

Summary of Responses to the Consultation on Review of CAP Coupled Support Options

In total 19 responses were received. Of these 14 were received from organisations and five from individuals. A list of those who responded to the consultation is attached at Appendix 1.

The majority of respondents stated that coupled support should not be introduced over the 2017-2019 period. However, LMC, NIMEA, UFU and YFCU supported the introduction of coupled support, although their reasons and the sectors to which a coupled payment should be made varied. LMC and NIMEA stated that coupled support would help to maintain the critical mass of suckler beef production in Northern Ireland. UFU and YFCU stated that coupled support should be provided for the small area of protein crops which is grown in Northern Ireland each year.

Question 1

Please outline your views on whether or not coupled support should be introduced over the 2017-2019 period.

There were 19 responses to this question, 14 responses from organisations and five individual responses.

Four organisations and one individual stated that coupled support payments should be introduced for the 2017-2019 period.

LMC and NIMEA believed that the option to introduce coupled support payments for the 2017-2019 scheme years should be taken up for the maintenance of the Northern Ireland suckler beef sector. They reported that in 2015, suckler cow numbers on farms in Northern Ireland were 9% lower than they were in 2012 and beef heifers in calf on farms in 2015 were 22% lower than they were in 2012. LMC and NIMEA believed that this trend did not bode well for an industry seeking to build a platform for growth on high value beef exports from Northern Ireland.

UFU and YFCU did not support the general principle of reducing individual farm payments to provide any additional funding, particularly under the present extremely difficult economic conditions which prevail within the industry generally. However, they supported the introduction of the option to provide a coupled payment for the small area of protein crops which is grown in Northern Ireland each year.

A total of seven organisations (NBA, NSA, SDA Group, National Trust, RSPB, GAA and UUP) and four individuals stated that coupled support should not be introduced in Northern Ireland for the 2017-2019 period.

A further two organisations (Belfast Hills Farmers Group and the Board of the Belfast Hills Partnership) stated that coupled support should not be introduced if it was going to be a scale back from existing funding. However, these organisations also stated that coupled support payments should be introduced for the 2017-2019 period if it was new additional funding.

UUP stated that the Department's analysis concluded that there was no immediate argument for coupled support although the analysis itself pointed out there were many factors influencing production, for example the impact of global markets and currency fluctuations on sheep numbers. In addition conversations with individual farmers also suggested, albeit anecdotally, that there was limited support for the introduction of coupled payments over the 2017-2019 period and the associated administrative burden these would include - this was a view the UUP shared at this time.

National Trust stated that introducing coupled support would be a backward step and lead to farming practices which were shown to be unsustainable and not for the benefit of the land and ultimately would not be sustainable for the farmer. RSPB stated that the Department should not introduce coupled support because coupled payments were a regressive component of the CAP, and that, in the main, such support had a high risk of subsidising, and perpetuating, unsustainable forms of land management.

GAA felt that there was currently little need for coupled support. Instead, the focus of specific support to farm families should be directed towards farms which were most disadvantaged, facing the greatest obstacles to farming their land. GAA believed that this could be achieved through the basic payment system for ANC.

LINI did not state a specific preference but rather noted its concerns arising from experience of past coupled support schemes that such support had a high risk of perpetuating unsustainable forms of land management. It suggested that production expansion across Northern Ireland should be strategic and sustainable, and not based on artificial stimulus which subsidy can create.

Question 2

If you believe coupled support should be introduced, please state your reasons why it is needed, the sectors/animal types/crops that should be supported, and the proportion of the Pillar I budget that should be used for this purpose (1% of the CAP Pillar I Budget equates to approximately €3.275m in 2017).

There were nine responses to this question, all of which were from organisations.

Reasons why coupled support is needed

The reasons offered by the organisations as to why coupled support should be introduced varied significantly.

The Belfast Hills Farmers Group and the Board of the Belfast Hills Partnership suggested that coupled support would help to maintain primary producers that were essential to supply the rest of the supply chains. LMC and NIMEA stated that coupled support would help to maintain the critical mass of suckler beef production in Northern Ireland, and would help to ensure that the NI suckler beef industry could competitively compete with beef producers across Europe. NIMEA suggested that coupled support would ensure that Northern Ireland continued to have a sustainable supply of high quality raw material in order to service and develop premium markets.

RSPB and LINI suggested that if coupled support was introduced then it should be used to support environmental outcomes as the Direct Payments Regulation provided the flexibility to allow Member States to channel additional funds to sectors or regions where specific types of farming were particularly important for economic and/or environmental reasons. National Trust suggested that any support provided should contribute to sustainable development and should be directed at areas to ensure there are positive environmental, cultural and/or landscape outcomes.

Two organisations (UFU and YFCU) stated that coupled support should be provided for the small area of protein crops which is grown in Northern Ireland each year. UFU and YFCU stated that coupled support for protein crops would help address Northern Ireland's continued dependence on imported plant protein and help meet the emerging and growing demand for local protein by local compound feed manufacturers for Northern Ireland's large livestock sector. They also stated that, with limited viable break crop options, the opportunity to help address the general downward trend of protein crop production in Northern Ireland to rebalance our cereal output and give a much needed wider choice of suitable break crops to help encourage best practice in crop rotation would be greatly enhanced by providing a coupled payment for protein crop production. The organisations felt that this would

also help offset the commercial advantage given to growers in the Republic of Ireland where a coupled payment for protein crops was introduced a few years ago.

