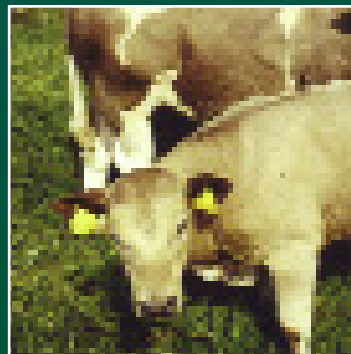
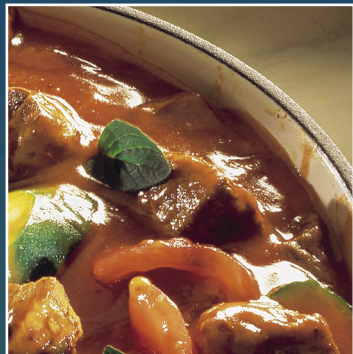




THE DEPARTMENT OF
AGRICULTURE & FOOD
AN ROINN TALMHAÍOCHTA AGUS BIA



Annual Report 2006

of the Minister for Agriculture and Food

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Thank you

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Price €10

This Annual Report is available on the Department's website: <http://www.agriculture.gov.ie>

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ANNUAL REPORT OF THE MINISTER FOR AGRICULTURE AND FOOD

MISSION STATEMENT (Statement of Strategy, 2005 - 2007)

"To lead the sustainable development of a competitive, consumer-focused agri-food sector and to contribute to a vibrant rural economy and society."

Contents

MINISTERIAL REVIEW	4
INTRODUCTION BY THE SECRETARY-GENERAL	6
ORGANISATION OF THE DEPARTMENT	8
REPORT ON DEPARTMENTAL GOALS	12
1. Agri-Food Development and Trade in a National and International Framework	13
2. Food Safety, Animal Health and Welfare, Plant Health	28
3. Rural Economy and Environment	42
4. Schemes Delivery and Financial Management	46
5. Operational Capabilities and the Modernisation Agenda	54
APPENDICES	
1. Performance Indicators	66
2. Customer Service Targets	86
3. Programme for Government Commitments	90
4. National Development Plan 2000-2006 - Agriculture and Rural Development	102
5. Vote 31 – Expenditure on Agriculture and Food for 2006	104
6. FEOGA/EAGGF Guarantee Expenditure for 2006	106
7. Prompt Payment of Accounts	108
8. Orders and Regulations made during 2006	109
9. The Land Acts in 2006	119
10. State Bodies Under the Aegis of the Department in 2006	120

Review of the Year

by the Minister for Agriculture and Food



Mary Coughlan, T.D.,
Minister for Agriculture and Food

I am very pleased to present the 2006 Annual Report of the Department of Agriculture and Food.

It was a year marked by the publication of major policy documents and the provision of funding which provide the framework for the development of the agri-food sector over the next decade.

In March, the **Action Plan for the Future of the Agri-Food Sector** was published. The Action Plan is the response to the **Report of the Agri-Vision 2015 Committee** and sets out a new vision for the future of the sector in the light of the major changes now impacting on it. In order to survive and grow, Ireland's agri-food industry must be highly competitive on both EU and world markets. The key points in the Action Plan are competitiveness, innovation and consumer focussed marketing.

The agriculture provisions of the new partnership, **Towards 2016** were agreed with the Farming Social Partners and are designed to address the issues of competitiveness and sustainability. *Towards 2016* includes a commitment that Exchequer funding for the farm schemes under the Rural Development Programme will be €4.7 billion for the period 2007-2013.

The Partnership Agreement includes actions on all the main farming sectors, providing increased payments of 17% under REPS and 8% under the Disadvantaged Areas Scheme, an increase of 56% in Installation Aid rates and a new Early Retirement Scheme, with payments of up to €15,000 maximum.

Towards the end of 2006, following an independent evaluation and a strategic environmental assessment, the

Department submitted a **Rural Development Plan** to the European Commission. This plan, providing total expenditure of €7.5 billion, which will be partially co-funded by the Commission, will implement a number of the measures in the agriculture section of *Towards 2016*.

A significant number of **sectoral initiatives** were announced in 2006. I was delighted to initiate a major capital investment programme for the dairy processing sector. The government committed €100 million to the fund, to generate greater efficiencies in the processing industry and enable the sector to gain an increasing share of world markets. A Capital Investment Aid Scheme for the beef and sheepmeat processing sectors was also launched. This support package, amounting to €50 million is aimed at the increasing efficiency in the primary processing sectors. In addition, an allocation of €250 million for an Animal Welfare, Recording and Breeding Scheme for Suckler Herds was also provided. All of these initiatives were set out in our Agri-Vision 2015 document.

As far as the main market areas are concerned, **beef** production continues to be extremely valuable to the Irish economy, with exports worth over €1.5 billion in 2006, an increase of 14% on 2005. Exports to EU markets reached an all-time high of 480,000 tonnes, while third country exports remained stable. Live cattle exports increased by 35%, exceeding 250,000 for the first time since 2000. Cattle prices rose by 8% on average, continuing the strong performance of recent years. The introduction of mandatory country of origin labelling in the restaurant and catering trades in July represented a major step forward in improving transparency for the customer.

2006 was a more challenging year than recently for the **dairy** industry on EU and international markets. However, the market improved considerably by the end of the year. Although market forces have a huge influence on the price paid for milk, the average return for 2006 is comparable to or better than the return to producers in the previous three years when the dairy premium is taken into account. The dairy premium was worth €180 million in 2006. I took a very substantial step towards changing the landscape of dairy quota transfers during the year. A total of 125 million litres was offered for sale in the first Milk Quota Trading Scheme. Overall, some 25% of all dairy farmers participated in the scheme, which was an exceptional turnout.

The development of **Bioenergy** was a particular priority in 2006. The potential of agriculture to contribute to the development of a sustainable Bioenergy industry was recognised by the Government in the White Paper on bioenergy and the subsequent establishment of a Ministerial Task Force on Bioenergy. Provision of €14 million was made to cover a number of initiatives to encourage farmers to grow energy crops. Measures included a new national payment of €80 per

hectare by way of top up to the EU Energy Crops premium. A new Bioenergy Scheme was also launched to grant-aid establishment costs for the planting of willow and miscanthus.

2006 was, of course, the first full year of the decoupled income support era. I managed to secure agreement from the European Commission to make advance payments under the **Single Payment Scheme**, to compensate farmers for the adverse weather conditions in late spring and early summer. Between the October and December payment tranches some €1.17 billion was paid to 118,000 farmers.

