustainability, and generational renewal within the sector, thereby maintaining its positive contribution to our climate target ambitions and driving the socio-economic, environmental, and biodiversity sustainability of rural Ireland.

The current National Exchequer scheme, which provides €75/cow for up to 45 cows, must be extended to 2026 with funding increased to deliver €300/cow in combination with SCEP. The scheme must be available for all suckler cows on the farm, and eligibility criteria must ensure there is no leakage of this funding from suckler farms.

4.2.2 Beef Calf from Dairy herds Rearing Scheme

There must be a Dairy Beef Calf Welfare Scheme that provides meaningful incentives for farmers to rear calves from the dairy herd. The scheme must reflect the costs, labour and standards required to maximise the performance and viability of this livestock production system. Farmers who follow best practices in this area and who focus on rearing high commercial beef value (CBV) calves should be supported with a payment of **€100 per calf** for the rearing phase of these animals.

4.2.3 Beef Sustainability Scheme

Farmers feeding animals for the second year of beef production will play a pivotal role in achieving the sector's climate target ambition. The sector is a low-income, vulnerable sector that has had a significant reduction in CAP direct payments. Capacity and resources are not available on these farms to implement the necessary changes to achieve the sector's climate ambition. Farmers rearing and finishing weanling and store cattle born in suckler and dairy herds must be directly supported for this phase of the process with a minimum of **€100/animal** to support measures that maximise the performance of these animals. Young Bull finishers have the potential to positively impact the average age of slaughter of all prime cattle. They must be supported in addition to the €100 payment, which reflects the high cost of this specialist production system.

4.2.4 Straw Incorporation Scheme for farmers utilising native straw for bedding

Farmers who utilise straw for the bedding of cattle and sheep are providing optimum animal welfare conditions in the management of their animals over the winter months at, in the majority of cases, an extremely high cost. The majority of farmers utilising this are small-scale farm enterprises situated far from the area where tillage crops are grown in the country and where straw is most abundant. Transport costs for these farmers regularly exceed the actual cost of the straw.

To support these farm enterprises and support optimum animal management practices on these farms, farmers using straw for animal bedding should be directly supported for this action, also recognising the environmental benefits of this practice.

The benefits of incorporating straw into soils are recognised in the CAP Strategic Plans, and tillage farmers are rightly supported for this action.

The level of supports provided to tillage farmers in the SIM scheme should be incorporated into a separate national scheme with new funding for livestock and sheep farmers who utilise straw for bedding their animals and then integrate it back into the soil on their farms.

4.3 Sheep

The sheep sector is the second-largest farm sector in Ireland, operating on almost 35,000 farms, often on some of the most challenging farming lands in the country.

The sector had an export value of €400 million in sheep meat in 2024, from 56,000 tonnes of sheep meat exported. The volumes exported represented a drop of 26% from the previous year, reflecting the severe decline in productive sheep numbers in the country. Throughput in processing plants this year is back a further 16% to the end of May. Sheep farming is at a critical stage in the sector's long-term sustainability and ability to retain key customers and competitive processing capacity.

Meaningful long-term actions and commitments are urgently required for the sector.

Sheep farming is an extremely low-income sector dependent on direct support for over 100% of FFI. The sector plays a crucial role in the socio-economic and environmental well-being of rural Ireland and the communities throughout the country where sheep farming is practised.

The average flock size in the country is just over 100, with average numbers of ewes on farms in the 70's.

The small scale of the farms and the low income levels on farms are significant threats to the sector's sustainability and generational renewal.

The collapse in the wool market has compounded the income challenges on sheep farms.

Dog attacks on sheep add further stress and costs to sheep farmers; these must be stopped.

The hill sheep sector faces additional challenges, which are compounded by the low market returns for their store lambs. The hill sheep sector adds enormously to the biodiversity and environmental sustainability of the terrain they are farmed in, and this must be recognised in additional support to ensure farmers continue to farm sheep in the hills.

4.3.1 The National Sheep Welfare Scheme

The National Sheep Welfare Scheme must be extended into 2026 and enhanced to deliver **€18 ewe** bringing total direct supports for ewes to **€30/ewe** when the €12/ewe SIS payments are included.

The sector leakage of these funds to sheep farmers must be avoided. Measures, if required, must be practical and build on existing on-farm good practices that are supported to provide economic viability for sheep farmers and maximise the productive capacity of the sector.

Direct support for the presentation of wool to reduce processing costs and support the value chain for this natural product should also be provided.

Hill sheep farming requires additional support, recognising the unique challenges faced by these farmers and the critical role farming plays in these areas, delivering socio-economic and environmental benefits. Hill sheep must be provided with an additional €10 per ewe, bringing the total support to €40 per ewe.

4.3.2 Dog Control

Government must provide appropriate resources and funding to enable an effective operational Dog Warden service in every county, with staffing levels that ensure the enforcement of dog owners' obligations.

4.4 Animal Health

Farmers in Ireland continue to lead in advancing the high health and welfare status of the animals under our care. The broader Agri sector benefits enormously from the investment and work of farmers in this area. There must be a more inclusive distribution of costs for animal health and welfare actions on farms to reflect all beneficiaries of the actions farmers undertake.

The TB programme is costing farmers over €150m annually[3]. This disease must be brought under control by enhancing the current TB programme. IFA has identified several key issues that must be addressed in a detailed submission to the Department of Agriculture. These measures focus on the main drivers of disease levels. These measures, along with the associated financial support for the impact of controls on farms, will require significant human and financial resource commitments from the Government for the programme.

The ever-increasing threat of exotic diseases entering the country is a very real concern for Irish farmers and the agri-sector. A coordinated and funded plan must be developed in advance, should diseases such as BTV or FMD enter the country, to minimise the impacts and protect farmers from any associated losses.

Irish farmers have embraced the challenge of reducing AMR but require more support and better access to critical tools in this area from Government. Enhanced services to farmers from the RVL network, guaranteed supplies of vaccines, and reduced costs are key elements that the Government can and must deliver on.

4.4.1 TB

Direct Supports for farmers

Government must remove the ceilings in the On-Farm Market Valuation Scheme to provide all farmers with the opportunity to receive the market value of animals removed from their farms as TB reactors. The inclusion of this arbitrary ceiling in the scheme is inconsistent with the principles agreed upon in the early 2000s and must be removed.

The existing compensatory schemes must be reviewed and enhanced to provide farmers with full financial support for the costs and losses associated with TB controls on farms.

Any new measures imposed on farmers in the enhanced TB programme must be impact-assessed, costed, and fully compensated for.

Farmers have a long-standing agreement with the Government regarding payment for TB testing. Farmers are only liable to pay for one TB herd test in the calendar year and at no shorter interval than 10 months. The Government must reaffirm this agreement and provide the funding for all additional testing required in the TB programme.

3 Analyses of TB programme costs to farmers. IFAC 2025

4.4.2 Wildlife Control Programme Resources

Enhanced Wildlife Control will be an integral part of the TB programme if we are to reduce TB levels. Government must commit to providing the funding and staff resources necessary for an effective and efficient programme.

4.4.3 Deer Management

Government must build on the funding allocation provided to the Deer Management Strategy Group.

4.4.4 Biosecurity

Funding must be provided to farmers for costs incurred in implementing biosecurity advice to reduce the interaction of wildlife with cattle.

4.4.5 Regional Veterinary Labs

In 2019, €33.5m was allocated for a 10-year programme to enhance the Regional Veterinary Laboratory Network and associated services to farmers. It has been six years since the commitment was made, and no infrastructural development or enhancement of services to farmers has been visible. The €33.5 m allocation for upgrading the Regional Veterinary Laboratory network must be utilised, and the enhancements to services for farmers from the RVL network must be provided.

4.4.6 VAT on Vaccines

The current VAT rate is 23%; farmers spend over €40 million on vaccines annually. Reducing the rate to 0% would result in over €10 million in direct savings for farmers and promote increased vaccination usage on farms.

The VAT rate on vaccines and other critical on-farm medicines, where VAT is currently charged, must be reduced to the 0% rate.

4.4.7 Animal Health Ireland

Animal Health Ireland was given a mandate to carry out disease eradication and disease control programmes for non-statutory diseases through a stakeholder lead model. If the Department of Agriculture are serious about this model, it must make the resources available for the current range of programmes that AHI operate.

i) BVD

The Department of Agriculture must fully cover the cost associated with BVD testing. This is estimated at €7.5 million annually.

ii) Johnes

The lack of committed resources has meant that we did not have a Johnes control programme in 2025. The Government must commit to having a programme fully resourced for 2026.

iii) IBR

Government must outline the level of funding they are prepared to provide for a National IBR programme.

iv) Pig and Poultry programmes

Continued funding of AHI Pig and Poultry programmes, including the Pig HealthCheck, Bio check, Salmonella TASAH (Targeted Advisory Services for Animal Health)., animal welfare risk assessments and similar initiatives and funding to support the postmortem system and other initiatives.

4.4.8 Fallen Animals

The entire fallen animal disposal system must be reviewed, and the most efficient system that guarantees the collection of fallen animals from all farmers in the country at competitive rates must be provided. DAFM must subsidise the cost of collection if necessary to reduce the burden on farmers and ensure the fees charged to all farmers are competitive.

4.4.9 Herd Health Plans

Government should provide funding to directly support farmers in developing and implementing herd health plans, ensuring that antibiotic usage on farms is minimised and the most effective parasite control programme for the farm is employed.

4.4.10 Bluetongue/Foot & Mouth Disease (FMD) preparedness

With BTV 3 and 12 circulating in the UK and Europe and new outbreaks of FMD across the EU, the Government must develop comprehensive plans for managing these diseases should they enter the country. These plans must include the extent of movement controls that could be in place, an assessment of the market disruption that would arise and plans for vaccination usage.

Government must establish a fund that supports farmers for all associated costs and losses resulting from the disease, including trade impacts, animal losses, production losses on farms, and the cost of a vaccination programme should it be deemed necessary.

4.5 Tillage

4.5.1 Tillage Support Payment

The economic viability of the Irish tillage sector remains highly precarious in 2025. Several factors, outlined below, have combined to leave farmers in the sector very financially vulnerable in the coming year.

i. Convergence of entitlements under the CAP 2023-2027 programme has decimated direct payments to tillage farms. Further cuts to entitlement values are expected to continue in 2025 and beyond.

ii. Reducing the maximum allowable stocking rate under the nitrates derogation has distorted prices paid in the land rental market, leading to higher land costs for tillage farmers. Consequently, tillage land is continually being lost to other agricultural and renewable enterprises.

iii. Grain markets have continued to decline in 2025 to prices not seen since 2020-2021. As of May 2025, barley forward prices for harvest 2025 are €185/t, yet input and overhead costs remain significantly inflated.

iv. Imported feedstuffs, grown in countries with access to protection products banned in the EU, continue to reduce demand for native grains at farm and industry level.

v. Demand for premium crops such as malting barley will be up to 40% lower at farm level in 2025 due to reduced malt demand from the whiskey industry.

Taking the above factors into account, IFA believes that it is likely that incomes on a typical family tillage farm will not increase significantly above the €38,700 recorded in 2024 and come in below the 10-year average income (2015-2024) of

€39,624. Unless the significant decline in tillage farm incomes is not addressed in 2025 and beyond, the tillage area will continue to contract rather than increase, which contradicts government policy.

A support payment of €250/ha must be announced in Budget 2026 for all cereal and oilseed rape crops grown for harvest in 2025.

4.5.2 Tillage Expansion and Sustainability Scheme (TESS)

IFA believe a fully funded Tillage Expansion and Sustainability Scheme must be introduced in Budget 2026 with a €60 million annual funding commitment for the next 5 years.

TESS must deliver:

i. Expansion: **€400/ha** payment for new land converted into tillage, with €250/ha payment per annum thereafter for the remaining years.

ii. Sustainability: **€250/ha annually** for existing tillage farmers to reward existing and further adoption of measures.

4.5.3 Milling Industry Support

IFA believe it is essential that a native cereal flour milling industry is supported and re-established in the coming years. It is critically important to improve national food security in this food category.

- Capital support grants must be provided to support existing flour mills and those in the development pipeline.

4.5.4 (As in 3.3) Protein crop supports

To encourage farmers to grow protein crops such as peas, beans, lupins, and combi-crops, rates of up to **€600/ha** for beans, peas, and lupins should be offered, with a 50% discount for combi-crops.

4.6 Horticulture (including potatoes & Mushrooms)

4.6.1 Labour Cost Increases

According to Teagasc's Horticulture Crop Input Prices 2025[4] report, labour now constitutes up to 46% of total input costs in specific horticultural sectors, such as mushrooms. Since 2021, labour expenses have surged by 12.5% to 24.3%, influenced by increases in the national minimum wage and higher salary thresholds for General Employment Permit (GEP) holders.

