



GLOBAL EUROPE

The Common Agricultural Policy 2023-2027 and the National CAP Strategic Plan (CSP)

By Emily Binchy | December 2022



Section 1: Introduction

The original Common Agricultural Policy (CAP) was launched in 1962, ten years prior to Ireland’s accession to the then European Economic Community (EEC). Since then, its aim has been to support agricultural livelihoods and rural communities. In June 2018, the European Commission presented legislative proposals to transform the CAP, with the aim of incorporating sustainability into the new policy, in line with the ambitions of the European Green Deal. The new CAP strategy for 2023-2027 was formally adopted on 2 December 2021 and is due to be implemented from 1 January 2023.

The new CAP strategy shifts responsibility for design and implementation from Brussels to the Member States and in the two-year transition period, each Member State has been required to submit a National CAP Strategic Plan (CSP) to the Commission for approval. These plans detail how Member States plan on meeting the nine objectives of the new CAP, while allowing the flexibility for each Member State to accommodate the different models of agriculture which exist across the Union. This new approach makes the CAP 2023 proposals compatible with the European Green Deal. The ten EU-wide objectives are depicted in the image below:



The ten icons above can be divided into three objectives for the EU’s new CAP:

1. To provide fair Income for farmers, increase competitiveness and rebalance power in the food chain
2. To develop vibrant rural areas, and support generational renewal
3. To take action on climate change by preserving landscapes and biodiversity, fostering care for the environment, protecting food quality and animal health under the concept of [One Health](#).

Section 2: Ireland's National CAP Strategic Plan (CSP)

Ireland's National CAP Strategic Plan, which was submitted to the European Commission under the CAP 2023-2027, has internalized the EU's goals to make the CAP greener, fairer and socially and economically sustainable. Furthermore, pressure to embed sustainability in the Irish agri-food sector stems from changing societal values and attitudes, consumer choices and political perspectives, and increasing EU and international legal requirements to protect a healthy environment for future generations. With regard to emissions, the Irish Government's target for the agri-food sector is to [reduce its emissions by 25%](#) in order to reach Ireland's overall climate target of a 51% reduction in carbon emissions by 2030.

One thorny issue in the debate is reduction of bovine emissions. On this delicate subject, an Tánaiste, Leo Varadkar [has said the following](#):

We believe it is possible to reduce bovine methane emissions by 10% without reducing production. In fact, there are serious scientists in agriculture who believe that through the use of feed additives and also breeding, we can reduce the emissions from each cow by as much as 40% to 50%.

Ireland's CAP Strategic Plan (CSP) for the period 2023-2027 states that it will underpin the sustainable development of Ireland's farming and food sector by supporting viable farm incomes and enhancing competitiveness, by strengthening the socio-economic fabric of rural areas, and by contributing to the achievement of environmental and climate objectives at national and EU levels. Supports for farmers during this transition are predicated on the resilience and can-do attitude of farmers and include up to [€500 million in funding](#) specifically ringfenced for agri-environment, with increased funding for State Agencies, such as Teagasc, to assist them in advising and working with farmers to improve farm sustainability.

Three key points in the new CAP Strategic Plan for Ireland represent a change in the approach to CAP planning and implementation compared to previous programming periods:

- Instead of the familiar compliance-based approach followed previously, a new *performance-based approach* is envisaged.
- This will be underpinned by a new delivery model, under which Member States' performance will be assessed on *outputs and results*, and on how their CSPs contribute to CAP objectives at EU level. The CSP will also take a more holistic approach to farm management, by integrating interventions under both Pillar I (Direct Payments and Sectoral Interventions) and Pillar II (Rural Development) into one plan.

- A new *Green Architecture* operating across both pillars, which puts the CSP at the core of the transition to sustainability of our agricultural and food systems, comprising three elements:
 - (i) **conditionality** is the base line requirement for farms receiving CAP payments i.e., farmers must take account of climate and environment ambitions, public health and animal and plant health and animal welfare;
 - (ii) **space for nature** - farmers must make space for ecosystems, retain landscape features such as hedges and ponds and take climate related actions such as not ploughing grass lands;
 - (iii) **rewards for transformative change** - farmers will be rewarded for actions beneficial to the environment, such as improving water quality and biodiversity, developing apiculture (where beekeepers' work will be regarded a public good), for producing protein crops to reduce Ireland's dependence on imported feed materials and for producing fruit and vegetables to improve their position in the value chain.

Three further acronyms BISS, CRISS and CIS-YF summarize the payments aspects of the plan:

- **BISS** refers to providing direct income to maintain a secure food supply;
- **CRISS** is a complementary measure to redistribute income support from larger farms to smaller ones thus restoring the power balance between them;
- and **CIS-YF** refers to complementary income support for educated young farmers to help guarantee food supply and rural sustainability into the future.