The **Rural Environment Protection Scheme (REPS)** was one of the big success stories of 2006. By the time REPS 3 closed at the end of December, participation had reached 59,200. During the year, a total of €330 million was paid out to REPS farmers, an increase of 17% on the previous year. I believe the environmental benefits of such high participation will be of great benefit to the country as a whole.

In relation to food safety, the EU's food and feed hygiene legislation, the **Hygiene Package**, came into effect in all member states on 1st January 2006. The Hygiene package was motivated by the necessity to ensure high levels of public health protection in relation to food production. It simplifies the range of complicated and sometimes overlapping legislation that had built up over the years.

My Department continues to play a vital and successful role in dealing with **animal disease**. 2006 saw the first cases of Equine Infectious Anaemia (EIA) in Ireland, with a total of 28 cases confirmed during the year. The Department's priority was to contain and eradicate the disease, given the value and reputation of the Irish bloodstock industry. BSE continued to fall, with a decrease of over 40% on 2005 reflecting the success of the measures put in place to eradicate it. Similarly, levels of Brucellosis and Bovine Tuberculosis continue to decline.

Overall 2006 was a year in which much progress was made both in terms of policy development and in terms of delivery and operational performance. I am happy that a solid foundation was laid for the future development of the agri-food industry up to 2015 and that important actions were taken to achieve this.



Brendan Smith, T.D.,
Minister of State



Mary Wallace T.D.,
Minister of State

A handwritten signature in black ink, appearing to read 'Mary Coughlan'.

Mary Coughlan, TD
Minister for Agriculture and Food

Introduction

by the Secretary General



Tom Moran
Secretary General

This year was a critical year for the Department in progressing the necessary policy decisions, funding provisions and actions to drive forward the further development of a competitive, sustainable and consumer focussed agri-food sector.

The **Single Payment Scheme** remained a major operational challenge particularly because it involved a two-staged payment. The Department successfully met this challenge and I would like to acknowledge the contribution made by the staff of the Department in managing, in percentage terms, to make payments to the highest number of farmers of any of the European Union Member States.

The Department considers progressing the **modernisation agenda** as required under *Towards 2016*, and its predecessor *Sustaining Progress*, as an important lever to undertake a robust programme of change within the Department. This supports the development of increased flexibility in our work practices, which benefits both the organisation and our customers. The backbone of the successful implementation of the modernisation agenda within the Department has been the continued communication between staff and management. I would like to acknowledge the role of the partnership group in this regard.

During the year we were pleased that our final Progress

Report due under *Sustaining Progress* was accepted by the Civil Service Performance Verification Group (CSPVG). Following agreement on *Towards 2016*, the Department prepared an Action Plan setting out over 90 measures it proposes to take under a range of headings including modernisation and flexibility, cross functional working and new technology and e-Government to implement the commitments in the modernisation agenda over the duration of the public service pay agreement. I am pleased that the first Progress Report under 2016 was also positively received by the CSPVG.

During the year progress continued on the implementation of the Government's **decentralisation programme**. With the 2005 and 2006 phases now complete, over 100 posts have moved from a range of Divisions in Dublin to Portlaoise.

The Department continued its work in relation to food safety throughout the sector and worked closely with other official agencies in this area, including the Food Safety Authority of Ireland (FSAI) in implementing the European Community's food and feed hygiene legislation, known as the 'Hygiene Package' which came into effect in January 2006. A new service contract between the Department and the FSAI was signed in February.

The Laboratory Services of the Department are hugely important in assisting us meet our objectives in relation to food safety and animal health, not just in relation to Irish consumers but to the vast customer base which our food industry has developed throughout the world. The fitting out of and transfer of staff to our new state of the art laboratory complex at Backweston took place in 2006 and the appointment was made of a new Director of Laboratories to oversee all the Department's laboratories. We are very proud of our new facility which is very much in keeping with the Agri-Food 2015 objectives set for the sector.

In summary, 2006 was both a challenging and successful year for the Department throughout its areas of work and I would like to thank the staff for their efforts and contribution.

A handwritten signature in black ink, appearing to read 'Tom Moran', with a long horizontal line extending to the right.

Tom Moran
Secretary General



Organisation of the Department

As at 31 December 2006, the Department had a staff complement of 4,505 (607 of whom workshared). There were 2,467 administrative staff, 318 in veterinary grades, 253 in inspectorate grades, 1,094 in technical grades, 281 in specialist grades and 92 in other grades.

The senior management team is the Management Advisory Committee (MAC), headed by Mr Tom Moran, Secretary General and is comprised of nine Assistant Secretaries General, the Chief Veterinary Officer the Chief Inspector and the Director of Laboratory Services.

Their areas of responsibility are set out across.

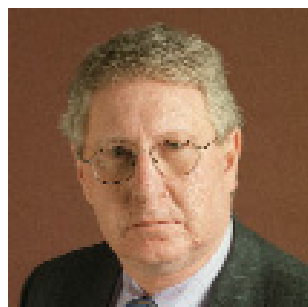
MANAGEMENT ADVISORY COMMITTEE (as at 31 December 2006)



Jim Beecher
Assistant Secretary General



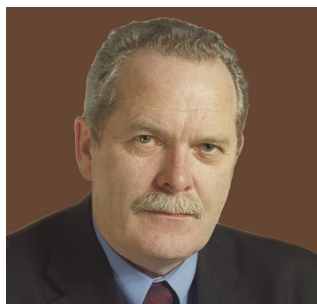
Tony Burke
Assistant Secretary General



Denis Byrne
Assistant Secretary General



John Fox
Assistant Secretary General



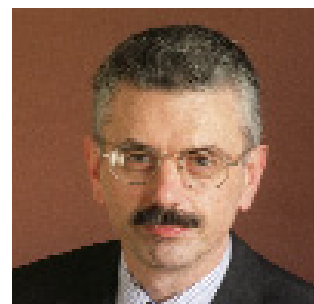
John Gillespie
Assistant Secretary General



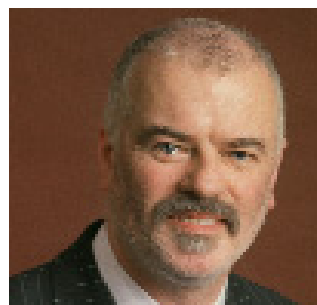
Seamus Healy
Assistant Secretary General