The recent increase in the minimum wage to €13.50 per hour, coupled with a rise in GEP salary requirements from €22,000 to €30,000, imposes significant financial strain on growers. These changes have led to a two-tier wage system, where new entrants under GEPs earn more than experienced local staff, creating operational and morale challenges. Horticultural employers have been excluded from the Increased Cost of Business (ICOB) scheme, a grant designed to help small and medium enterprises offset the rise in minimum wage.

IFA Propose:

- A labour cost support scheme specifically for horticulture, acknowledging the sector's unique challenges
- A halting on the GEP roadmap for horticultural employers to prevent further disproportionate wage inflation
- The immediate establishment of the seasonal work permit scheme based on the National Minimum wage

4.6.2 The Scheme of Investment Aid for the Development of the Commercial Horticulture

The Scheme of Investment Aid for the Development of Commercial Horticulture is critical to the sector's expansion. It has been successfully utilised to encourage investment, enhance efficiency, and foster innovation. Funding under the scheme should be increased to help increase the area under horticultural production as part of the National Horticulture Strategy. This should be strongly considered, especially with the inclusion of seed potato under the scheme this year.

IFA Propose:

- That funding for the scheme be increased to **€15m** (from €8.5million in 2024) to meet the demand for investment, evidenced by the oversubscription of the scheme in previous years, particularly last year.
- Consideration is given to the inclusion of specialised refurbished /second-hand horticulture equipment.

4.6.3 Support for Automation in the Irish Mushroom Sector

The Irish mushroom sector requires tailored capital support to adopt automation and robotics. This investment is crucial for enabling the Irish mushroom sector to remain competitive globally in the export-led, rural-based sector. Automation is the only viable long-term solution to reduce labour dependency, safeguard production, and ensure food security. The scale of investment required is far beyond the reach of existing support mechanisms. A separate fund with an initial allocation of €10M in year one is required to invest in costly automation, thereby reducing the need for labour.

4.6.4 Spent Mushroom Compost Scheme

A spent mushroom compost scheme, similar to the straw incorporation scheme, may hold significant potential for the agricultural and horticultural sectors. Spent mushroom compost is the by-product of mushroom cultivation composed of organic materials such as straw. Large volumes of this spent mushroom compost are used as low-volume soil conditioners. A scheme to incorporate spent mushroom compost into agricultural practices can bring about numerous benefits. Incorporating spent mushroom compost can enhance organic matter and structure, thus improving soil fertility. Like the straw incorporation measure, the scheme could contribute to sustainable agriculture and circular economy practices. Considerations should be made to provide a budget for such a scheme.

4 https://www.teagasc.ie/media/website/publications/2025/Horticulture-Crop-Input-Prices-2025.pdf

IFA Propose:

- That a budget of €2M should be provided to initiate a pilot Spent Mushroom Compost scheme.

4.6.5 Baling Assistance Payment

The baling assistance payment must be maintained to help alleviate the cost of straw for sectors reliant on its use, including mushroom composter, carrot growers (for overwintering) and livestock farmers.

Straw forms the bulk structure of the mushroom compost substrate, and no viable alternative exists at scale. With compost accounting for a significant share of total input costs in mushroom production, any increase in straw prices directly raises production costs and squeezes margins.

Carrots are routinely overwintering in situ and require a heavy cover of straw to protect from frost. A significant acreage of 350 acres undergoes this strawing process annually and requires similar support.

4.6.6 Peat

Continued funding for research into alternatives to peat must be committed to, as well as other options.

The Just Transition Fund is used to cover the costs incurred by growers in this change.

4.6.7 Potatoes

Seed Potato

The recent announcement of the re-establishment of trade relations between the EU and the UK is positive for the seed potato sector. The details or timeframe, however, have not been disclosed. It remains crucial that our domestic industry is revitalised. The sector requires ongoing support to revitalise the domestic production of seed potato potatoes. As of last year, seed potato producers can avail of funding under the horticulture grant scheme. However, this scheme is oversubscribed most years. The sector requires ring-fenced financing for further development.

IFA Propose:

- That the seed potato sector receives ringfenced financial support to encourage increased production.

4.6.8 Horticulture Land Rental Scheme

The IFA proposes a targeted land tax exemption for landowners who lease land for a minimum of two years to horticulture growers. This measure would incentivise the increased mobilisation of land, directly supporting national goals for increased horticultural output and crop diversification.

Ireland's National Strategy for Horticulture 2023–2027[5] identifies access to suitable land as a key barrier to sector expansion, particularly for field vegetables, soft fruit, and other high-value crops. Despite rising demand and strong market potential, many horticulture growers face challenges securing secure, medium-term access to land.

IFA Propose:

- Full income tax relief for landowners leasing land to horticultural growers for at least two consecutive years.
- Clear eligibility criteria to ensure the scheme supports active, productive use by commercial growers.

4.7 Organic Farm Scheme

The Organic Farm Scheme (OFS) payments assist farmers with organic farming. Recent enhancements to OFS payment rates have led to an increase in the number of farmers participating in the scheme. An additional 1,050 farmers entered conversion since January 2025, bringing the total to over 5,600 participants in the OFS and tripling the area being farmed organically since 2020.

Even with these new entrants, the area under organic production remains significantly below the European average. Ireland's Climate Action Plan aims to have 10% of its land area farmed organically by 2030. This can only be achieved by increasing funding for the scheme. There is a growing demand for organic products among consumers, and Ireland's green image in the international marketplace presents a real opportunity to develop the sector further.

IFA Propose:

- Funding for the Organic Farm Scheme should be increased to incentivise and further develop the land area under organic production.
- The participation payment should be maintained.
- An additional payment is required for the first 3 hectares of organic horticulture land.
- Increased investment is needed to develop suitable markets and outlets for the projected increase in organic produce expected to enter the market in the coming years.
- TAMS to be made available for all sectors at a baseline rate of 70% grant aid for organic farmers.
- Digestate from Anaerobic Digester plants to be eligible for spreading on organic farmland.
- Dual funding is a challenge when considering the OFS or Environmental Schemes, especially for organic farmers. Organic farming should be reinstated as a supplementary measure within an environmental scheme.

4.8 Poultry

The poultry sector is a vital and growing part of Ireland's agri-food industry, particularly concentrated in counties such as Cavan, Monaghan, Louth, Limerick and Cork. The sector supports 6,000 jobs directly and indirectly across the supply chain, including 770 commercial poultry farms that produce broilers for meat and layers, which produce table eggs. The sector is valued at approximately €700 million annually, reflecting its substantial contribution to rural economies and a high percentage of what is produced is consumed domestically. Irish poultry production grew by an estimated 3%

5 https://assets.gov.ie/static/documents/national-strategy-for-horticulture-2023-2027.pdf

in 2024, with throughput at meat plants reaching 115 million birds. As in previous years, chickens accounted for the majority of production, at 96%, followed by ducks and turkeys, which represented 3% and 1%, respectively.

4.8.1 Introduction of a Broiler-Specific Flat Rate Addition VAT Rate

The proposed removal of the broiler poultry sector from the Flat Rate Addition (FRA) VAT compensation scheme will severely disadvantage farmers in this sector. There is a need for a sector-specific VAT structure for poultry broiler production that is both fair and workable.

Many broiler poultry farms are mixed farming enterprises, where the current proposed removal from the FRA scheme will create complexity and administrative burden

Under the 2010 VAT Consolidation Act and the EU VAT Directive, member states are permitted to apply sector-specific VAT rates to address structural or economic realities within agricultural production systems.

The current proposal of the removal of FRA VAT must be addressed urgently with a practical, tailored solution that reflects the operational reality of broiler production in Ireland

IFA Propose:

- **The introduction of a poultry broiler-specific FRA VAT rate.**
- **Broiler farming should be included in the Teagasc National Farm Survey, providing data to the CSO to calculate the broiler poultry specific rate.**

4.8.2 Disease Compensation Scheme

There must be an adequate poultry disease compensation scheme, particularly for **table egg layers and broiler breeders**, as the current scheme does not fully reimburse losses or even the value of the stock at the time the loss is incurred. The current funding mechanism does not adequately support the needs of farming families or the poultry sector. The Irish poultry industry consistently delivers improvements in biosecurity and disease prevention; however, in the rare case when support is required, it falls drastically short. IFA Poultry Committee, in conjunction with Poultry Ireland, are asking the Government to allocate additional funding to the poultry sector for specific diseases.

- Establish an island culling team to ensure that the sector can quickly respond to contain diseases should there be an outbreak. It would be a strategic investment in disease preparedness and biosecurity, ultimately ensuring public health is protected.
- Increase **Teagasc funding for poultry-specific education and research**. There is currently one poultry advisor within Teagasc, and we understand that there is ongoing work to merge the pig and poultry departments. However, the sector requires more than one poultry-specific advisor available to farmers on the ground. The poultry sector (meat and eggs) remains a critical part of the rural economy in many parts of the country, delivering around €700 million in output and supporting over 5,000 jobs from just circa 800 farmers. One poultry advisor cannot fully support the requirements of this sector in its entirety.

4.9 Pigs

The pig sector is Ireland's third-largest agricultural sector after dairy and beef, making a significant economic and regional contribution. There are 230 commercial pig farmers in Ireland, with the sector making a financial contribution of €1.5 bn annually to the Irish economy. These 230 farmers produce 4 million pigs annually, which are processed in our primary and secondary processors. The industry directly employs 4,098 people and supports an additional 4,036 jobs indirectly, totalling over 8,134 jobs in total. This employment is significant in rural areas such as Cavan, Cork, and Tipperary, which account for nearly 50% of the national pig population. Irish pigmeat exports for 2024 amounted to €890million, €400M of which was value-added pigmeat, reflecting continued strength in international markets and the growing value of processed products..

4.9.1 Knowledge Transfer (KT)

The IFA Pig and Poultry Committees are calling for the inclusion of pig and poultry sectors in the KT Programme. While the programme has delivered clear benefits across other farming sectors through peer learning, expert guidance, and structured farm planning, pig and poultry farmers have been excluded in the most recent KT programme. This exclusion overlooks the unique challenges and opportunities within these sectors.

Investment Supports

Increase the **PPIS (Pig & Poultry Investment Scheme) investment ceiling** to €1,000,000 to reflect rising construction costs and improve scheme viability. The cost of constructing or refurbishing pig and poultry housing has risen sharply, and this should be reflected in the level of funding available.

Engagement on the funding required for additional items under the TAMS scheme to support biosecurity, improve efficiency, sustainability, animal welfare and ensure the competitiveness of Irish pig and Poultry farms.

4.9.2 Renewable Energy on Pig and poultry farms

IFA seeks the introduction of an exemption from planning objections for solar installations on pig and poultry units that comply with local development plans and provide TAMS support for their installation.

Carbon Credit Scheme

Explore the potential for the development of a carbon credit scheme for pig and poultry farmers. This should reward farmers for delivering reductions in emissions. This would encourage pig and poultry farmers to increase their already significant efforts in meeting climate targets and provide them with incentives for their commitment.

Carbon Tax Exemption

Given the limited fuel alternatives and tight margins in the poultry sector, an exemption from carbon tax should be introduced. This issue is particularly pressing for poultry farms reliant on gas to heat their poultry houses.

Taxation Measures for Volatility Management

Revisit proposals from the Teagasc Pig Department regarding income smoothing measures, such as those based on the Australian model. This was referenced in the 2025 Budget and should be further explored.

Allow a **full write-down (ACA)** in year one for three-phase electricity infrastructure upgrades (to allow the entire cost of the upgrade to be deducted from taxable income in the same year the expense is incurred.

4.9.3 Education for Pig (& Poultry sectors)

Provide additional funding for farm-specific modules in various areas of pig and poultry production, which will encourage the upskilling of farmers and farm staff, including the development of online learning modules.

Review and adjustment of the Farm Apprenticeship Bursary (currently €2,000), especially in light of employer wage costs during the 40-day college attendance period. Notably, craft apprentices have their college-period wages paid by the state—this disparity should be addressed.

4.10 Farm Forestry

4.10.1 Forestry & CAT/Stamp Duty Relief

Farm forestry is a key measure under the Land Use and Land Use Change and Forestry (LULUCF) sector in the Climate Action Plan 2025. When a farmer enters forestry, it is a permanent change of use of the land in question. In addition, under the new Forestry Programme, farmers must commit 32% of the productive land area to biodiversity enhancement and broadleaf planting.

Land with forestry is currently defined as agricultural for CAT Agricultural Relief, provided those trees are grown on over 75% of the land; if they cover a smaller amount of the land, the relief cannot be applied unless the land is split into separate folios of forestry and agriculture.