Finally, **ACRES** refers to agri-climate rural environment schemes based on a *habitats approach* to farming practices and is part of Pillar 2. Each farmer will have a sustainability plan which will focus on tree planting, water management and biodiversity. ACRES provides training for farmers to increase their understanding of climate change and the impact of their farming activities on biodiversity and natural resources. It favours converting from the current model of intensive monoculture to organic farming and contains a minimum requirement of 4% for set-aside of farm area for that purpose. Shifts in this direction are evident throughout the “food system” and not solely at farm level. In line with these system shifts, on [29 November 2022](#), Bord Bia announced the appointment of its first full-time organic sector manager, Emmet Doyle.

Overall, the new approach favours a *circular* rather than a linear approach to farm management which involves making food production smarter, *supply chains more efficient and local, and reducing waste*. However, [critical voices](#) such as the European Environmental Bureau and BirdLife Europe which assessed the national CSPs of some Member States found that they lack clear targets for endangered species and funding to halt biodiversity loss in wetlands, peatlands and forestry.

Section 3: The Impact of the Irish CSP on the Economic, Environmental and Social Sustainability of Rural Areas

Two key features of the new CAP Strategic Plan for Ireland, which are of particular interest in terms of their impact on rural Ireland are (i) **generational renewal and innovation**, and (ii) **gender equality**.

1. Generational Renewal

Generational renewal in the new CAP goes beyond reduction of the average age of farmers today, focusing instead on developing vibrant rural areas by empowering a new generation of highly qualified young farmers to harness the benefits of new technology to support sustainable farming practices and to create a resilient agri-food sector based on talent, innovation and knowledge. The innovative approach of tailoring targeted environmental measures to results-based payments is designed to encourage all farmers to farm for the benefit of the environment using innovative methods.

Examples of policy innovation include:

- using *habitat scorecards*, combined with the landscape-level advice and knowledge exchange opportunities now available to farmers, will empower farmers to see themselves as the custodians of land, to know exactly why they are being asked to farm for nature and *how* best to do it.
- bridging a *farm-level knowledge gap* by developing a national *baseline database of farm-scale habitat* and biodiversity data will enhance farmers' knowledge of habitat and biodiversity on their farms, while also providing information to the Department of Agriculture, Food and the Marine which would inform future plans and policies through greater awareness of our farmlands which cover 60% of Ireland's landmass.
- ensuring that in the case of a young farmer leasing entitlements, that the topped up value of a leased entitlement could be clawed back, when reverting to the original owner has been removed.
- supporting *locally-led* schemes to provide support to a range of actors in the agricultural sector who are looking to come together to form *Operational Groups (OGs)* to develop and test innovative solutions to particular challenges which are identified in the sector.
- supporting *innovative pilot projects* to explore how Ireland can *blend biodiversity-awareness in economic sectors* such as agriculture by engaging in *European Innovation Partnerships*, (EIPs). These projects specifically target the restoration, *preservation and enhancement of biodiversity* in farmland habitats, and enable a shift towards more *sustainable agricultural management practices* which will have a positive impact for biodiversity. EIPs can also target farm safety and the health and wellbeing of farmers and farm families. An example of a recent EIP is the [€60 million scheme](#) to support farmers improving water quality on agricultural lands through the reduction of "losses of phosphorous, nitrogen, and sediment to water from agricultural lands".

2. Gender Equality

The rationale for a specific reference to incentivise gender equality is that although Ireland's CAP Strategic Plan was approved by the EU in August 2022, the European Commission [identified](#) gender inequality as a weakness in the Irish CSP, while identifying the economic benefit arising from increasing female participation as an opportunity. In response to this, An Taoiseach, Micheál Martin, [noted that](#):

With the increasing evidence of the link between gender equality and sustainability, it is clear that women in agriculture have an important role to play in climate action.

He acknowledged that agriculture is still largely a male dominated sector in Ireland, and recognised that while some 12% of herd numbers are held by women, in 2016, the CSO recorded that only a quarter of the 71,000 people working on farms were women and the percentage of female farm holders has increased by just 1% in the decade up to 2020 by comparison with an average of around 30% across the EU. Furthermore, Ireland's Citizen's Assembly report also called attention to the need to facilitate women in assuming leaderships positions in specific sectors such as agri-food sector. To address these issues, Ireland's CSP includes measures which were designed to support greater gender equality:

- An increased grant rate of 60% under the Capital Investment Scheme (TAMS) for farm buildings has been extended to women farmers up to the age of 66/until their retirement.
- All CAP measures are now developed with a gender-aware perspective to ensure there are no inherent barriers to women's participation.
- A National Dialogue on Women in Agriculture will be held in 2023, chaired by former Minister for Agriculture, Mary Coughlan, to provide an opportunity to discuss how to increase the visibility and status of women in agriculture.
- Finally, Ireland's Food Vision 2030 strategy also includes actions to promote and improve gender balance at all levels, including a commitment to represent the agri-food sector in the development of the next National Women and Girl's Strategy.

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