Martin Heraghty
Assistant Secretary General



Aidan O'Driscoll
Assistant Secretary General



Philip O'Reilly
Assistant Secretary General



Patrick Rogan
Chief Veterinary Officer



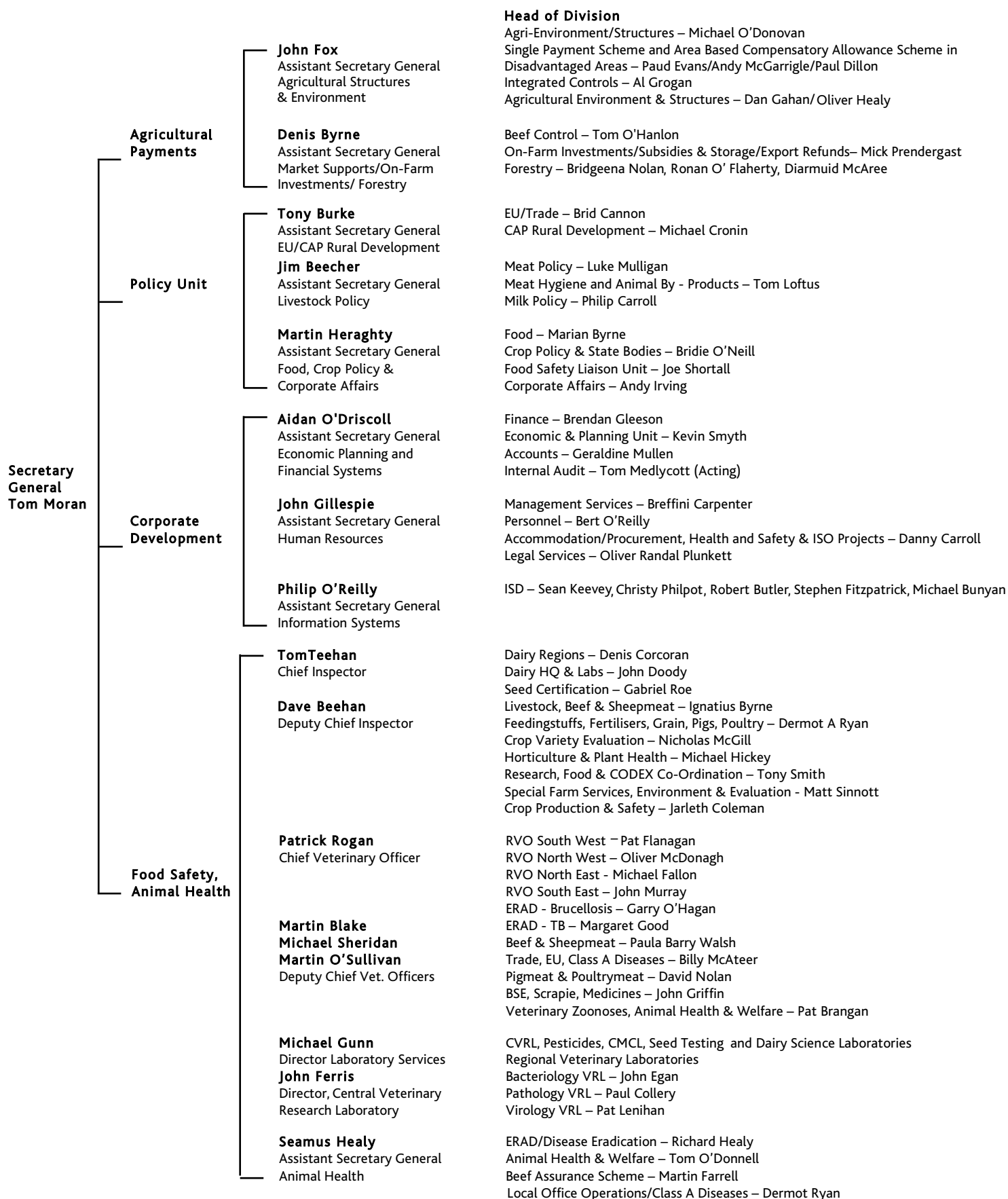
Tom Teehan
Chief Inspector



Dr. Michael Gunn
Director of Laboratory Services

Organisation Chart

(as at 31 December 2006)



Footnote. Mr. John Murphy, Acting Director, Agriculture Appeals Office reports directly to the Minister for Agriculture and Food.

Report on Department Goals



Report on the Department's Goals for 2006

Goal 1	Agri-Food Development and Trade in a National and International Framework Develop an internationally competitive consumer-focused agri-food sector and support and facilitate trade in agriculture and food.
Goal 2	Food Safety, Animal Health and Welfare, Plant Health Ensure the highest standards of food safety and consumer protection, animal health and welfare and plant health.
Goal 3	Rural Economy and Environment Promote the development of the rural economy and of environmentally friendly and sustainable systems of agriculture, forestry and food production and assist structural change.
Goal 4	Schemes Delivery and Financial Management Operate all our schemes and programmes in an efficient and effective manner, and ensure the highest standards of corporate and financial management and accountability in all our activities.
Goal 5	Operational Capabilities and the Modernisation Agenda Develop our human and physical resources, our operational capabilities and ensure the delivery of quality service to our customers, both internal and external while implementing Government policy on decentralisation and public service modernisation.

Goal 1: Agri-Food Development and Trade

Develop an internationally competitive consumer-focused agri-food sector and support and facilitate trade in agriculture and food

POLICY DEVELOPMENTS

Statistical and Analytical Reports

The Minister launched the Annual Review and Outlook for Agriculture and Food 2005/2006 in June 2006. The report contains a broad range of analysis and commentary relating to the performance of the agri-food sector and estimates of farm income in 2005 and total farm household income for 2004.

A fact sheet on Irish Agriculture was regularly up-dated and disseminated. A very detailed Compendium of Irish Agricultural Statistics was published in November 2006 and it is available on the Department's website along with other statistical and analytical reports.

Value For Money Reviews

The Value For Money Initiative, formerly known as the Expenditure Review Initiative (ERI), is being overseen by the Central Steering Committee in the Department of Finance. This Department is currently conducting reviews agreed under the 2006 to 2008 round of reviews. During 2006 two reviews were published, while work commenced on five of the nine reviews planned under the 2006 to 2008 round.

Tax Policy

Budget 2006 provided a number of enhanced provisions for the farming sector, which were valued at over €24 million in a full year. The specific farm tax measures were as follows:

- Stamp Duty relief for young trained farmers was extended for a further three years until 31 December 2008;
- Favorable adjustments were made to the income tax exemption thresholds for long-term leasing of farmland. The increased thresholds include the value of Single Payment Scheme entitlements leased with land;

- Single Payment Scheme entitlements were recognised as a qualifying "agricultural asset" for the purpose of Capital Acquisitions Tax -Agricultural Relief;
- Capital Gains Tax - Retirement Relief was extended to entitlements provided the farmer owned and farmed land for 10 years prior to disposal of the entitlements;
- Sale or lease of Single Payment Scheme entitlements was excluded from Stamp Duty;
- Excise duty on kerosene and non-automotive liquid petroleum gas was halved from 7 December 2005;
- Excise duty relief of €205 million over five years was also announced; and
- Provisions for increases under the Farm Assist Scheme, in line with other social welfare increases, were announced.