However, with Stamp Duty, land with commercially growing woodlands does not qualify for relief and is subject to the 7.5% rate. The differing definitions cause unnecessary complications and complexities, acting as a barrier to farmers investing in forestry. To overcome this barrier:

IFA Propose:

- If any percentage of the farm is dedicated to forestry, it should be defined as agricultural land, and the CAT Agricultural Relief applied to the whole farm.
- Farm forestry is treated similarly to the Consanguinity and Young Trained Farmers Stamp Duty Reliefs as it is with CAT Agricultural Relief, where it is defined as agricultural land.
- Where a non-farmer buys forestry, the normal commercial rate of stamp duty should apply to the full value of land and timber. This is required to ensure forestry remains primarily in the hands of genuine farmers.

The Government has significant ambitions for the forestry sector, as the Climate Action Plan 2024 sets out. This plan aims to increase annual planting rates to 8,000 hectares annually and deliver an additional 28,000 hectares of new forest by the end of 2025. To date (7th June 2024), 565 hectares of new forests have been established, just 7% of the annual planting target.

Since agricultural land accounts for 67% of Ireland's total land area, a farmer's decision to plant will be critical to driving the new planting programme. However, there has been an accelerated decline in farming planting over the last decade. This is due to successive policy decisions, including restrictions on planting productive land, increased environmental regulation, higher costs associated with managing small farm forests, unworkable conditions attached to licences, inadequate compensation for farmers affected by ash dieback, and growing concerns about plant health risks.

The reintroduction of a farmer premium differential in the new programme has done little to restore confidence or revive farmers' interest in planting, as substantive farmers' concerns regarding excessive regulatory burdens that reduce the viability of forestry on farms remain. The reality is that many farmers no longer view forestry as a safe investment; the risks associated with committing their land in perpetuity have become too great.

New measures are needed to reverse the decline in afforestation, de-risk investment, and restore confidence while ensuring a balanced regional spread of forestry is achieved.

IFA Propose:

- The **Payment Ecosystem Service (PES)** payment under the new programme requires farmers to erode further productive areas to qualify. This is unacceptable and needs to be revised. Farmers should be compensated for managing the land necessary to enhance the area's biodiversity, including the preservation of broadleaf species and meeting environmental requirements. They should not need to erode productive regions to qualify for a payment. The PES rate should reflect the income foregone from timber production and must be extended beyond the 7-year payment.
- Compulsory areas allocated for Ecosystem service as part of the current Forestry Programme must be compensated beyond the premium payment to reflect the income foregone for the duration the land is deemed to be an Ecosystem service provider.
- The introduction of a **Harvesting Plan Grant** to assist forest owners with the increased costs and requirements associated with applying for a felling licence.
- The current **Ash Dieback Reconstitution Scheme** represents an improvement over previous iterations of the scheme; however, further enhancements are still required. This includes flexibility in the payable clearance grant rate for older and more difficult sites, as recommended in the Independent Review of Ash Dieback Response, and a review of the Climate Action Performance Payment (CAPP) for farmers with older and larger ash woodlands. In October 2023 former Minister Pippa Hacket stated, "We will also publish a plan to implement the recommendations of the Ash Dieback Independent Review in the coming weeks." This action is yet to be carried out.

- CAPP should be made available to forestry owners without having to apply through the Reconstitution Ash Dieback Scheme 2023-2027 scheme.
- The introduction of a **Roadside Ash Tree Removal Grant** is urgently required to support farmers in safely removing diseased roadside ash trees. The grant should be administered by Local Authorities, who would be responsible for coordinating the safe removal of the trees by providing grants to support farmers in hiring relevant professionals to fell these trees safely.
- The allocation of funding to establish a **Forestry Development Agency** to drive the industry, as in other natural resource sectors. It would be charged with optimising the performance of the Irish forest industry by providing technical expertise, business support, funding, training and promoting responsible environmental practice. The establishment of this Agency is critical to achieving the afforestation targets.
- **Agroforestry premium** should be extended **beyond 10 years** to compensate for the loss of income forgone.
- Green Certificate College Module should be included on Forestry – The introduction of a Forestry module to be included in all Green Certificate curriculums to encourage the next generation of farmers to view forestry as a farming practice.
- Due to recent unprecedented storm events, **windblown trees** are now a pressing concern nationwide. It is estimated that the extent of damage to forests following storms Darragh and Eowyn, using the National Forest Inventory and Earth observation data, 23,900 ha of forestry. There is a need for **Grant aid to be made available to all forest landowners affected by Windblow for the removal of Windblow timber, transportation costs as well as the replanting obligation.**
- A forestry budget, such as TAMS, whereby funding is ring-fenced for forestry equipment, including small attachments like sheers, rotators, grabs, forestry trailers with or without a built-on crane, and safety gear.

4.11 Aquaculture

4.11.1 Aquaculture

Current difficulties facing the sector are not sustainable for Irish Aquaculture operators and some businesses will no longer be profitable unless there are significant supports during this time of crisis to assist the sector. IFA Aquaculture are calling on the Minister to consider funding mechanisms to assist Irish Aquaculture operators affected by significant production losses coupled increasing input costs and reduction on sales for aquaculture businesses.

There are specific issues across all sectors, namely recent losses in the salmon sector due to biological challenges (Loss of €4m worth of Salmon in Inver Bay, Donegal – Oct 2024). Reduction in sales and market issues in the oyster sector as well as recent storm damage in Clew Bay amounting to €150k in damages and product losses, and significant mortality in Dungarvan Bay in Summer 2024 due to potential Karenia bloom resulted in 55% loss in full-grown oyster stock and 30% loss in half-grown oyster stock. In particular, a lack of availability and mussel seed settlement are impacting both the bottom and rope mussel sector, along with issues in the Southwest rope mussel sector include ecological challenges, biofouling (tubeworm), poor growth and condition, resulting in a lack of saleable product – 40% reduction in gross harvest across the rope mussel harvesting season when compared with harvesting seasons which is worth an estimated value of over €5m for 2024.

IFA Propose:

- IFA Aquaculture acknowledges that the Minister recognises the current challenges across the sector and has indicated that responses to support the sector are required - IFA Aquaculture are calling on the Minster to establish a support mechanism for the Irish Aquaculture sector to address current biological, economic and market challenges.

Support the sustainable development of our Aquaculture sector - modernise & streamline aquaculture licencing system

Prioritising immediate action to implement a functioning aquaculture licensing system must be a key priority for any future development of the Irish Aquaculture industry, including appropriate legislative changes required to facilitate this. There is commitment in the Programme for Government to 'continue to support the sustainable development of our aquaculture sector and modernise and streamline aquaculture licencing in the State through legislation changes' – the Government must ensure the economic potential and sustainable future of the Irish Aquaculture industry is realised. Sufficient funding and resources must be allocated to facilitate a modernised & streamlined aquaculture licensing system, as well as the provision of core work programmes and statutory monitoring programmes within the remit of DAFM and its Agencies.

IFA proposes that sufficient funding, and adequate resources be allocated to ensure the full implementation of all the Independent Aquaculture Licensing Review recommendations and the National Strategic Plan for Sustainable Aquaculture Development 2030. Further, sufficient funding and appropriate resources must be allocated to State Agencies responsible for providing core work and statutory monitoring programmes which are essential for food safety control and support of the Irish aquaculture industry.

Appropriate Assessments – There appears to be a pinch point in the aquaculture licensing renewal/application process around the timeframe for completing appropriate assessments carried out by the State – IFA Aquaculture have consistently stressed that clarity on the process is needed and a strategic approach is essential to meet the demand while ensuring sufficient resources for DAFM and State agencies are available to complete the work in timely manner.

IFA proposes that the Minister must ensure that no backlog of aquaculture licence determinations will accumulate over the coming months and ensure that sufficient resources for DAFM and State agencies are available to complete the work in timely manner.

4.11.2 Shellfish Water Quality

There are 64 designated shellfish areas in Ireland as part of the EU Water Framework Directive which requires all Member States to designate waters that need protection to support shellfish life and growth. Following the allocation of €2.7 bn for Uisce Éireann to support the delivery of their Capital Investment Plan for 2025-2029, adequate funding and resources must be made available to ensure tertiary treatment must must be prioritised for all coastal Wastewater Treatment plants (WWTP) - specifically WWTP's adjaent to bays and harbours where shellfish production is carried out to sustain food safety, rural jobs and enterprise and compliance with the EU Water Framework Directive (formerly EU Shellfish Waters Directive).

IFA Propose:

- **IFA proposes that adequate funding and resources be made available to ensure tertiary treatment is rolled out for all coastal Wastewater Treatment plants (WWTPS) - specifically WWTPS adjacent to bays and harbours where shellfish production is carried out to sustain food safety, rural jobs and enterprise. Further, funding and resources must be allocated to the relevant bodies to establish pollution reduction programmes where required, in compliance with the EU Water Framework Directive (formerly EU Shellfish Waters Directive).**

4.11.3 Bord Bia Marketing Assistance Programme

Aquaculture producers can avail of Bord Bia's Marketing Assistance Programme (MAP) Grant which helps Irish food and drink producers enhance their performance and seek new markets by providing financial support for a range of marketing activities. This is a valuable marketing support for Irish Aquaculture producers which has seen a rate % reduction in recent years.

IFA Propose:

- **IFA proposes an increase of €1m additional funds for the Bord Bia's Marketing Assistance Programme (MAP) Grant Scheme to continue providing financial support for a range of marketing activities for Irish food and drink producers.**

4.12 Equine

Ireland has a powerful reputation for its horse sector. The country has a deep-rooted horse breeding and ownership tradition, particularly among rural farming communities. Greater financial support from existing funding sources is needed to support horse breeders and improve the traceability of all horses.

IFA Propose:

- **Full consideration was given to the IFA submission proposing that 15% of all prize money in horse competitions and racing go directly to horse breeders.**
- **DAFM to take control of administering a complete Horse Identification & Movement system (HIMs) database to identify all horses.**
- **Government funding for Horse Racing Ireland (HRI) and Horse Sport Ireland (HSI) needs to increase in line with inflation.**
- **Establishment of licenced horse processing facility within the count, led and funded by DAFM.**

5. Cross Sector Support

5.1 Targeted Agricultural Modernisation Scheme (TAMS)

(see section 2.2)

5.2 Farm Safety

The fatality rate in agriculture remains unacceptably high. Investment in behaviour change and physical infrastructure is essential. Awareness and education programmes focussed on prevention of accidents, through supporting farmers to change behaviour, are the best way to reduce farm accidents. Farmers should be supported to make necessary investments to improve on farm safety, both for personal use but also that of wider family members and paid employment. The use of all-terrain vehicles (ATV)/quads has become increasingly common on Irish farms, leading to an increase in serious accidents, on occasion fatal, associated with their use.

IFA Propose:

- **PPE VAT Relief:** Include PPE under a new flat-rate VAT refund category.
- **Reduced VAT for Safety Equipment:** Apply lower VAT rates to PTO covers, manhole replacements, etc.
- **Safety Equipment Incentive Scheme:** Provide grants or tax credits for key safety upgrades and training.
- **Quad Safety Training Grants**
- **Annual Farm Safety Budget:** Ring-fence funding for the Farm Safety Partnership Advisory Committee.
- Non-registered farmers should have the option to reclaim VAT on the cost of purchasing and maintaining farm safety equipment to help maintain best safety standards, via the VAT 58 form.
- **Planning Reform for Underpasses:** Introduce a fast-track planning process for constructing underpasses to reduce livestock crossing risks.
- **Accelerated Capital Allowance** available for farm safety equipment is positive and should be revised annually and extended to include new safety equipment.

Roadside Ash Dieback Scheme as above in 4.10 Forestry

5.3 Hill Farming

5.3.1 Uplands Recreation Scheme

Developing a pilot Upland Recreation Scheme, to be implemented through the Mountain Access Project (MAP) areas, was a key initiative outlined in *'Embracing Ireland's Outdoors: National Outdoor Recreation Strategy 2023-2027.'* This project is envisioned to operate similarly to the Walks Scheme, providing path maintenance payments to farmers and landowners in selected upland areas. Stakeholder consultations and project development has been completed pertaining to the MacGillycuddy Reeks, the only remaining MAP site, with implementation of the pilot scheme expected in the second half of 2025.

In terms of its expansion, this project must prioritise farmers needs and concerns, tailoring actions to the areas where maintenance work will be conducted. The challenges in different mountain regions vary significantly due to terrain, land ownership structures, and recreational usage. Therefore, a one-size-fits-all approach will not be practical. Instead, bespoke, farmer-centric plans are essential for the successful rollout of the scheme.

