

JOINT COMMITTEE ON AGRICULTUI	RE, FOOD AND THE M ARINE

CAP Simplification – A contribution in the context of political dialogue

Simplification

Introduction

The Oireachtas Joint Committee on Agriculture, Food and the Marine (the Committee) welcomes the prioritisation of simplification in agriculture in Commissioner for Agriculture and Rural Development Hogan's agenda for his term. In this regard simplification is also a priority topic in the work programme of the Committee for 2015. The Committee is well aware from its engagement with all stakeholders of the need to simplify European agricultural schemes as agreed in the newly reformed Common Agriculture Policy [CAP], and recognises the need for farmers to have certainty and streamlined access to schemes. The Committee acknowledges that simplification has been a long-running and challenging ambition for successive Commissioners for Agriculture and Rural Development. A delegation of the Committee met with Commissioner Hogan in Brussels and with officials from the European Court of Auditors in March 2015 as part of its ongoing work in the area of simplification. The Committee is therefore fully committed to the process of simplification and will be closely monitoring developments and engaging in political dialogue with the Commission as various measures are brought forward.

<u>General</u>

- The Committee welcomes the plan by the Commission to lift the administrative burden on farmers through simplification and as a matter of principle believes that the simplification agenda should be farmer-centred.
- A balance must be struck between stability of payments and flexibility of schemes for farmers.
- The Committee recommends that Member States be allowed the flexibility to implement the provisions of the Regulations as they stand. Where there are no specific provisions in the regulations the Commission must avoid creating new conditions and requirements.
- Simplification measures should be reviewed at the mid-term stage to gauge whether
 or not it has resulted in farmer-centred schemes and achieved its general aims.

- The application process for locally led initiatives such as those proposed under FLAGs and LEADER should be reviewed for simplification opportunities.
- While the Committee acknowledges that the approval of Rural Development Programmes by the Commission can be a complex process and on occasions this is necessary to ensure the correct use of EU funds, it also firmly believes that there is wide scope to simplify and streamline the process. The current approval process is long, cumbersome, and resource-intensive for all parties concerned and may hinder the applicants from applying. In this regard, for example, the Committee fears that farmers may not sign up to rigid plans for alternatives to greening measures as they do not wish to be tied into inflexible schemes for five years.

Inspections

- Inspections can be a complex, stressful, and time-consuming process for farmers. To simplify the process, a cooperative as opposed to an adversarial relationship should be fostered between farmers and inspectors by the relevant EU inspectors.
- Advance notice of an inspection would ensure that farmers are aware of the impending inspection and can plan their workload accordingly. This would greatly reduce the stress caused by unannounced inspections.
- To promote certainty and transparency, an inspector should notify the farmer of any issues of non-compliance and associated penalties being considered before leaving the farm.
- The Committee is concerned about the potential number of inspections to which a farmer may be subjected particularly as a result of the proposed 5% greening rate.
- The Committee is aware of the burden placed on farmers by the range of inspections conducted by a variety of agencies. The Committee recommends that

- inspections on the same farm be minimised or much better coordinated and streamlined in the ongoing process of simplification.
- The Committee points to the charter of farmers' rights agreed recently between the Irish Department of Agriculture, Food and the Marine and Irish farmers as an example of how a cooperative approach to inspections can benefit all parties.

Penalties

- The Committee is of the view that in principle fostering compliance with CAP measures should take priority over imposing financial penalties on farmers.
- A clear and simplified system of outlining potential penalties for farmers should be distributed to farmers so that there is a higher element of certainty when penalties are under consideration or probable.
- For incidents of minor non-compliance only, a second-chance mechanism should be utilised. This would allow farmers to move into compliance with the measure within a grace period and, therefore, avoiding the imposition of a penalty.
- Flat-rate penalties can be an inequitable method of penalisation as they fail to take into account the particular nuances associated with each farm holding.
- Any changes to schemes during the course of the process of simplification should not result in retroactive penalties for farmers.
- The provisions for reductions and administrative penalties in incidents of overdeclaration are skewed in favour of farmers with larger holdings.
- The Committee believes that a sustainable model of family-based farming which tends to involve smaller holdings – should be promoted by the Commission.

Greening

 While greening is an important component of land use, the rules governing it are very complex. This makes it difficult for farmers to understand the rules and thus comply with them. The Committee has identified this area as being a policy ripe for simplification.

- Simplified rules for the designation of Ecological Focus Areas would better enable farmers to comply with what appear to be complex requirements.
- The Committee is concerned that some of the provisions for equivalence practices as an alternative to greening requirements may lock farmers into inflexible long-term commitments. For example, a commitment to sow catch crops as an equivalence measure requires that a farmer agree to sow such crops for 5 years. This level of inflexibility may create difficulties and thus may hinder the realisation of the targeted benefits to the environment and climate.
- The Committee recommends that a simplified interpretation of the rules on the
 planting of seeds for catch crop growth. While the relevant provision seems to
 suggest that a mixture of crops are required, a simplified interpretation allowing the
 growth of a single catch crop would reduce the administrative and practical burdens
 of the measure.
- In relation to compliance with Ecological Focus Area requirements the Committee would encourage the Commission to take a broader approach than the one proposed with regard to the location of landscape features and buffer strips on land parcels. The Committee would welcome a degree of flexibility on this, and would like to see a relaxation on the requirement that buffer strips must physically touch arable land. In practical terms this would mean that farmers would be allowed, if they so wished or needed to, to construct farm roadways without an adjacent hedgerow being deemed ineligible.
- The Committee appreciates that inspections have to be conducted on greening
 measures to ensure the control rate of 5% is achieved. However, the Committee
 contends that if Member States could adopt a single inspection regime to cover all
 aspects of the control requirements, the administrative burden would be greatly
 reduced.
- The Committee believes that increasing the control rate for greening measures from 5% to 10% in situations where an Ecological Focus Area is not fully implemented is an unnecessary administrative burden.

- Farmers should be able to avail of a simplified mechanism to shift between schemes
 when such is necessary for their enterprise instead of being locked into schemes
 which are several years in length in order to comply with greening measures.
- The Committee recommends that the potential for greening measures to be applied at a national level as opposed to an individual farm level be explored.

Young Farmers

- Ireland has a disproportionately low number of young farmers. The simplification of schemes aimed at encouraging young people into agriculture, as well as those schemes aimed at assisting young farmers already engaged in agriculture in order to retain them in the industry, would greatly assist Ireland in increasing the number of young farmers in the country.
- A simplified scheme to assist young farmers in limbo aged under 40 but who set up a holding before 2010 – would ease the transition for farmers out of the young farmers' scheme.

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Chairman

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