AGRICULTURE STATISTICS

In 2006 farm income (operating surplus on farms) was 14.2% lower than the figure achieved in 2005, primarily because net direct payments were down compared to 2005. This was because the substantial overlap in old and new direct payment schemes in 2005 was not repeated for 2006.

The value of goods output in the agriculture sector rose by 2.8% in 2006, with cereals output up almost 30%, livestock output up by 4.5% and milk down marginally (-1.0%). Intermediate consumption rose by 5.3% to €3,673 million.

AGRICULTURAL STATISTICS

OUTPUT, INPUT AND INCOME 2006		€m
Agricultural Output At Producer And Basic Prices, Gross Value Added And Operating Surplus In Agriculture	Goods Output At Producer Prices	5,109.5
	Plus Contract Work	278.7
	Plus Subsidies Less Taxes On Product	-17.4
	Agricultural Output At Basic Prices	5,370.8
	Less Intermediate Consumption	3,673.4
	Gross Value Added At Basic Prices	1,697.5
	Less Fixed Capital Consumption	689.1
	Plus Other Subsidies Less Taxes On Production	1,813.4
	Less Compensation Of Employees	465.2
	Operating Surplus	2,356.6

Source: CSO, Output, Input and Income in Agriculture - Preliminary Estimate, February 2007

COST OF PRODUCTION OF MAIN AGRICULTURE SECTORS

2005	System	Direct Costs per Farm €	Direct Costs as % of Output (excluding Direct Payments)	Total Costs per Farm €	Total costs as % of Output (excluding Direct Payments)
Costs of production of main agriculture sectors	All Systems	16,481	48%	33,004	96%
	Dairying	36,102	41%	66,979	76%
	Dairying +Other	30,329	46%	58,051	88%
	Cattle Rearing	7,085	58%	16,055	131%
	Cattle Other	9,143	57%	20,512	129%
	Mainly Sheep	10,195	59%	21,126	123%
	Mainly Tillage	28,821	50%	56,954	100%

Source: Teagasc, National Farm Survey, 2005

NUMBER OF FAMILY FARMS

2005	Number of Family Farms	131,200
------	------------------------	---------

Source: CSO 2005

AGE PROFILE OF FARMERS

2003	Age	No. of farmers	% of farmers
Age profile of farmers	<35	10,400	8%
	35-64	88,800	68%
	>=65	32,000	24%

Source: CSO

Programme for Government

All agriculture related commitments in the Programme for Government have either been met or are being met on an ongoing basis. Full details are set out at Appendix 3.

Partnership - Sustaining Progress and Towards 2016

All of the agriculture provisions of the Sustaining Progress Agreement negotiated with the Farming Social Partners have been implemented.

In 2006 the agriculture provisions of the new partnership, *Towards 2016* were agreed with the Social Partners.

Towards 2016 includes a commitment that National Exchequer funding for the farm schemes under the Rural Development Programme will be €4.7 billion for the period 2007 to 2013. This is an increase of 135% from the €2 billion in exchequer funds provided for the same schemes in the current round 2000 – 2006. The total agreed funding for the agricultural measures is €6.8bn, including €2.1bn from EU and modulation.

The partnership agreement is a very comprehensive document and includes actions on all the main farming sectors, as well as on the development of the food industry.

The main elements are as follows:

- A 17% increase in payments under the Rural Environment Protection Scheme (REPS);
- An 8% increase in Disadvantaged Areas Scheme payments;
- The average forestry premium will rise by 15%;
- The Installation Aid rate will increase by 56%, bringing it up to €15,000;
- A new Early Retirement Scheme will be put in place with a maximum payment rate of €15,000;
- A total of €250m is allocated for an Animal Welfare, Recording and Breeding Scheme for Suckler Herds;
- Capital investment funding of €100 million to support the dairy processing sector;
- €50m investment package for the beef and sheepmeat processing sector.

It also includes important measures on animal health, including a 50% reduction in disease levies, and commitments to continuing high levels of service to farmers by the Department. The strong focus on the future in the document is further underlined in the sections on 'renewable energy', 'enhancing the environment' and 'measures to encourage structural change'.

Agri Vision 2015

The Action Plan to implement the Agri Vision 2015 Report was published in March 2006. It highlights three drivers for success:

Competitiveness

The agri-food sector exports the majority of what it produces. To survive and grow it must be highly competitive on EU and international markets. Competitiveness is not optional for such an export-oriented sector. It is the primary objective on which the plan is based.

Innovation

The modern food industry is a highly sophisticated knowledge based sector in which technological progress and product innovation is unremitting.

Consumer Focus

Meeting consumer demands on product, presentation and price is critical to continuing success.

Based on these key drivers, the Action Plan sets out 167 actions that are being or will be taken to fulfil this vision. These actions are grouped thematically under the following headings:

- Focusing on the Consumer;
- Building our Knowledge Base;
- Strengthening Competitiveness;
- Promoting a Sustainable Future;
- Implementing the Action Plan.

Effective implementation of the Action Plan requires constructive input and action from a wide spectrum of bodies including the Department of Agriculture and Food, State Agencies and the private sector.

Internally, responsibility for all actions has been assigned to specific individuals and organisations and information has been collated for the first implementation report. Externally, the Agri-Vision 2015 Agency CEO Group and the 2015 Food Industry Committee have also been established to implement a fully consolidated approach to the food industry. The first implementation report will provide information on progress achieved on all action in the Plan and it is expected that this progress report will be presented at the Stakeholders Forum which is scheduled for March 2007.

Competitiveness

Following a number of previous studies that were sponsored by the Department as a result of recommendations from the Agri Food 2010 Committee, a number of new studies in the areas of productivity, milk quotas and off-farm income are to be carried out. The research projects will commence once approved for funding under the Research Stimulus Fund.

INTERNATIONAL FRAMEWORK



Minister Mary Coughlan T.D. with An Taoiseach Bertie Ahern T.D. meeting the EU Commissioner for Agriculture and Rural Development Mariann Fischer Boel, during her Dáil visit, May 2006.

EU Policy Framework

2006 saw a continuation of the process of review and reform of the Common Agricultural Policy (CAP). The proposals for reform of the sugar sector, on which political agreement had been reached in November 2005, were formally adopted at the Council of Ministers meeting in February and the new regime came into effect on 1 July 2006. In view of the reform and the market situation, Ireland's only sugar producer decided in March 2006, to cease sugar production. The compensation package of €312m negotiated for Ireland during the reform negotiations will be distributed by means of direct payments (€123m) to beet growers over the next seven years, a sugar restructuring scheme (€145m) and diversification aid (€44m).