IFA Propose:

- Alongside additional potential hours worked, implement a higher payment rate for farmers beyond the standard own-work rate of the Walks Scheme. This increased compensation reflects the additional challenges and ensures that farmers are adequately rewarded for their essential role in maintaining these areas.
- Extend the maximum payable work hours per annum under the scheme to 250. This extension acknowledges the extensive labour involved in managing mountain access routes and provides fair compensation for the time and effort farmers invest.
- Ensure that farmers and landowners in identified project areas are fully consulted at all stages of development and implementation. This includes initial planning, ongoing development, and final execution. Establish formal consultation processes, such as advisory committees and regular feedback sessions, to integrate their input and address their concerns throughout the project lifecycle.

5.3.2 Crisis Fund & Goodwill payments

Through National Exchequer funding, and redistributed where under-utilised, establish a fund / reserve to support farmers in emergency situations where natural disasters, adverse climatic events or other catastrophic events (e.g. animal health diseases or plant pests) result in production losses of at least 30%; increased rehabilitative/mitigating expenditure; loss to breeding herds; crops; infrastructural damage or loss of productive capacity more generally. Such a fund could also be utilised to remunerate farmers by way of 'goodwill payments' to compensate for costs incurred where farmers support community efforts and connectivity, whether limiting fire damage to property; distribution of medicine/essential goods and/or rehabilitative works during/ after storms, snow, floods, etc.

5.3.3 TAMS

60% grant aid be provided to Hill farmers, with Quads and virtual fencing/collars added to list of eligible items.

5.3.4 Increased ewe payments

Further increase the payment rate within the Sheep Welfare Scheme by €5 to €18/ewe, with an overall combined provision of €40/hill ewe. This may be derived by further implementation of practical on-farm measures.

5.3.5 ACRES

Hill farming specific measures included in the ACRES appendix 1.

5.3.6 Dogs

Greater enforcement of existing legislation required (including additional Dog Wardens), with legislative amends to prohibit non-working dogs from farmland or the uplands.

- Provision of medical supplies or veterinary care to dogs to be restricted only to dogs that have been micro-chipped.
- Increased budgetary allocations to enable greater education campaigns around responsible dog ownership.

5.3.7 Greater targeted support for Hill farmers

The economic and physical realities of operating on hill farms are not currently fully acknowledged, requiring attention via additional targeted supports to sustain and maintain our uplands. This urgency is amplified given aging demographic and intergenerational challenges experienced on uplands.

By way of context, using most recently available Teagasc National Farm Survey data (2022), despite, on average, operating similar sized operations as all farms nationally (45.7ha vs. 45.2ha), average farm incomes on Hill farms is nearing one-third that of all farms (€16.3k vs. €44.9k). Over three in four hill farmers earned less than €10,000 in 2022 (76.8%). Standard economic output is less than half all farms (€59k vs. €135k). Much reflects the more extensive nature of hill farming operations (37.5 Total Livestock Units vs. 61.8 Total Livestock Units) – a factor not only of its underlying physical terrain constraints but also political intervention.

Since January 2022, uplands or commonage land have been limited to a maximum of 50 kg of organic nitrogen per hectare (N/ha). This means that farmers using these lands for livestock grazing have a significantly reduced stocking rate compared to other land types. Less livestock means less market revenue.

Key interventions, which may be denoted of particularly benefit to hill farms, such as ACRES Co-Operation, fail to recognise that they are not universally available to all hill farmers; the cost incurred/income foregone approach applied which negates any meaningful economic gain for farmers, but also that the unique elements of ACRES Co-Operation relative to ACRES General (i.e. Non-Productive Investments & Landscape Actions) are not even fully functional yet.

IFA Propose:

- **Increased funding should be allocated to the Areas of Natural Constraint (ANC) scheme and returned to past levels, with existing payment rates and eligible area increased to help better preserve and protect the unique uplands eco-system; avoid land abandonment; and sustain the economic viability of a dwindling cohort of farmers.**
- **Given increased reliance on purchased fodder/bedding, a new Over-Wintering Support Scheme should be introduced, with applications open to all farmers but increased support/allocations for farmers in uplands and Natura 2000 sites.**
- **An increased/bespoke supports should be designed and made available for hill farmers in all future farm schemes.**

5.3.8 Mountain Access Projects

The Mountain Access Project, developed by Comhairle na Tuaithe, aims to formally establish recreational access agreements with landowners in mountain or selected upland areas to facilitate public access. Initially launched in the MacGillycuddy Reeks, Co. Kerry and Binn Sleibhe, Co. Galway, the project provides public liability insurance for farmers who want to allow access to their land for recreational use. Farmers are crucial in maintaining the land and ensuring sustainable access, making their involvement and cooperation essential for the project's success.

However, in recent times, issues such as lack of communication with farmers, changing demographics of landowners, increased footfall and dog control have posed challenges for farmers. These issues have led to the decision by the Binn Sleibhe project area to withdraw from the project. While this is disappointing, important lessons can be learned to ensure successful rollout of the project in other areas. Recent expressions of interest to join the MAP were received from the Comeragh Mountains, Co. Waterford; Croagh Patrick, Co. Mayo and Mount Errigal, Co. Donegal.

IFA Propose:

- **The Mountain Access Project is extended and piloted in new areas.**
- **Develop robust communication platforms, such as regular meetings, and a dedicated farmer point of contact, to facilitate continuous dialogue between farmers and the administrative team. This will help quickly resolve conflicts and adapt strategies based on real-time feedback from the ground, ensuring that the project aligns with their needs and respects their livelihoods.**
- **A 'No Dogs Allowed' policy is extended across all Mountain Access Project Areas.**
- **Establish a structured payment system to compensate farmers for providing access to their land. This will incentivise their participation and help cover any expenses incurred by providing access to the public.**

5.4 Walks Scheme

The Walks Scheme has a significant impact on the development of recreational activities, boosting rural tourism and supporting farmers who provide access to their land. IFA welcomes the recent expansion of the Walks Scheme that will see the number of trails increase from 80 to 150 over the next two years. For each, there needs to be provision made for ongoing maintenance grants, but also there needs to be greater promotion and enforcement of the 'No Dogs Allowed' policy for the protection of ground nesting birds, biodiversity and farm animals.

IFA Propose:

- **Maintenance grants for new and existing walks must be provided.**
- **There needs to be greater promotion and stricter enforcement of the 'No Dogs Allowed' policy.**

- Any amenities or walkways within the jurisdiction of Local Authorities that are in close proximity to farmlands where animals are grazed must prohibit dogs.

5.5 Designated Area Payments

The economic viability and value of the approximately 35,000 farms on designated lands must be better protected. The severe restrictions imposed on them, compounded by the less-than-adequate administrative and governance systems, undermine their financial interests and security. We are aware of many farmers waiting literally years for a decision from the Government on applications submitted regarding Actions Requiring Consent (ARCs). This is simply unacceptable. Farmers cannot be left in limbo and should not have to suffer economic disadvantage.

There needs to be an ongoing review of lands under designation, with the designation lifted where appropriate. Compensation should be permanent as long as the designation is in place. A 'no compensation, no designation' policy should apply. False promises were made to farmers operating in designated areas in this regard. This must be rectified in the first instance, and the same mistake avoided at all costs. In addition, no further restrictions can apply to these holdings, and they cannot disproportionately carry the burden of policy compliance for the Nature Restoration Law. (NRL).

Legislative provisions should be introduced to ensure the economic interests and property rights of landowners are protected, and that NRL measures should only apply on a voluntary basis, with no negative consequence from individual/collective action, whether from public/private sources, on adjoining landowners. This should include ongoing maintenance requirements. With regard re-wetting specifically, these should apply via 'community interventions' only, following required planning and the consent of all relevant landowners.

It must be acknowledged that payments through the National Parks and Wildlife Service (NPWS) for land under Special Areas of Conservation (SACs) and Special Protection Areas (SPAs) through the Farm Plan Scheme helps meet the costs of restrictions imposed by designation. This is particularly relevant to the Shannon Callows, Hen Harrier, and hillland areas, where severe farming and other developmental limits exist. However, in more recent years, a divergence in payments has arisen between various iterations of the Farm Plan scheme (€525/acre v. €400/acre to greater align with ACRES). This must be addressed, together with an ability to clean existing drains re-instated in Notifiable Actions. Additional resources must be afforded to the Farm Plan scheme, with increased payment rates offered to reflect the extra costs and burdens on farmers and flexibility if it can operate alongside other agri-environmental schemes where additional land is held.

IFA Propose:

- An appropriate compensation scheme, funded independently of CAP, is required to ensure farmers currently affected by designation are adequately compensated for the farming restrictions placed on them and to account for loss of earnings and land devaluation. Compensation should be permanent as long as the designation is in place. A 'no compensation, no designation' policy should apply. IFA will oppose any further designations on farmland until current designations have been adequately compensated for, and existing system inefficiencies have been redressed.
- No further restrictions should apply to lands currently designated. Instead, increased support (advisory, financial, etc) should be provided and agricultural activity allowed to continue.
- Legislative provisions should be introduced to denote the voluntary nature of NRL interventions, with robust protective measures designed and in place to protect the security value and economic interests of adjoining landowners.
- Meaningful consultation and engagement with farmers is required prior to the imposition of any designation, with a mechanism provided for farmers wishing to appeal the proposed designation. The abrupt imposition, without any meaningful Government/stakeholder engagement, of designations on farm land to date has been unacceptable.
- In consultation with IFA, a full review of the internal operating dynamics surrounding designations, compensation and applications for ARC's is required because the existing system is not fit for purpose.
- In consultation with IFA, and following the original Farm Plan scheme construct, an independent body should be set up or engaged concerning any review/revised Farm Plan Scheme costings and/or payments.
- The Farm Plan scheme should operate alongside other agri-environmental schemes, better profiled, and additional funding allocated to offer bespoke management plans and pay all farmers where, due to designation of land, restrictions are imposed on farming and lands significantly devalued.
- A new 'Farming for Habitat and Farming for Species' payment needs to be introduced to maximise environmental gain and compensate farmers who suffer a loss in income when EIP projects such as the Hen Harrier, Pearl Mussel, and Burren Schemes end. Hill / SAC areas should also be eligible for this payment.
- Eligible area for Disadvantaged Area Payments should revert to the previous levels.
- Greater supports should be provided toward the control of invasive species, including amongst others, flexibilities for Organic farmers to be able to utilise, on a targeted and limited basis in compliance with dedicated agreed management plans, select herbicides / pesticides.

5.6 Leader

- A sustainable budget of €389m must be provided for the LEADER Programme 2023-2027 to drive 'bottom-up, community-led' investment to create and sustain employment in rural Ireland, provide funding in the rural environment and support climate change mitigation initiatives in rural communities as well as the identified high-level ambitions of LEADER 2023-2027 outlined in the draft CAP strategic plan.
- IFA proposes that funding, in addition to what's proposed in the CAP Strategic Plan, be provided by the Department of Rural and Community Development (DRCD).

5.7 Farm Finance

Farmers by their nature are continually investing in their farm business, upgrading farm buildings, machinery and/or infrastructure to improve on-farm efficiencies. SME credit / new money to the Agri sector from the main financial institutions has declined considerably in recent years (back €132m in 2023 vs. 2017 levels), in part a reflection of decreased bank lending appetite; market volatility; TAMS administrative issues; and rising interest rates.

While interest rates thankfully have decreased in the past 12 months, following 8 consecutive 25 basis point ECB reductions (0.25%) down to a ECB lending rate of 2.15% (June 2025), prevailing rates available to farmers in Ireland remain 4-5% in excess of these ECB rates. The lack of competition in the Irish agri banking market is notable and this follows some high-profile exits from the banking market in recent years. This, as a result, has increased the cost of framers borrowing costs significantly.

Access to farm finance and working capital is paramount for farmers across all enterprises. It is vitally important that farmers have easy access to sufficient low-cost funding to allow their businesses to trade efficiently.

IFA Propose:

- Ensure availability of reduced cost finance such as SBCI lending is continued. It must be ensured that such funding is available to all farmers to enable them to make their businesses more sustainable from both an environmental and/or a financial perspective.
- Significant investment and added resources will be required to support An Post and Credit Unions in their efforts to facilitate community banking, with advances needed not only toward an improved financial offering to the SME market (and competitive nature thereof) but also significant capital investment in their infrastructure/network to facilitate more secure/private financial transitions.
- As the accountability requirements of the financial sector increase, funding opportunities for agriculture must be secured.
- To support generational renewal in agriculture, low-cost finance and installation aid must be made available to young farmers .

Renewable Energy from Farms

See Appendix 3: Proposals from IFA Energy from Farm Project Team

6. Agri Taxation

6.1 Definition of Agriculture

The definitions of agriculture and farming within taxation must expand to encompass any new diversified farming systems and not disadvantage anyone who wishes to partake in different agricultural models. This will be important as farmers undertake alternative farm enterprises such as energy generation, contributing to agriculture and the energy sector's climate emissions reduction targets.