Sectors/animal types/crops that should be supported

Four organisations (Belfast Hills Farmers Group, Board of the Belfast Hills Partnership, LMC and NIMEA) suggested that suckler cows/beef should be supported; with two of those organisations (Belfast Hills Farmers Group and Board of the Belfast Hills Partnership) further suggesting that breeding ewes should also be supported. Two of the organisations that supported the introduction of coupled support for suckler cows/beef (LMC and NIMEA) suggested that the payments could be linked to improving the genetics, traceability and quality of product in the red meat industry.

Two organisations (RSPB and LINI) suggested that the Department should investigate whether the coupled support mechanism could be used to support High Nature Value (HNV) farming practices in Northern Ireland.

UFU and YFCU suggested that coupled support should be provided for protein crops.

Proportion of the Pillar I budget that should be used for coupled support

Only two organisations suggested the proportion of the Pillar I budget that should be used for coupled support. LMC suggested that 8% of the Pillar I budget should be used for coupled support as that would provide a justifiable incentive for suckler beef farmers. NIMEA suggested that 12% of the Pillar I budget should be used for coupled support on suckler calves as that would provide a meaningful incentive for suckler beef farmers to engage in improvement programmes.

Although the UFU did not propose the proportion of the Pillar I budget that should be used, it did suggest that the likely funding necessary to provide for a coupled protein payment would equate to an insignificant decrease in all existing BPS payments.

Question 3

Please provide any other comments you wish to make on the coupled support option.

There were 10 responses to this question, eight responses from organisations and two individual responses. One organisation and three individuals provided comments which did not relate directly to the coupled support option.

Belfast Hills Farmers Group and the Board of the Belfast Hills Partnership suggested that any coupled support scheme that was introduced needed to be flexible, for instance retention periods should be able to run for any time of the year rather than a fixed period which would distort the market place. LMC stated that coupled support was not needed at this time to maintain the sheep sector in Northern Ireland. NBA stated that if coupled support was introduced it would restrict production on farms and not allow a farm business to expand; furthermore it would increase red tape and the level of on farm inspection. It further stated that hill and marginal farming would be much better off with a flexible upland payment system based on modification of traditional breeds through genomics and land management through ANC via payment environmental schemes. NBA also suggested that coupled support could cause major landscape damage to those high nature value habitats which were rich

in flora and fauna and very fragile and needed careful management. NSA stated that coupled support would be a return to retention periods, increased inspections and a necessity to take monies from one sector to give to another.

SDA Group stated that coupled support of any kind for the beef and sheep sector would be counterproductive and would act as a barrier to allowing the sectors to progress and develop in a healthy and sustainable fashion, and the resulting coupled payment would generally either maintain numbers at or increase them to a level where by the returns for the primary producers were greatly diminished. The group further stated that coupled support would add another layer of bureaucracy to the Department's activities, further diverting the pot of EU monies from the farming communities and into administration duties. The organisation also suggested that coupled payments would lead to the over intensification of some areas and the under utilisation of other regions which would have a detrimental effect on the Northern Ireland brand, and efforts should be made to encourage a more even distribution of production throughout all of NI.

UUP stated that the analysis of data in the coupled support consultation document focused on the beef and sheep sectors, however additional analysis which included the other eligible sectors would have been useful, as would have been a detailed assessment of the situation in neighbouring regions and the possible implications for local producers. UUP suggested that data should be closely monitored and analysed to identify if support was needed and what form it should take in the future.

UFU did not directly respond to this question, however, its consultation response stated that it would continue to monitor the situation within each sector as the phased transition of SFP support to a single regional model progressed and would act as necessary when the opportunities arose.

National Trust strongly agreed with the statement in the consultation paper that particular caution should be exercised around any consideration of substituting ANC payment for coupled support. RSPB stated the importance of and the need for increased awareness of High Nature Value (HNV) farming.

Appendix 1

List of Respondents to the Consultation on Review of CAP Coupled Support Options

Organisations

- Belfast Hills Farmers
- Board of the Belfast Hills Partnership
- Landscape Institute Northern Ireland (LINI)
- Livestock & Meat Commission (LMC)
- National Beef Association (NBA)
- National Trust
- NI Meat Exporters Association (NIMEA)
- National Sheep Association (NSA)
- Royal Society for the Protection of Birds Northern Ireland (RSPB)
- Severely Disadvantaged Area Group (SDA Group)
- Ulster Farmers' Union (UFU)
- Ulster Gaelic Athletic Association (GAA)
- Ulster Unionist Party (UUP)
- Young Farmers' Clubs of Ulster (YFCU)

Individuals

- Wilbert Mayne
- Vincent McAlinden
- Michael McPolin
- Thomas Moorhead
- Murtagh Walls