As regards Rural Development, the Commission published the individual Member States' financial allocations for the period 2007-2013 as agreed in the Financial Perspective Agreement concluded in December 2005. Out of a total funding of €69.75bn at least €27.699bn is to go to convergence regions. An allocation of €18.91bn to the EU15 was agreed by the European Council and will be distributed on the basis of historical allocations. Ireland stands to receive a total allocation of €2.34bn.

In 2006 the Commission undertook a comprehensive review of the State Aid regime in the context of its rolling programme of simplification. Agreement on the new Guidelines for the Agriculture and Forestry sector for 2007-2013 was reached in November 2006. The agreement represented a successful outcome from the point of view of Ireland's concerns in relation to the agri-food sector and the livestock and forestry sectors.

2006 saw the continuation of the agenda for Simplification of the CAP. In October 2006, the Commission hosted a conference with stakeholders and Member States with a view to defining the future simplification agenda. The focus of the

conference was on both technical and political simplification of the CAP. The Conference discussed a draft Action Plan for technical simplification presented by the Commission. The Action Plan contains some 20 proposals for legislative simplification, mainly technical in nature. The Commission regards the plan as a rolling exercise and continues to canvass for further ideas from Member States. In December the Commission unveiled its proposal for the creation of a single Common Market Organisation by the rationalisation and amalgamation of the existing 21 CMOs.

Ireland is in favour of simplification of the CAP. There is concern, however, that the existing proposals do not address some of the more important technical and political simplifications of direct relevance at farm level which it is felt should be considered as priorities in the light of recent experience.

Maintaining Effective Partnerships

The Department maintained effective relationships with the EU institutions and Ministries in other Member States through our diplomatic officers abroad, through bilateral contacts with EU institutions and with Ministries of Agriculture in other Member States. The Department has diplomatic representation at Counsellor/Attaché level based in the capital cities of six of our major EU trading partners (France, Germany, Italy, Poland, Spain and the UK) as well as in Brussels (EU) and Geneva (WTO). As part of their responsibilities, these staff service international organisations where appropriate (FAO, WFP, OECD). In addition the Department also has representation in Washington.

Continuing the process of fostering relationships with the new Member States, the Department hosted a number of Ministerial and senior official visits from Latvia, Lithuania and Bulgaria. In addition visits at Ministerial and Secretary General level were undertaken to Poland, the Czech Republic and Hungary.

World Trade Organisation

At the WTO Ministerial Conference in Hong Kong in December 2005, a deadline of end July 2006 was set for the conclusion of the negotiations. Despite further intensive efforts in the first part of 2006, the negotiations broke down and no agreement was reached by the expiry of the deadline. The WTO Director General (Pascal Lamy) suspended the negotiations in July 2006. Following a period of inactivity pending the outcome of the Congressional elections in the US – which were expected to influence the US position – the negotiations resumed in a low-key manner in December 2006.

Ireland's objectives in relation to the negotiations remain unchanged. Although Ireland is committed in overall terms to the conclusion of an agreement, the primary objective is to ensure that any such agreement is balanced across all sectors of the negotiations and guarantees the continuation of a viable and sustainable agricultural sector in the EU and Ireland. The overriding concern is to ensure that the

reductions in support and protection, which the EU will be required to implement under a new round, will not necessitate further reform of the CAP.

EU Enlargement

Accession negotiations with Croatia and Turkey continued in 2006. In regard to both candidate countries, it was concluded that they were not sufficiently prepared to open negotiations on agriculture and rural development unless and until they had satisfied a number of benchmarks

Development Aid



Minister of State, Brendan Smith T.D. with James Morris, Executive Director, UN World Food Programme, October 2006.

During 2006 the Department continued its support for the vital work of the United Nations World Food Programme (WFP) with a total contribution of €8.5 million. €6.2 million was initially provided as core multilateral funding as part of Ireland's overall support to WFP. A further €1.3 million was provided on the occasion of the visit of Mr Jim Morris, Executive Director of the WFP in October. This funding was directed at on-going relief and recovery situations - 'The Forgotten Emergencies'. In December, a further €million was donated for WFP operations in Namibia. The money was needed to provide food aid to orphans and vulnerable children. Ireland was the first country to respond to the appeal for Namibian orphans.

The Department ensured Ireland's position on agricultural and development matters was well represented at various Food and Agriculture Organisation (FAO) meetings throughout the year such as Council, Committee on World Food Security and EU coordination meetings. In addition to paying Ireland's subscription of over €1.15 million to FAO, extra budgetary funding of €390,000 was also provided. Of this, €250,000 was directed to Emergency Assistance to control Avian Flu in Vietnam.

The FAO National Forestry Programme Facility which supports forestry programmes in developing countries received €100,000. €40,000 was given to FAO in support of

an Independent External Evaluation (IEE) of the organisation. The IEE is intended to undertake a complete assessment of FAO and is expected to produce findings and recommendations that would allow the Membership of FAO to chart the way forward and to better meet the challenges of the future in an evolving global environment based on its strengths and comparative advantages.

Throughout 2006 the Department contributed actively to the drawing up of the first Irish White Paper on development aid which was launched in September 2006. Among the many proposals is the launch of the Hunger Task Force, which will consider how best Ireland can help tackle food insecurity particularly in Africa.

Throughout the year the Department played an active role in supporting the EU position of appropriate use of food aid at FAO and Food Aid Convention meetings.

North South Co-operation

In July 2006, Minister Coughlan met with David Cairns MP, Under Secretary of State NI in Dublin during which both Ministers acknowledged the strong co-operation between officials both north and south. They reviewed areas of co-operation, in particular, the ongoing liaison in developing and implementing contingency plans in the event of an outbreak of avian Influenza on the island. There were two meetings held between senior officials of both Departments.

Good co-operation between the Department of Agriculture and Rural Development (DARD) in Northern Ireland and this Department continues at official level in the absence of the Northern Ireland Assembly. The impetus for delivering a common or unified all-island animal health regime has been "on hold" pending political developments in Northern Ireland.

Working groups on the development of an all-island animal health strategy meet at regular intervals once or twice per year. The main focus of these groups has been the sharing of information, increasing co-operation and addressing specific issues that arise from time to time (e.g. Avian Influenza contingency plans, double tagging of sheep for export, etc.). Progress has been made in regard to TB and Brucellosis, sheep identification and portal controls.