6.2 Residential Zoned Land Tax

The Residential Zoned Land Tax (RZLT) first announced in 2021, has become payable by landowners who own land that falls within the scope of RZLT in 2025. The stated purpose of RZLT is increase the availability of zoned and serviced land for housing developmental purposes. It was stated that its purpose was to prevent the "hoarding" of zoned land by speculators. Farmers are not land speculators and land is the base input for food production. While our government listened and understood the unfairness of RZLT being imposed on farmers in Budget 2025, and accordingly an exception based on agricultural economic activity, it is a one-year exemption which must now be made permanent.

The 3% annual market value tax is unjust and disproportionate to its income generation capacity and represents nothing more than a land-grab exercise. Despite numerous Government commitments to exclude, active farmland remains within scope. This must change on a permanent basis.

The inequitable reality, however, is that many farmers will be forced to sell their owned land as they cannot afford the annual RZLT. The significant divergence between the yearly 3% market value tax liability and the potential income yield or earning potential from the farmland itself is disproportionate and excessive.

It should be noted, too, that the rental or income yield of farmland, unlike commercial or residential property, is not influenced by location. It's inequitable and unfair that this discriminatory tax is being placed on farmers. By way of example, an average-sized suckler farm with 7 acres of zoned land valued at €50,000/acre would pay €10,500 annual RZLT liability. The entire yearly farm income in 2023 was less than €14,7351 for other cattle farming enterprises.

IFA Propose:

- All actively farmed land must be permanently removed from the scope of RZLT.

6.3 Commercial Rates on Farm Buildings and Agricultural Land

Many governments have prioritised agriculture and food as major economic drivers for the Irish economy. Given their use and location, all farm buildings must be exempt from all commercial rates.

IFA Propose:

- Maintaining and expanding all exemptions applying to farm buildings in the Valuation Act 2001 and the 'relevant property not rateable' list to recognise the diversification of farm enterprises.

6.4 Uisce Eireann's Non-Domestic Tariff Framework (NDTF) (Water Charges)

Uisce Eireann proposes introducing higher water charges for farmers connected to public water supplies which will result in increased standing charges per connection and cubic meter costs. This is particularly concerning for farmers with multiple connections, such as those with fragmented farms. One of the guiding principles of the water charges framework is that charges should be equitable and not unduly discriminate between customers. The current proposed increases disproportionately impact low volume users with multiple connections i.e. typically the most economically vulnerable extensive farmers.

IFA Propose:

- That the Commission for Regulation of Utilities change direction on the proposed charge increases and recognise the challenges facing the sector and introduce further transitional arrangements for farmers to minimise tariff increases.
- The standard charge per connection is reviewed for farmers with multiple connections and associated water charges are linked to a Water Point Reference Number (WPRN) and not each individual connection.
- That a new Band 1 is introduced for non-domestic customers with very low water usage i.e. less than 250m, and that the proposed volumetric water charge is fair and proportionate.
- That a maximum annual bill increase for all connections is capped at 10% (based on their previous year's consumption) and that this is capped for three years when applied on 1st October 2025.

6.5 Extended Producer Responsibility (EPR) scheme (tyres)

The Extended Producer Responsibility (EPR) scheme if introduced will result in an additional levy on agricultural tyres. Farmers are committed to the safe disposal of all farm waste and have demonstrated that when a scheme is designed in consultation with them such as the Irish Farm Film Producers Group (IFFPG) compliance scheme, which has a recycling rate more than 90%, they will comply in huge numbers.

However, significant legacy issues with large volumes of waste tyres stored on farms need to be addressed before agricultural tyres are included in the scheme.

IFA Propose:

- The current derogation on a levy on agricultural tyres must remain in place until market imbalance issues are addressed and a practical disposal system for existing waste tyres on farms is put in place.

6.6 Generational Renewal

IFA welcomed the establishment of the Commission on Generational Renewal. IFA made a detailed submission in January 2025. The executive summary of this submission points to the need for continued support for all agriculture sector in order to maintain and improve economic viability. A new fully funded **Farm Succession Scheme** as committed to in the Programme for Government, Securing Ireland's Future is required to allow mature farmers to have a greater degree of financial security once they transfer farm assets to the next generational is required. The current suite of taxation measures that support the transfer of farm assets without prohibitive taxation on the recipients must be retained.

IFA proposed changes to The Fair Deal scheme will encourage generational renewal, as will IFA proposals on the State pension eligibility. Greater availability of low cost financing options and targeted installation aid for young farmers must be addressed to encourage generational renewal.

6.7 Stamp duty on agricultural land

IFA Propose:

- Agriculture is removed from the commercial definition and revised in line with the residential stamp duty charge of 1%, up to €1m, and 2% thereafter.

Farm Consolidation Relief

This relief is for farmers who buy and sell agricultural land to consolidate their holdings and improve the viability of their farms. It provides for a stamp duty rate of 1% on these transactions. This relief is due to end on 31st December 2025.

IFA Propose:

- Extending this important relief.

Young Trained Farmer Relief (Stamp Duty)

Allows for qualifying farmers under 35 years of age to full relief from stamp duty. IFA propose that this relief is extended beyond the expiry date of 31st December 2025 as it is vital to facilitate generational renewal

The age limit for young trained farmers should be increased from the current 35 to include all qualifying young trained farmers under 40 when executing the transfer deed.

6.8 Succession Farm Partnership Tax Credit

IFA Propose:

- To increase uptake, the relief should be extended to a young farmer's off-farm income for three of the five years, allowing the young farmer to invest some of this income in developing and expanding the farm.
- The percentage of farm assets a transferor must agree to transfer to the successor should be reduced below the current 80% limit.
- The age limit of 40 is retained.

6.9 Agricultural/Business Relief Capital Acquisition Tax (CAT) Values

The retention of 90% relief on Agricultural assets is critical to support the transfer of economically viable family farms, as it facilities the transfer of farms and agricultural assets to the next generation. However, the value of agricultural land has increased at a greater rate that the CAT thresholds .

IFA Propose:

- IFA supports the Programme for Government commitment to reviewing the thresholds for CAT. As land values have increased, IFA supports the increase of the Category A threshold (parent and child) from the current rate of **€400,000 to €500,000**.
- Due to changing demographics and family structures, the Favourite Nephew or Niece relief should be extended to a Favourite Successor Relief, allowing the farm to be gifted to someone in a better position to continue farming the land. The movement from Category B/C threshold to Category A would allow for a lower tax liability, protecting the farm's sustainability and promoting generation renewal. This would align with a qualifying successor criterion under the Fair Deal Successor Scheme.
- No age limit requirements should be imposed on farmers seeking relief when transferring land between generations.

6.10 Agricultural Relief (CAT)

Agricultural relief must be only availed of by genuine farmers.

IFA Propose:

- Agricultural Relief is retained at the current rate for all genuine active farmers, where the transferor, transferee, or a combination of both, pass the active farmer test set out under the current Agricultural relief clause for a minimum of 15 years.
- Where an investor purchases land, the retention period of the individual receiving the gift or inheritance should be increased from the current 6 years to 15 years in respect of a claim for agricultural relief.
- In addition, when an investor purchases land, any periods when land is leased to an active farmer do not count towards the retention period.

6.11 Capital Gains Tax (CGT)

IFA Propose

- Indexation relief should be restored and extended to include periods of ownership post 2002.

6.11.1 Farm Restructuring Relief (CGT)

- Due to expire on 31st December 2025

IFA propose

- Tax relief is extended for another three years. An applicant for Farm Restructuring CGT Relief should be given approval for this relief in advance of a sale or exchange taking place.

6.11.2 Capital Gains Tax (CGT) Entrepreneur Relief

IFA Propose:

- If a landowner wishes to sell land to a long-term tenant, then the CGT Entrepreneur relief of 10% should apply to incentivise supporting the genuine farmer and giving the long-term tenant preferred status.
- Agricultural land that is subject to Compulsory Purchase Order (CPO) should not be categorised as 'development' land and should still qualify for CGT Entrepreneur relief. Farmers cannot be disadvantaged by the State's decision to initiate a CPO.
- The lifetime limit of €1m on the CGT Entrepreneur relief should be increased in Budget 2026. The enhancement of CGT Entrepreneur Relief is an important measure to encourage risk-taking, investment, and the subsequent disposal of business assets during an individual's lifetime.

6.11.3 Interaction of CGT Entrepreneur Relief and CGT Retirement Relief

IFA Propose:

- The interaction between the two CGT reliefs should be removed allowing both reliefs to operate separately. An individual should be able to avail themselves in full, of the CGT Entrepreneur Relief and the CGT Retirement Relief throughout their lifetime, subject to satisfying the qualifying conditions of each relief

6.11.4 Extending 10-year Ownership and Usage Period for CGT Retirement Relief to Spouse for Lifetime Transfers

IFA Propose:

- Where a farmer has owned and used an asset for 10 years and the asset is transferred into joint names, the transferee spouse should inherit the same time ownership and usage status.

6.12 Stock Relief

Stock relief is available to any person carrying on the trade of farming, the profits from which are chargeable to tax under Case I of Schedule D of Revenue Commissioner framework. Those farmers are entitled to an income tax deduction in respect of increases in the value of their farm trading stock. The term "trading stock" refers to items which are sold in the ordinary course of the farm trade such as farm produce and direct inputs.

Stock relief provides a deduction of 25% of the increase in value in trading stocks against profits in the accounting year. For Registered Farm Partnerships relief is claimable at 50% and for Young Qualifying farmers, stock relief is claimable at 100%.

The increase in cattle and sheep values over the past number of years could lead to a non-cash profit being incurred on livestock farms. This could lead to tax issues for farmers in a year of high costs.

IFA Propose:

- General stock relief should be of 25% relief should be temporarily increased to 50% until 31st December 2026 to prevent tax issues for farmers in a year of high costs and poor cashflow

6.13 VAT & Taxation on farm inputs

Due to the scale of most farms the majority remain unregistered for VAT and are classified as Flat Rate farmers The option for farm business to register for VAT remains available and IFA support the retention this system.

IFA Propose:

- Retention of Flat rate addition scheme (FRA) for all agricultural sectors.
- Implement 0% VAT rate on non-oral animal medicines and vaccines as early as possible.
- Accelerated capital allowance (ACA)for slurry storage and associated equipment (LESS) - due to expire at the end of December 2025. IFA propose that this ACA is extended to facilitate additional investment in slurry storage and equipment on farms. Accelerated capital allowances for animal health monitoring systems, automatic calf feeders, additional milkings points and hoof-care equipment.
- Zero VAT / Accelerated capital allowances for investments to improve on-farm efficiency and/or support transition to net zero emissions.
- The Accelerated Capital Allowance for farm safety equipment is positive and should be revised annually and extended to include new safety equipment.
- VAT is currently charged on Carbon Tax. This is double taxation and needs to be removed.
- The reduced excise duty level on agri diesel must be maintained. There is currently no viable alternative for its use on Irish farms and its removal would see an increase in costs of over €0.5 billion to agriculture.

- Retain section 664A of the Taxes Consolidation Act 1997 and extend to include agricultural contractors to mitigate the increased cost of production.
- Suspend LPG/carbon tax for farmers & agri-contractors and/or defer forecast increases per Finance Act 2020 to periods outside peak agricultural activity.
- A permanent retention of 2 'step-out' years per 5-year cycle is provided for, where a farmer is allowed to 'step-out' of income averaging more than once in a five-year period (once they are not carrying an unpaid deferred tax amount from a previous 'step-out').
- Suspension of the proposed 5% Concrete Levy announced in Budget 2023. The levy only compounds already inflated construction costs and stifles on-farm investment.

6.14 Taxation measures to support climate action

IFA Propose:

- All farm equipment, which contributes to increased emission efficiency, such as LESS equipment or capital investment in developing bioeconomy supply chains, should qualify for accelerated capital allowances and be exempt from VAT.
- Reduced excise duty on Hydrated vegetable oil fuel (HVO)
- If any percentage of the farm is dedicated to farm forestry, it should be defined as agricultural land and the CAT Agricultural Relief applied to the whole farm.
- Farm forestry is treated in a similar manner in relation to the Consanguinity and Young Trained Farmers Stamp Duty Reliefs as it is with CAT Agricultural Relief, where it is defined as agricultural land.
- Where a non-farmer buys forestry, the normal commercial rate of stamp duty should apply to the full value of land and timber. This is required to ensure forestry remains primarily in the hands of genuine farmers.
- The calculations used to determine the area of land on which solar panels are installed, for the purposes of CGT Retirement Relief and CAT Agricultural Relief, should only include the footprint of the structures mounting solar panels, ancillary equipment and service roadways (i.e. areas not capable of being grazed) and should exclude any area capable of being grazed by agricultural livestock either under, around or in between panels, ancillary equipment and roadways.
- Consideration should be afforded as to whether the CGT/CAT reliefs for solar panels referenced above should also extend to also include wind farms, given their increasing role in meeting our renewable energy targets.
- To better advance or promote increased utilisation of on-farm sustainability measures, farm operations that are utilised for Research Trials / Demonstration purposes (for example Signpost farms) by Companies / Agricultural Institutions should be afforded an additional annual income tax credit.

7. Social Protection Measures

7.1 Farm Assist Scheme Reform

Farm Assist plays a vital role in sustaining low-income farmers and preventing rural poverty. However, several reforms are required to modernise and align the scheme with broader welfare principles.

IFA Propose:

- **Pension Contributions:** Provide credited social insurance contributions for Farm Assist recipients, as is done for Jobseeker's Allowance/Benefit.
- **Backdating Credits Pre-2007:** Extend PRSI credit entitlements to farmers who were ineligible before 2007.
- **Capital Assessment Disregard:** Raise the disregard threshold from €20,000 to €50,000, aligning with other schemes and reflecting modern farm asset values.
- **Machinery Depreciation Rate:** Standardise depreciation at 10% to better reflect asset lifecycles in the means test.
- **Farm Scheme Income Disregard:** Exclude income from farm schemes and direct payments to accurately reflect income needs.
- **Pension Age Eligibility:** Extend eligibility beyond pension age, particularly for those with limited or no pension entitlement.
- **Three-Year Income Averaging:** Allow a rolling three-year income test option for long-term recipients to smooth out income volatility.

7.2 Fair Deal and Older People in Rural Areas

Older farmers and other older people living in rural Ireland can experience poverty and social isolation because they rely on small, fixed incomes that are vulnerable to increases in the cost of living or unexpected expenses, such as medical care. Rural dwellers face higher costs of living than those in urban areas, particularly in expenditure on transport and the necessity to own a car. The needs of older people and low-income farm families require attention.

IFA Propose:

- **Fair Deal Reform:** Reduce the 5-year land/business transfer clause to 3 years to allow more farmers to benefit from the Fair Deal Scheme.
- **Land leased under Fair Deal should be classed as "actively farmed"** to meet succession criteria.
- Increase the ancillary state support loan payback to a minimum of 5 years to allow sufficient time to repay the costs.
- Increase cash asset disregard for a single person from €36,000 to €44,000 and for a couple from €72,000 to €88,000
- Reduce the assessment period for the family home under Fair Deal from 3 years to 2 years, with a maximum contribution of 15% of the home's value (7.5% per year), instead of the current cap of 22.5%.
- Income from leased farmland should be excluded or at least partially disregarded in the Fair Deal financial assessment.
- **Home Support Scheme:** Immediately introduce a statutory, universal Home Support Scheme, with specific rural adaptation funding.
- **Interim Measures:** Increase Home Support Service hours and improve geographic consistency.
- **Private Nursing Home Equity:** Ensure equitable funding between public and private nursing homes.
- **Workplace Pension Access:** The new Workplace Pension Scheme must be extended to include farmers and other self-employed individuals, with every €3 saved by a farmer resulting in a further €4 being credited to their pension savings account by the Government.

7.3 Class S PRSI Contributions

In most cases, farmers between the ages of 16 and 66 years of age with earnings of €5,000 or more per annum are liable for Class S PRSI (introduced in 1988), at a rate of 4.1% of taxable income (subject to no upper limit) or €650, whichever is the greater. It has been reported that existing PRSI rates for the self-employed (including farmers) are low by EU comparison, with suggestions made to progressively increase the rate (& voluntary minimum contribution) to match that payable by employers. Given the typically low levels of profitability on farms, as demonstrated elsewhere, any potential increase would only add increased financial pressure on farm families, hinder entrepreneurial activity and innovation, and should be resisted. Recognition must also be afforded to the divergence in terms of SME composition (scale & type) in Ireland relative to our EU counterparts, but also to the fact that relative to employers, Class S contributions only cover a limited number of payments – i.e. they fail to include any short-term payments including illness and disability payments.

IFA Propose:

- **Retain Class S Rate:** Maintain the current rate, and resist any increases until short-term benefits (illness, disability) are included in the scheme.

7.4 State Pension Access & Equity

Farmers have historically been disadvantaged in pension qualification due to inconsistent access to PRSI and undervaluation of farming contributions.

IFA Propose:

- **PRSI Inclusion for All Farmers and Spouses:** All farmers and spouses/partners working on the farm, to be included in the PRSI system to ensure entitlement to the contributory old age pension and reduce the risk of poverty in old age.
- **Dual Pension Calculation Methods:** Retain both the Total Contributions Approach (TCA) and Average Method.
- **Means Test Reform:** End attribution of notional income from non-productive assets in the non-contributory pension calculation.
- **Emergency Social Fund:** Create a contingency support fund for farmers facing sudden death or illness impacting labour availability.
- **Farm Transfer Incentives:** Establish a retirement support/pension scheme tied to intergenerational land transfer.

7.5 Agricultural Education & Youth Participation

Supporting agricultural education is vital for economic development, food security, sustainable practices, innovation and rural development. It is a foundational element in building a robust and sustainable agricultural sector that can meet present and future challenges.

IFA Propose:

- The Teagasc Green Cert Course is a crucial qualification for young farmers in Ireland. Approving these courses for SUSI Grants would encourage more students to pursue agricultural education.
- As per the Programme for Government, there must be a reduction in the Student Contribution Fee for higher eduction courses over the lifetime of the Government, not increases.

7.6 Cost of Employment

Due to a combination of general wage inflation, an increase in the national minimum wage, effective full employment and the lack of additional skilled staff, employment costs have increased considerably within the agricultural sector in recent years.

IFA Propose:

- General Employment Permits – no further increases in GEP annual salary.
- Need for a full roll-out of a Seasonal work permit Scheme for all horticulture sectors based on the national minimum wage.
- Ensure supports for rising employment costs is in place, which is **critical for the Mushroom & Horticulture sectors.**
- Consideration given to a new initiative to allow workers to earn tax-incentivised additional income from seasonal and harvest periods.
- Comprehensive support programme for agri operators who are struggling with the rising cost of employment. Increasing the employer PRSI threshold above the minimum wage annually, and the introduction of a temporary PRSI credit for lower-earning workers.
- Employers pay 8.9% Class A employer PRSI needs to reflect minimum wages adjustments.

7.7 Income Volatility Measures for all agricultural sectors.

A commitment was given to introduce a volatility mechanism to assist farmers in dealing with income volatility in Budget 2026. This voluntary mechanism must be open to all farmers and would permit them to defer a percentage of their annual receipts. This will create a buffer and ensure the long-term economic sustainability of the agricultural sector, which is highly volatile, and farmers' and fishers' margins are influenced by many outside factors that dictate both input and output prices.

IFA Propose:

- The introduction of an agricultural Rainy-Day Fund, which allows farmers **from all sectors** to put aside a small percentage of their gross receipts, whether in their co-op, specially assigned bank account or State Farm Volatility Fund.
- The deferred funds could subsequently be drawn down within the next 5 years, and the tax due would be paid in the year of withdrawal.

Appendix 1: Proposals for an improved ACRES scheme

1. Overhaul of ACRES needed

With payments of up to €7,000 / €10,500 per year to 2027, the Agri-Climate Rural Environment Scheme (ACRES), Ireland's €1.5 bn flagship agri-environment scheme, promised much, but sadly from a farmer perspective, has underachieved hugely for many, most particularly those in Co-Operation areas.

Mired by complexity; persistent payment delays; I.T challenges; recoupment of funds; lack of parcel scoring transparency; low scoring; excessive 100m buffers around turbary plots; and no means of boosting scores through Non-Productive Investments / Landscape Actions, a full and urgent review of ACRES and its implementation is required.

There is a general lack of faith and disappointment in ACRES. Once trust has been lost, it is extremely hard to regain. We need a fully revamped agri-environmental scheme that provides farmers with a payment of up to €15,000 per year.

Similar concepts and mechanisms no doubt may be utilised in a revised scheme, however irrespective, drawing on ACRES experiences, outlined below are a number of IFA proposals to deliver a better agri-environment scheme for farmers:

1.1 Engagement with farmers

- Much improved lines of communications & engagement between key stakeholders (e.g. DAFM, ACRES CP Teams, planners) & farmers is required. There is too much ambiguity and responsibility deflection ongoing currently, with farmers left frustrated, uncertain where they stand, and out of pocket because of lack of accountability elsewhere.
- Provide clarification and transparency on remaining rolling budgets to participants on elements including results-based scorecard payments, NPIs, LAs and the Landscape Bonus.
- Greater detail and clarity is required with regard the Landscape (High Achievement) Bonus Payment. While we understand it will reward farmers for high average scores across their private land within CP zones, or where they have a large area of land within the CP zone, and it will be backdated/applied to the full period of participation in the ACRES Scheme – how will it be administered; funded; and what impact (if any) will it have on maximum permitted ACRES payments received (i.e. €52,500) and/or thresholds therein (core or NPI/LA etc)?
- DAFM need to proactively notify farmers (& planners) of potential penalties/anomalies arising from non-action. By way of example, where scorecards are not submitted in full by the planner. Flexibilities should be provided where it is evident that the farmer is invested in the scheme, yet planner has not fully executed – for example in instances where at least one parcel scorecard has been submitted successfully, yet others remain in 'Draft' format.
- On low scoring commonages, DAFM should engage directly with those actively cutting turbary and higher stocked farmers (whether ACRES participant or otherwise) to outline the impact of their actions and encourage altered practices and/or grazing management techniques.

1.2 Administration:

- Adequate resources should be deployed to DAFM staffing; I.T infrastructure etc to ensure the swift delivery of payments per the Farmers Charter of Rights. Individual cases (incl. partnerships), which require additional processing, should not be continually pushed out or without payment, as occurred for over 200 farmers within ACRES. Advance payments should issue to all, with any issue/discrepancy corrected via balancing and/or future scheme payments where required.
- Alleviate the burden of proof/verification required to receive payments by relying more on self-declaration and/or other mechanisms (e.g. Geo-tagged photos; AMS; AIMS, etc). For the second round of scoring, score a sample of parcels rather than all relevant parcels, incorporating therein the largest; lowest and highest scored parcels.
- The cost incurred / income foregone methodology has negated the economic benefit of scheme participation, amplified by delayed NPI/LA approvals; large planner fees for preparation of plans & annual charges. Farmers that implement environmental actions on farm (e.g low scoring commonage areas) should be the main beneficiaries, and better rewarded for their efforts. Given delayed NPI/LA approvals, through no fault of the farmer, it is unlikely the full environmental benefit of actions taken (& consequently financial return through improved parcel scoring) will be reflected within the remaining ACRES period. Consequently, increased payment rates should be offered and/or a return to a 'whole of farm' approach as per previous agri-environmental schemes implemented.
- Given their high nature value credentials (and fewer applicable measures noted within ACRES) a standalone payment, or increased payment rates, should be provided for NPWS designated sites (SACs, SPAs, NHAs, pNHAs).
- A transitionary period should apply before the impact of scoring takes effect. This should apply also where key scheme components are required, yet are not yet fully functional. In both scenarios, full potential annual payments should be paid to all applicants. By way of example - given the late circulation of parcel scoring and non-availability of Non-Productive Investments (NPI)/ Landscape Actions (LA), a full €7,000 / €10,500 payment should be paid to all ACRES applicants for years 1 & 2 (retrospectively if required), with the impact of scoring, where relevant, to apply only from Year 3 onwards, whereafter the farmer has been given ample time and opportunity to correct any anomalies and

apply / implement environmental measures through NPI / LA to support / improve parcel scoring. This satisfies the results-based approach, and delivers a fair payment to farmers. Increasing possible thresholds for mechanisms not yet available is unreasonable and unacceptable. It places additional pressure on farmers too - incurring larger cash outlays and larger investments/action to recoup fully what was suggested initially through ACRES when approved for the scheme.

- Full scheme details must be provided to farmers at the outset. The DAFM / ACRES CP Team agreed protocol of 100m buffer around active turbary should be removed entirely where peat is harvested for personal household use, and on legally held and registered turbary plots assigned by the State. It is excessive, most especially for smaller commonage areas, as currently stands. Under REPS, AEOS, and GLAS, the nett area of the plot harvested was all that was deducted from payment.
- Allow for batch approvals processes (NPI / LA) pre closing deadline to reduce wait times between planning and implementation and to ease also advisor workload.
- Unless to the farmer's advantage, individual terms/ qualifications must hold for at least the term of the new CAP programme. There can be no downward revision or pro-rata reduction in either payment or maximum eligible area within individual measures.
- An opt out option without penalty should apply where what was sold & signed up to has not been delivered.
- New entrants post 2022 interested in an agri-environmental scheme must be accommodated. Farmers cannot be left without an agri-environmental scheme for the remaining term of the existing CAP programme.