The main focus of the North South Ministerial Council (NSMC) policy working groups has been to increase and foster co-operation and consultation between the administrations north and south. The level and strength of co-operation that exists at present is well beyond that in place prior to the NSMC process and this applies both at central and local level across all policy areas. The Special Investigations Unit of the Department has participated in a number of successful and high profile joint investigations with their northern counterparts and continues to liaise successfully on ongoing investigations.

There is a North/South Pesticide Steering Group which continues to develop the following four specific areas which

were identified for ongoing North/South co-operation in the Agriculture sector:

- Pesticide usage surveys; the report of the first pesticide usage survey conducted for grassland and fodder crops was published during the year;
- Exchange of information on registered plant protection products and their uses;
- Distributor and operator training and certification, and equipment registration and calibration; and
- Further co-operation between DAF and DARD in relation to the registration of plant protection products, including policy issues and the problem of illegal cross-border trade.

It also exchanges information on policy developments and research projects.

At the stage when CAP was being reviewed, the Department examined emerging changes to the various rules of the Common Agriculture Policy and developed appropriate strategies for dealing with these following from the Mid-Term Review agreement, particularly in relation to Cross-Compliance requirements.

There is also co-operation on other areas of common concern.

NATIONAL DEVELOPMENT PLAN

In 2006, expenditure on agriculture and forestry actions totalled €823m. The measures in the CAP Rural Development Plan – early retirement, compensatory allowances, rural environment protection, and forestry – accounted for most of this. There was overall satisfactory progress under the various measures in the NDP. Expenditure details for 2006 and 2000-2006 are included in Appendix 4.

EU Rural Development Programme/Strategy 2007-2013

Following an extensive consultation process and in close collaboration with the Department of Community, Rural and Gaeltacht Affairs, a new rural development strategy and programme were prepared. The programme envisages total public expenditure of €7.5 billion. Its support measures address three priorities – competitiveness, environment and quality of life/diversification. They include assistance for on-farm investment, installation aid, early retirement, disadvantaged areas, agri-environment and forestry. The programme and strategy await EU approval/agreement.

Forestry Grant and Premium Schemes

Funding for the Forestry Grant and Premium Schemes in 2006 was provided under the Forestry Measures of the CAP Rural Development Plan 2000-2006. Expenditure under the various forestry schemes totalled €103.8m in 2006. This expenditure includes payments in respect of premiums, investment and a support programme including essential support for forest roads, forest reconstitution and woodland improvement as well as Native Woodland development and

a NeighbourWood scheme to develop woodland amenity in urban areas. The following table summarises the expenditure under these various schemes.

In 2006 approval was received from the EU to increase the grants payable for new forest planting in four of the seven Grant/Premium Categories (GPC). This increase was sought to ensure that these grants continue to cover establishment costs and to build on the previous increases in 2005. GPC1 (Unenclosed Land), GPC2 (Sitka Spruce/Lodgepole Pine) and GPC3 (20% Diverse Mix) were increased by 14.7% and GPC4 (Diverse) was increased by 13.5%. The other three GPCs were not increased having received a significant increase in 2005. Agreement was subsequently obtained from the EU to backdate these increases to aid the Autumn 2006 planting season. The maximum grants available now range from €3,414 to €7,604 per hectare depending on the GPC.

In 2006 a 15% increase in premium rates for new and existing clients was agreed at Partnership and this increase will be implemented in the 2007 premium run – sufficient provision for both the grant and premium increase have been made in the Department's 2007 Estimates.

Following an extensive consultation process with forest industry representatives during the year, a total of 12 forestry measures were drafted for inclusion in the National Rural Development Programme (NRDP).

Alongside the existing supports such as those available for afforestation and the construction of forest roads, the proposed new Programme included measures designed to support environmental and recreation initiatives.

The Programme was submitted to the European Commission in December with approval expected during 2007 when detailed schemes will be drawn up.

On-Farm Investment and Installation Aid Schemes

In March 2006, a revised Farm Waste Management Scheme was introduced in order to assist farmers meet the additional requirements of the Nitrates Directive. The principal changes to the Scheme included (a) an increase in the standard grant-rate from 40% to 60%, with 70% being available in the four Zone C counties; (b) an extension of the Scheme for the first time to sectors such as horses, deer, goats, pigs and poultry, and mushroom compost; and (c) an increase in the maximum eligible investment ceiling from €75,000 to €120,000 per holding. In addition, a Scheme of Investment Aid for Demonstration On-Farm Waste Processing Facilities was introduced in June 2006 to facilitate the introduction or development of certain waste processing facilities on farms by providing grant-aid to farmers for investments in such facilities.

As all the on-farm investment schemes were established under the National Development Plan 2000-2006, they closed for new applications at the end of 2006. In the case of the Installation Aid Scheme, however, applicants setup in farming prior to end-December 2006 can continue to submit applications under the terms of that Scheme.

Expenditure during 2006 on the various Schemes established under the above-mentioned Plan was as follows:

NDP SCHEME	Amount Paid (€m)
Farm Waste Management	21.318
Dairy Hygiene	6.993
Alternative Enterprises	0.619
Pig Welfare (Sow Housing)	0.469
Installation Aid	5.708
Demonstration Waste Processing Scheme	-

SUMMARY OF OUTPUT IN 2006 UNDER ALL FORESTRY GRANT AND PREMIUM SCHEMES

Measure/Sub-measure	Grant Scheme	2006	
		Payments €m	Area Ha
CAP Rural Development Plan 2000-2006	Afforestation Grants	22.7	8,027
	2 nd Instalments	10.9	12,606
	Forest Premiums	60.0	-
Regional Operational Programmes 2000-2006			
Woodland Improvement Sub-Measure	WI	0.3	201
	High Pruning	0.1	263
	Recon	2.1	2,433
	Shaping Broadleaves	0.1	525
	Native Woodland	1.3	1,105
	Neighbourwood	0.2	353
Forest Roads	Forest Roads	6.1	315km

Payment was made in respect of approximately 8,000 hectares of new planting in 2006.