1.3 Scoring

- A review of the scoring / payment system should apply. The DAFM need to acknowledge that past agri-environmental scheme criteria may have impacted current scoring (e.g. minimum stocking rates), and whether relating to late scoring submissions; minimal invasive species; turbary activity and/or dumping, ACRES applicants should not be penalised for the actions / non-actions of third parties. Force majeure, proportionality, and fairness should apply. Similar to BISS, there should also be a period from which parcel scores / plans could be amended without penalty.
- Farmers should be advised the date that their lands are being scored, and provided with the opportunity, should they so wish, to accompany the planner/consultant during the scoring exercise to enable information sharing and corrective action to be relayed in a timelier fashion than having to wait a significant period as occurred with ACRES. More broadly, an agreed timeline is required for the provision of parcel scoring to farmers post completion.
- The probability of achieving a high score should at least be equal to the probability of achieving a lower score. No negative marking should apply, with a '0' the lowest score applied. Currently, within individual ACRES scorecards, most carry far higher cumulative negative scoring. This should be corrected and a re-weighting of scores & associated payments assigned where required.

ACRES Scorecard

	Max (+) Marks	Max (-) Marks
Grassland	90	-195
Peatland	100	-175
Scrub/Woodland	100	-85
Low Input Grassland on Peat	100	-205
Rough Grazing	100	-185
Winterage	100	-260
Coastal Grassland	100	-155
Chough	100	-165
Breeding Wader	100	-190
Corncrake	100	-170

- In light of Year 1 scores achieved nationally, review and consider the appropriateness or otherwise of the €145/ ha rate utilised for ALL owned/rented/leased commonage parcels in ringfencing calculations. Where material discrepancies arise, and additional non-commonage lands were held but excluded, a retrospective payment, equivalent to the differential between the parcel rate derived and €300/ ha (i.e. the rate assigned for all owned forage CP parcels declared as Permanent Pasture, Low Input Permanent Pasture or Traditional Hay Meadow) should be made to impacted farmers for each additional non-commonage hectare excluded from the scheme, subject to €7,000 overall core payment. Any additional residual amounts should be allocated to Non-Productive Investment allocations as per existing arrangements.
- Applicants with parcels scoring below payment levels (i.e. <4) should be automatically entitled to a participation payment and have such parcels rescored in the subsequent year (not all lands) should they so wish, and prioritized, so as to not impinge core payments received in immediate subsequent years.
- All applicants, irrespective of parcel size or scoring achieved, should receive a mandatory fixed participation payment equivalent to at least €120/ha for the first 20ha.
- A streamlined appeals mechanism to be put in place where repayment requests from the Department can be adjudicated on in a timely and efficient manner. A similar efficient commonage scoring appeals system is required.
- Any recoupment of funds should be done only on agreement and span multiple years where necessary. No interest charge/penalty on such funds should apply.

1.4 General Actions

- A wide selection of on-farm actions should be provided for participants to select the most suited for their individual operation. The Riparian Buffer Zone & Grass Margin measure should be included as an option for ACRES Co-Operation as it is currently for ACRES General applicants.
- As budgets (and budgets predications allow), raise the maximum core payment from €7,000 to €10,000. This would incentivise additional ecosystem services and should not require a new IT system re-build to implement.

- Where 2 or more actions are implemented in parallel on individual parcels/locations (e.g. new hedge alongside riparian buffer margin), one fence should satisfy.
- Greater flexibility around individual measure completion deadlines (at least to Year 4), most particularly where adverse weather conditions and/or input supply constraints are clearly evident in the weeks leading up to completion deadlines. Planting requirements should span the lifetime of the scheme to allow national suppliers build necessary native stocks instead importing plants and exposing native species to a greater risk of disease.

1.5 Non-Productive Investments / Landscape Actions

- Existing Non-Productive Investments / Landscape Actions should be available to all farmers whose land is scored, regardless of being in CP or General. The purpose of NPI's is to improve scores, however farmers in ACRES General with LIG or Commonage have no direct support, financial support nor means of applying for NPI's to improve these field scores. This must be corrected.
- New/additional bespoke measures should also be eligible for payment where more appropriate to promote/enhance habitat/biodiversity in individual locations and agreed in consultation with CP Teams.
- It is essential that farmers are provided with a schedule of NPI & LA application windows (i.e. opening & closing dates), but more importantly an agreed decision timeline is derived (& enforced) from when, post the end of the application window, farmers can expect to receive approval letters. Non-receipt of formal decisions within agreed timelines are assumed approved. It is unacceptable, as has happened to date, that applications for NPI which closed early December 2023, yet mid-November 2024 no farmer has been able to undertake the necessary environmental action because the issuing of approval letters has not yet commenced.
- A centralised fund per ACRES CP Team should be established, with greater authority afforded to ACRES CP Teams to approve NPI / LA, at least for certain investment types, to support a more streamlined NPI / LA process.
- Similar to mobile TAMS applications (subject perhaps to max. €5,000 ceiling per application), permit applicants to progress with NPI/LA, at their own risk, once valid applications have been submitted. Payments to follow on receipt of geo-tagged photo and vouched expenses. This too will enable actions to be undertaken quicker, and more time for actions to yield greater environmental benefit and improved scoring/payments overall.
- To minimise lost time, afforded resources and constrained environmental action, opportunity to amend minor infringements within individual applications should be permitted, rather than reject individual measures entirely. For example, moving a water trough outside the required 20m perimeter of a watercourse, where currently its location is within the excluded area. Approval on condition is provided for within the NPI specifications.
- Culverts are included within eligible NPI's to provide a safe drain crossing point for livestock, people, and vehicles to cross drains without fording them and prevent regular discharges of sediment and nutrients to watercourses. However, culverts are not permitted on natural watercourses (incl. OSI waterline and Single Stream line) or on arterial drainage channels. This will considerably limit the potential benefit of this NPI and should be reviewed.
- Consideration should be given to supporting complementary investments to those listed (e.g. gate pillars where required), and ensuring individual NPI eligibility criterion do not prohibit individual livestock type (e.g. min 317 litre water trough and its suitability for sheep operations).
- Clarification is needed on whether there will be opportunity provided to seek an extension to NPI completions to the following year, and submit a payment as a single application then. By way of context, it may be more practical and cost-effective for farmers, who applied for NPI's in 2023 and 2024, to combine / action categories of investments rather than proceed in sequence of NPI application.
- To aid resource efficiency, consideration should be given to utilising excess interim payments, in full/part, as advance payment for the completion of approved Non-Productive Investments where applicable.

1.6 Penalties

- Penalties applied to non-compliance must be proportionate and fair. A complete disregard of positive environmental action undertaken and the application of a full 100% penalty on total yearly payments is excessive (plus potentially complete removal of individual actions for payment in subsequent years), most particularly where only minor infringements occur, with perhaps no direct correlation on the overall environmental outcomes achieved (e.g. failing to pay membership to a breed society).
- Aligned with above, the methodology / correlation between penalty severity and the Tiered Structure should be reviewed and reduced, most particularly given 100% approval was provided to all ACRES applicants and rank/selection made redundant. By way of example, many farmers selected 'priority Tier 1 actions' to increase their probability of acceptance into ACRES. It is disproportionate that a participant would get no opportunity to correct and secure payment for an individual Tier 1 actions in future years of the scheme (as provided for re Tier 2 actions).
- Where, during scoring activities, there appears evidence of invasive species on Commonage from Coillte/State-owned lands (e.g. Sitka Spruce/Pine saplings from adjacent Coillte land), it's specific location should be noted by the planner/consultant and the penalty imposed passed on to Coillte and/or the State where applicable for payment.
- Inspections should follow the Farmers Charter of Rights protocol, with all farmers, irrespective of whether inspected or not, provided with a detailed list of annual requirements for scheme participation. In addition, at least 48hrs hours advance notice should be provided (incl to planner), with a written summary of the inspection provided to the farmer before leaving the farm. A streamlined appeals mechanism should also be put in place, with details provided to the farmer and adjudicated on in a timely and efficient manner.

Appendix 2: Budget 2026 Proposals from the IFA Energy from Farms Project Team

1. Introduction

Under the Climate Action Plan[1], Ireland has committed to ambitious renewable energy targets, including the production of 5.7 TWh of biomethane by 2030 through Anaerobic Digestion (AD), alongside a major expansion of small-scale renewable electricity and renewable heat generation on farms. These targets present a real opportunity for the farming sector to be at the forefront of the expansion of renewable energy generation in Ireland. Farmers are well positioned to play a central role in delivering on these objectives, but current schemes and supports are completely unfit for purpose. High capital costs, poor rural grid infrastructure, restrictive tariffs and planning systems are holding back progress and making it extremely difficult for farmers to advance renewable energy projects. The IFA Energy from Farms Project Team has developed a comprehensive set of practical proposals to address the barriers farmers face and unlock the full potential of farm-scale renewable energy, across biomethane, wind, solar and renewable heat. These proposals focus on making schemes workable for farmers, ensuring fair supports, and investing in the infrastructure needed to make farm-based renewable energy a success.

Appendix 2 details IFA's ask for renewable energy which includes the following proposals:

IFA Propose:

- Introduction of a min 50% capital grant for development of farmer owned farm scale biogas plants – financed through **Infrastructure and Climate and Nature Fund (ICNF)** and or/feed in tariff.
- Immediate introduction of **Renewable Heat Obligation (RHO).**
- Introduction of renewable energy finance scheme that provides state-supported low-cost finance.
- Establish a dedicated farmer category within the **Small-Scale Renewable Electricity Support Scheme (SRESS).**
- Budget is maintained and enhanced over in the **Support Scheme for Renewable Heat (SSRH).**
- **Capital Gain Tax (CAT) / Capital Acquisitions Tax (CAT)** reliefs for solar panels should also include wind farms.
- Maintain all existing **taxation reliefs** and exemptions for farmers involved in AD and any other renewable activities.
- Solar- incentive/allow farmers to install systems beyond their own usage and **export surplus electricity** to the grid.

2. Measures implementing Ireland's Biomethane Strategy

Ireland's Biomethane Strategy forms a key part of the national climate plan, with an ambition to produce up to 5.7 TWh of biomethane annually by 2030, primarily through Anaerobic Digestion (AD). This represents a significant opportunity for farmers to become renewable energy producers and contributors to national decarbonisation goals. However, realising this potential requires targeted supports, tailored incentives, and removal of existing barriers.

The current focus of the biomethane strategy is the development of large scale biomethane production facilities. It must be acknowledged that there is a role for all scales of biomethane production in Ireland, from small farm-scale to medium to large scale. The financial support framework, regulatory requirements, licensing/permitting requirements, and feedstock supply often differ depending on the scale of production.

For context, biogas is a raw gas made from organic materials, it is mainly used on-site for heat and power and cannot be injected into the gas grid. Biomethane is purified biogas, making it suitable for use in the gas grid or as a transport fuel.

In order to develop a biogas/biomethane sector in Ireland that is fit for purpose and is of benefit to all stakeholder, the following principals should be adhered to:

- Everyone along the supply chain should benefit and receive a fair return from the sector; from the supplier of agriculture-based feedstock to the biogas producer.
- The biogas industry should be viewed as a complementary sector rather than competing with mainstream productive agriculture and food production.
- Biogas plants should be geographically and strategically spread around the whole country with state policy designed to support this
- Biogas delivers more than just renewable energy. Any cost benefit analysis should incorporate the additional benefits biogas gas delivers such as enhanced nutrient recycling, which, when fully factored in, reduce the overall cost significantly.
- Maximum clarity should be provided around the planning process for biogas developments to minimise any disconnect that may exist between a local authority climate change / renewable energy policy and the concerns of the general public.
- The national resource that is the national gas grid should be utilised more through increasing the amount of biogas injected into the gas network.

1 https://assets.gov.ie/static/documents/climate-action-plan-2024-8ccbde73-e288-4241-8b26-6b4922389f25.pdf

For context, we have divided biomethane/biogas support proposals into two separate types:

1. Farm Based Biogas/Animal By-Products (ABP) Type 9 plants - farmer owned and operated model utilising the farmer's own feedstuff. The energy produced offsets on-farm energy demands with the potential for surplus energy to be exported if excess is produced. No pasteurisation is required as there is no import of animal byproducts. The plant complements the existing farm enterprise.
2. Medium/Large scale Biogas plants – taking in a wide range of external feedstock. A Co-operative structure is preferred with farmer equity, selling the energy through an external grid or network.

Both these options are examined in more detail below.

2.1 Farmer-Owned & Operated / ABP Type 9 Biogas Plant

In order to promote these types of plants, the introduction of a minimum 50% capital grant is required to enable the development of farm scale (under 80/100kw) and farmer-owned & operated Anaerobic Digestion (AD) plants. The current 20% grant rate provided through the biomethane strategy is not viable for this scale of production.