In addition to the above Schemes, residual payments continued under the On-Farm Investment Schemes which preceded the Schemes introduced under the National Development Plan:

Pre-NDP Scheme	Amount Paid (€m)
Alternative Enterprises	0.003
National Farm Pollution/Control of Farm Pollution Schemes	0.054
National Scheme of Installation Aid	0.028

FOOD INDUSTRY

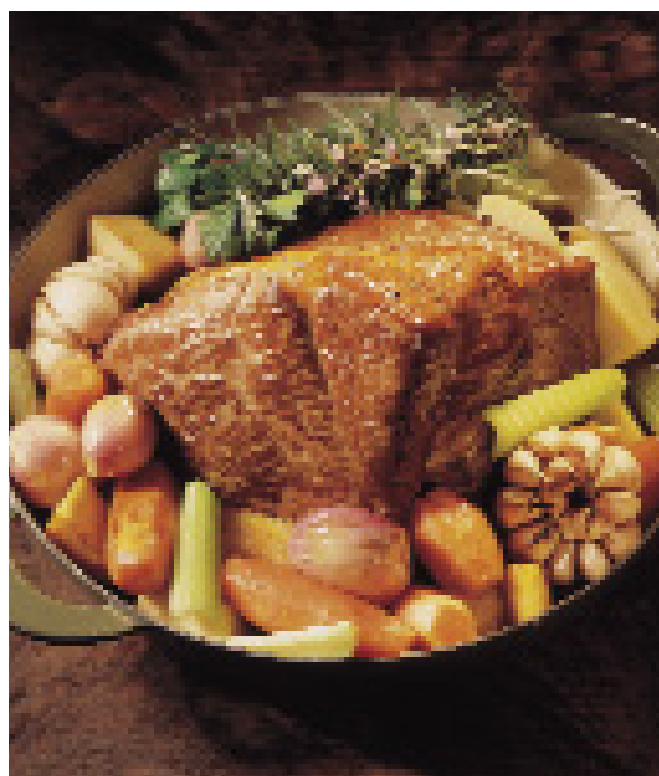
Development Programme for the Food Industry

Funding for the food initiatives in the NDP 2000–2006 is provided under the Productive Sector and Employment and Human Resource Development Operational Programmes. These market-focused initiatives are designed to provide a coherent, comprehensive response to the development needs of the industry. Administered by the Department and the development agencies, they seek to enhance the innovative, marketing and human resources capabilities of the industry in line with customer requirements and informed by research into quality, safe food founded on science.

Details of expenditure to date under the NDP are set out below.

NDP EXPENDITURE 2000-2006

Measure	Expenditure 2006 (€m)	Expenditure 2000-2006 (€m)
Capital Investment	9.90	65.24
Research		
In-Company Research	2.46	13.68
Food Institutional Research (FIRM)	11.39	50.53
Marketing & Promotion	4.95	38.48
Human Resources	2.52	13.62
Total	31.22	181.55



The **Capital Investment Measure** includes a Department scheme to assist projects in the horticulture, potato, eggs, grain and livestock marketing sectors. In 2006, €10.67m was awarded to 20 projects, which will generate expenditure in the years 2007-2008. €5.96m was expended on previous awards. The table below shows awards and expenditure by sector:

Sector	Expenditure (€m) 2006	Expenditure (€m) 2000- 2006	Awards (€m) 2000-2006
HORTICULTURE	1.41	3.83	10.59
POTATO	1.35	4.17	8.18
EGGS	0.26	2.32	2.76
GRAIN	2.20	11.75	19.31
LIVESTOCK	0.74	2.37	4.36
TOTAL	5.96	24.44	45.20

In relation to the **Food Institutional Research Measure (FIRM)**, 188 projects have been awarded funding totalling €97.25m under the following themes:

THEME	Expenditure (€m) 2006	Expenditure (€m) 2000-2006	Total Awards (€m)
BEVERAGES	0.568	1.117	4.485
CONSUMER FOODS	0.871	6.971	8.927
DAIRY	0.993	5.618	8.035
DNA TECHNOLOGY	0.173	1.932	2.167
FOOD & HEALTH	1.969	1.968	11.810
FOOD INGREDIENTS	0.184	3.320	4.024
FOOD SAFETY	2.659	11.059	23.319
FOOD QUALITY	1.419	1.419	8.516
FOOD VIRUSES	Nil	0.448	0.498
FOOD WASTE	0.142	0.354	0.607
MEAT	0.975	4.365	7.402
MISCELLANEOUS	1.025	5.637	8.645
NUTRITION	Nil	2.532	2.539
PROCESS DESIGN	Nil	1.324	1.380
RESIDUES	Nil	0.971	1.081
STRATEGIC EQUIPMENT	0.381	0.381	2.625
TSE	0.030	1.114	1.198
TOTAL	11.389	50.53	97.258

An Bord Bia

An Bord Bia has responsibility under the An Bord Bia Acts 1994-2004 to promote, assist and develop the marketing of Irish food, livestock and horticulture including amenity horticulture on the home and export markets through the provision of innovative market development, promotion and information services. The Board has overseas offices in eight strategic locations, Amsterdam, Chicago, Dusseldorf, London, Madrid, Milan, Moscow and Paris.

An Bord Bia is funded via grant-in-aid, statutory levies, service fees and industry income. The grant-in-aid for 2006 was €22.4 million including €4.95m under the Food Marketing and Promotion initiatives of the National Development Plan. Bord Bia operate two grant schemes to assist the marketing capabilities of micro, small and medium-sized enterprise food companies – the Market Improvement Assistance Programme and the Market Participation Programme—and also Quality Assurance Schemes for beef, pigmeat, eggs and horticulture.

Teagasc

Funding in excess of €134 million was provided to Teagasc for research, training and advisory activities by way of grant-in-

aid and funding under the National Development Plan, 2000-2006. Expenditure by Teagasc in 2006 was approximately €170 million.

Research Stimulus Funds and The United States/Ireland Cooperation Programme

In 2006 the Department spent over €6.5m under the Research Stimulus Fund and €0.038m on the United States/Ireland Cooperation Programme in Agricultural Science and Training.

Agricultural Promotion Schemes (Council Regulation No. 2826/2000)

The Food Dude Programme which foresees expenditure of €1.2m for promotion of fruit and vegetables over three years and which is jointly funded by the EU Commission, Fresh Produce Ireland and the Department of Agriculture and Food continued during 2006. The Programme employs a system based on role models and rewards and tasting to promote the consumption of fresh fruit and vegetables by primary school children in school and at home. Studies show that it can deliver long lasting results across the primary age range, regardless of gender, school size, geographic and socio-economic factors. The programme which also addresses the

recommendation of the Task Force on Obesity regarding "*the implementation of evidence-based healthy eating interventions*" was awarded a Best Practice Award at the WHO European Ministerial Conference on Counteracting Obesity in Istanbul in November.

COMMODITIES REPORT

Beef

The beef sector operates under the reformed regime of the Common Agricultural Policy, where market supports now come as part of a Single Farm Payment, with payments decoupled from production. This brings a new freedom to farming but requires a reoriented approach by farmers on the market with competitiveness, quality production and producer/processor relationships more sharply in focus. The Irish beef sector in 2006 was characterised by stability, consistency and high prices continuing a trend set in the previous year. Irish beef production in beef export plants reached 548,000 tonnes in 2006 – an increase of 4.6% in comparison to 2005. More than 90% of this amount, almost 516,000 tonnes was exported. The value to the Irish economy of beef exports in 2006 reached over €1.5 billion, an increase of approximately 14%.