The recently completed Irish Bioenergy Association (IrBEA) Small Biogas Demonstration Project completed with funding from DAFM through European Innovation Partnership (EIP) funding (https://irbea.org/farmbiogas/) demonstrated the technical and economic viability of small farm-scale biogas production with 50% grant aid for capital investment. The biogas produced from this plant is supplied to a Combined Heat and Power plant (CHP) to produce electricity and heat. The electricity produced will offset any on-farm electricity demand while the heat will offset any on-farm fossil fuel heating bill and can also be used to heat the biogas plant to optimise the biogas output. This level of support is necessary to make on-farm biogas production financially viable for individual farmers.

This scale of production will not be feasible for all farmers but will be a very suitable investment for many farmers where the farming system, slurry availability, energy demand and other technical and practical considerations compliment a biogas plant. The plants developed on farms will be ABP type 9 plants where there is no import of animal by-product materials onto the farm resulting in no requirement for pasteurisation. The main feedstuffs used in a farm-scale biogas plant would be slurry, farmyard manure, waste silage and potential surplus silage available on the farm.

IFA Propose:

- **The introduction of a minimum 50% capital grant for the development of farmer owned and operated farm scale biogas plants with finance to be provided through the Infrastructure, Climate and Nature Fund (ICNF)**

2.2 Medium/Large Scale Biogas/ Biomethane Developments

Medium/Large scale biogas/biomethane plants – taking in a wide range of external feedstock. These may operate under a co-operative structure allowing farmer equity investment. Energy generated from these plants is exported onto an external grid or network. In addition to equity there is a potential role for farmers to supply feedstuff for utilisation in these facilities where a small farm scale biogas plant is not economically or technical feasible on their farms. These medium to large scale facilities would process thousands of tonnes of feedstock per year. As technology develops, it is envisaged that the collection of raw biogas may become an option, giving farmers the option to build plants which will be industrial scale but without the cost of upgrading facilities.

To mobilise this scale of biogas / biomethane production the following is required:

- Immediate introduction of Renewable Heat Obligation (RHO), which obligates fossil fuel suppliers to ensure that they include a minimum percentage of renewable energy in their fuel mix, will be essential to ensure a sustainable market and drive demand for biomethane. However, despite multiple Government promises to prioritise its introduction, it has been confirmed that the RHO will now be delayed beyond January 1st, 2026, with no introductory date set. In addition, no details on how indigenous biomethane will be protected from imports from other countries and indeed other fuel sources has been disclosed. The approach in other member states with nascent biomethane sectors has been to introduce feed-in tariffs for the early pioneer projects, and once reliable supply chains and market off-take opportunities were created, more nuanced approaches were considered. Denmark is a case in point, a feed-in tariff kick-started their industry. As recently as 2015, biomethane's share of the Danish national grid went from 1% to over 40% today.
- A 15-year feed-in tariff graduated depending on impact ambition should be introduced for early adopter/pioneer projects.
- The introduction of an RHO in isolation will not be sufficient to ensure the financial viability of AD plants. In addition to an RHO, the State should also introduce a grant-aid scheme and/or a feed-in tariff framework to ensure the medium-term viability of these projects.
- Large scale developers must engage with farmers and equitable contracts/agreements put in place to supply feedstock. Establish a fair, equitable and independent pricing mechanism with independent oversight (e.g. Teagasc) to ensure a sustainable feedstock price for farmers who wish to supply AD plants.
- Biomethane production should complement rather than compete with agriculture and food production. Ireland is a renowned food producing country and an Irish biogas industry would act as a complementary industry to food production rather than a competitor. There is significant scope for increase in grass production in many parts of the country. Grass production can also be increased by using AD digestate on this land in a circular economy system and

improved soil fertility on farms while not competing with existing grass supplies. The potential for biogas feedstock production offers significant potential for less intensive farmers to improve their overall farm profitability and complement their existing enterprise.

- The biomethane industry can assist farmers during periods of fodder shortage by acting as a reserve and buffer for grass silage feedstock as it can have a 12-to-18-month reserve of silage feedstock on hand at any one time. In times of a short-term fodder shortage, part of this reserve may be re-sold back to farmers at cost price to assist in times of a fodder shortage with the biogas facility reserve regenerated by farmers once the crisis has passed.
- The spreading of digestate back on land that has produced grass for biogas production offers the potential for a circular economy system. Subject to the implementation of a framework to support the adoption of ReNure, digestate produced can substitute for inorganic fertiliser thus further improving the emissions reduction potential a biogas industry has for the agriculture sector.
- The biomethane sustainability charter under development by DECC needs to reference economic and social sustainability considerations as well as environmental. It should not amount to a series of controls and measures to solely add costs and burdens. Instead, it should be a mechanism to unlock value whilst achieving sustainability objectives across all three parameters – environmental, social and economic. The charter and its requirements must be consistent with the current rules and regulations that farmers comply with. A situation must not arise where the biomethane sustainability charters imposed additional restrictions compared to those already in place. This would lead to confusion, unnecessary administrative burden and risk the development of the biomethane sector.

2.3 Common proposals for both small Farmer-Owned & Operated / ABP Type 9 Biogas Plant and Medium/Large scale Biomethane Developments

- Introduction of renewable energy finance scheme that provides state-supported low-cost finance with partial state credit guarantees for the funding of appropriate renewable energy projects.
- To support more circular based agricultural practices, the restriction that prevents farmers availing of a nitrates derogation from importing digestate from AD plants should be removed in cases where the farmer is already exporting organic matter to AD plants.
- The Nitrates Directive should be revised to reclassify digestate from AD plants as equivalent to inorganic nitrogen thereby not adding to the organic nitrogen load of a farm importing digestate. Furthermore, unprocessed digestate from an AD plant should quality under ReNure as outlined in the 2020 JRC report.
- All digestate from agri feedstock-based AD plants to be allowed to be spread on all organic farmland.

3. Small-Scale Renewable Electricity Support Scheme (SRESS)

SRESS is designed to support renewable electricity projects ranging from 50 kW to 6 MW by offering fixed feed-in tariffs over a 15-year period. While aimed at expanding local, low-carbon energy generation, the current structure of the scheme presents a number of significant barriers for farmers.

Although farmers are eligible under SRESS, they are grouped with SMEs rather than being recognised as a distinct category. As a result, they receive lower tariff rates than community groups, despite facing unique challenges such as site restrictions, weaker rural electricity grid infrastructure, and land-use limitations. The current tariff levels, set at 8c/kWh, are insufficient to ensure viability for technologies like wind, especially when combined with high upfront investment costs.

Additionally, rural electricity grid connection and reinforcement costs are often significantly higher than in urban areas, further reducing the attractiveness of such projects. The requirement to contribute annually to community benefit funds (e.g., €1,750/year for a 1 MW project) adds yet another layer of cost, without corresponding financial support.

The SRESS is currently limited to intermittent generation technologies such as wind and solar. The scheme should be extended to include electricity generated from AD systems with a separate tariff rate for this production which represent the additional cost of production for AD over that of wind and solar.

IFA Propose:

- **Establish a dedicated farmer category within SRESS to reflect the distinct constraints faced by the agricultural sector and increase the level of feed-in tariffs to make farm-based projects financially viable and attractive.**
- **Increase in SRESS fixed tariff rates for wind and solar as they are insufficient to support any meaningful uptake**
- **Establish a higher SRESS fixed tariff rate for anaerobic digestion and biomass projects reflecting the much higher cost of production for this form of renewable energy**
- **Simplify the application and approval process, reducing administrative hurdles and making the scheme more accessible to farmers.**
- **Provide targeted technical support and advisory services to help farmers manage planning, regulatory, and operational aspects of project development.**
- **Review and adjust the community benefit fund requirement to ensure it is proportionate and does not undermine project viability.**

4. Taxation Measures to Support Climate Measures

- Consideration should be given as to whether the Capital Gain Tax (CAT) / Capital Acquisitions Tax (CAT) reliefs for solar panels should also include wind farms, given their increasing role in meeting our renewable energy targets.
- The calculations used to determine the area of land on which solar panels are installed for the purposes of CGT Retirement Relief and CAT Agricultural Relief, should only include the footprint of the structures mounting solar panels, ancillary equipment and service roadways (i.e. areas not capable of being grazed). Advancements in agro-voltaics in countries such as France have led to the development of solar projects whereby cows are grazing under panel due to higher mounting and tracking systems. Therefore, any area capable of being grazed by agricultural livestock either under, around or in-between panels and ancillary equipment should be classified as agricultural land for the above calculations.
- Maintain all existing taxation reliefs and exemptions for farmers involved in AD and any other renewable activities.

5. Planning and Infrastructure Challenges for Renewable Energy in Ireland

For Ireland to fully unlock the potential of renewable energy on farms, significant barriers in planning and infrastructure must be addressed. Current systems are not adequately supporting farmers who wish to invest in or develop renewable projects.

A complete overhaul of the gas grid is necessary. The current gas network is not designed to accommodate multiple small-scale injection points or to support reverse flows. In additions current injection points are limited in scale and functionality, they do not operate 24/7 and cannot accommodate mobile injection systems where the compressor unit can detach from the trailer. This creates logistical inefficiencies and restricts the participation of smaller-scale anaerobic digestion operators, particularly those on farms.

IFA Propose:

- Substantial investment into the national electricity network to ensure the national grid is fit for purpose. With the added complexity of two-way energy travel at more grid connection points in recent and future years, along with increasing demand from Ireland's growing population, required upgrades must be fully funded and implemented, when and where needed. Poor electricity network infrastructure cannot be a barrier for the on-farm renewable energy sector to continue to develop. Strategic investment is essential to ensure farmers are not excluded due to inadequate local grid capacity.
- Applications for connection to the national electricity grid are currently charged a non-refundable payment of €1000. This charge needs to be terminated, and farmers who have paid this fee refunded.
- Streamline current regulations to support the development of AD plants, in particular farm-scale AD plants, with statutory timelines imposed on planning, regulatory and licensing authorities. National guidelines are required so all local authorities can assess possible AD projects under the same criteria.
- A fundamental overhaul of the national gas grid to develop a network that can accommodate multiple small-scale injection points and support reverse gas flows. Current injection points should be operational on a 24-hour basis.
- Clear and consistent planning guidelines - planning requirements for renewable projects can vary widely between counties, creating uncertainty for farmers. Nationally consistent guidelines should be developed to support small-scale and on-farm projects and ensure fair and transparent treatment across all local authorities. – national guidelines – work into above. Where they don't exist develop and where they do, they to be updated.
- A single, farmer-focused point of contact is essential to help navigate the regulatory, financial, and technical requirements for renewable energy development.
- Improving public and political awareness - renewable energy projects can face resistance due to limited community understanding or perceived lack of benefit. Greater transparency, public engagement, and models for shared community gain will help foster support, especially in rural areas where these projects are often located.
- The National Biomethane Strategy set out to develop a communications strategy by Q3 2024. To our knowledge this action has not been carried out and should be acted upon immediately.

6. Targeted Agricultural Modernisation Scheme (TAMS) for Renewable Energy

Current limitations within the scheme restrict farmers' ability to maximise their renewable energy potential.

IFA Propose:

- The current cap on grant aid based on on-farm energy usage should be removed. Many farms with low electricity consumption have large shed space ideal for solar installations. Allowing these farmers to install systems beyond their own usage and export surplus electricity to the grid would transform them into net energy producers and improve the return on renewable investments.

- Farmers who receive grant aid (including TAMS) to support the installation of renewable energy sources should be allowed to sell any surplus electricity generated after domestic/business. This limitation disincentivises larger-scale installations. Farmers should be allowed to export and sell 100% of their surplus electricity, which would significantly improve the commercial feasibility of renewable projects.
- Farmers who generate surplus electricity should be allowed export it onto the national grid via smart meter and permitted to offset any energy exported against energy used with no financial transaction necessary.

7. Support Scheme for Renewable Heat (SSRH)

The SSRH, which is administered by the SEAI is an operational support for biomass and biogas fuelled systems as well as a capital grant for heat pump systems. Currently, over 50% of the heating system supported under the SSRH are in the agricultural sector and fuelled by woody biomass. These are predominately in the poultry, pig, horticulture and mushrooms sectors.

IFA proposes

- The budget for this programme is maintained and enhanced over the next few years
- The SEAI better promotes the scheme to increase the uptake of the SSRH in the agriculture sector
- The biogas operational support under the scheme be reviewed and the tariff rates significantly increased, as their current low rate has resulted in no uptake of the biogas operation support under the SSRH
- The biogas operational support under the SSRH is made available to farmers for heat generation equipment associated with a farm scale biogas plant where capital support has been received separately for the development of the biogas production plant itself.

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