Beef Prices

2006 was another good year for Irish beef producers with very tight supplies across the EU leading to strong demand. Prices were sustained by a reduction in Brazilian beef supplies following a partial EU ban from areas affected by Foot and Mouth Disease and the self-imposed restriction of Argentinean beef exports to the EU. Beef consumption levels also continued to recover, both domestically and in the wider EU. Cattle prices finished the year up 8% on average, bringing prices to levels not seen since the late 1990s. Within the different categories steer prices increased by more than 7%, heifers were up in excess of 6% and cow prices rose by 10%. Indications are for this positive trend to continue into 2007.

Slaughtering

Total slaughtering at export plants rose by approximately 5% to almost 1.7 million head compared with 1.6 million in 2005. Steer slaughtering rose by more than 3%, heifer throughput increased by more than 15% with cow disposals increasing by 5%. Carcase weights were virtually unchanged in comparison to 2005, leading to an increase in production in the order of 5%.

Beef Exports

Beef exports remained strong with 2006 seeing further strengthening of the Irish beef position particularly in higher value Continental EU markets. Our largest single market remains the UK with nearly half our total exports going there. While the volume of exports fell slightly in 2006, in excess of a quarter of a million tonnes ended up in this market. Beef exports to the remainder of the EU reached a record high during 2006, with some 230,000 tonnes, an increase of 20%, being exported to these markets. Exports to our largest individual markets, France, Italy, the Netherlands

and Scandinavia all witnessed double-digit growth rates during 2006. More than 90% of our total exports are now destined for EU markets, compared to less than 50% in 2000.

The outlook for Irish beef exports is largely positive with a decreasing production trend throughout Continental Europe. 2006 saw an EU production shortfall in excess of 350,000 tonnes. This deficit is expected to grow over the short to medium term and will continue to offer opportunities for Irish beef producers to further consolidate their position in these markets. Future promotion and marketing efforts will be concentrated in this market. Exports of Irish beef to Third Country markets stabilised in 2006. The ongoing reduction in Export Refunds, coupled with the opportunity to supply higher value Continental markets, have made these markets less attractive to exporters.

The ending of the Over Thirty Months Scheme in the UK sent a positive signal and restored the EU beef market to a normality not seen since 1996. While certain adjustments have had to be made by Irish exporters, in order to respond to additional competitive pressures arising from this move, the impact has not been as severe as originally envisaged. Indeed, this development may, in fact, present further opportunities for Irish exporters in UK markets, as exports from the UK may serve to increase their own import requirement.

Live Cattle Trade

Live exports again increased significantly during 2006. A rise of 35% brought levels to approximately 250,000, a figure not seen since 2000. Following the abolition of Export Refunds on live animals, other than for breeding, this trade is now almost exclusively with other EU Member States. The majority of cattle exported were weanlings and stores, accounting for almost 60% of the total at 146,000 head. Calf exports exceeded 103,000 head, the principle destinations being the Netherlands, Spain and Italy. Exports to Northern Ireland increased slightly in 2006, amounting to over 27,000. In total, Spain and Italy continue to be major markets for Irish cattle, with 71,000 head exported to Spain and 67,000 to Italy during 2006, significant increases over 2005. The forecast for 2007 is for continental demand to remain steady.

Market Access

While the EU market remains the main focus for beef exports taking over 90% of production, Third Country markets continue to be valuable outlets for beef at certain times of the year.

At present the Russian, Algerian, Egyptian and UAE markets are open, albeit with some restrictions in the latter two. The Department, in conjunction with Bord Bia and the Department of Foreign Affairs, continue efforts to re-open other non-EU markets in particular Saudi Arabia and the UAE.

Approaches have also been made to a number of countries which present potential export opportunities. Responses have been received from both Japan and South Africa, and the Department is also maintaining contacts in China, Indonesia, Philippines, Singapore, South Korea, Israel and Kuwait.

Labelling of Beef

The labelling of beef is governed by comprehensive EU regulations, which were introduced in 2000, and are underpinned by a full national animal identification and traceability system. These compulsory labelling regulations require all operators and organisations marketing beef within the Community to provide information on the label to enable the beef to be traced back to the animals from which it was derived and must include details on the slaughterhouse, deboning hall and the country in which the animals were born and reared.

Following the enactment of the Irish Medicines Board (Miscellaneous Provisions) Act 2006, regulations for the purpose of beef labelling in the restaurant and catering sectors were made by the Minister for Health and Children in June 2006 and came into operation on 3 July. These Regulations provide for the mandatory provision of country of origin information on beef in these sectors. The primary legislation also allows for the extension of country of origin labelling to other meats. Draft regulations in this regard, once finalised, will be submitted to the European Commission for approval, as required under EU legislation.

The Food Safety Authority of Ireland has responsibility for the enforcement of food labelling legislation.



Minister Mary Coughlan T.D. and Dr. John O'Brien Chief Executive F.S.A.I. at the launch of "Country of Origin" Information on Beef, July 2006.

Other Developments

During 2006 a number of measures were announced which should contribute to underpinning the ongoing progress of the beef industry and its prospects over the coming years. Proposals for the introduction of an Animal Welfare, Recording and Breeding Scheme for Suckler Herds were initially submitted to the European Commission in December 2006 as part of the overall Rural Development Programme 2007-2013. The scheme is designed to encourage suckler farmers to record data for animal welfare and breed

improvement purposes and to improve practices in important areas such as weaning, so as to achieve standards in animal welfare and husbandry, which will assist both quality and productivity. A budget of €250 million is being provided over the five-year duration of this scheme. The scheme is subject to EU approval.

A Capital Investment Support Scheme for the beef and sheepmeat primary processing sectors was also announced in November 2006. The rationale for this scheme is to assist the industry in facing the challenges of the future, through increasing competitiveness and efficiency. Some €50 million has been committed for this package, and it is envisaged that this will generate further investment, bringing the value of the overall plan to some €120 million. The aid scheme, funded by the Department, will be managed by Enterprise Ireland, the state agency responsible for implementing such state aid packages.

Cattle Breeding

The Irish Cattle Breeding Federation (ICBF) was formally established in 1997 to develop national cattle breed improvement programmes to achieve the greatest possible genetic improvement in the national herd for the benefit of Irish cattle farmers, the dairy and beef industries and its member organisations. It is a co-operative in which the AI centres, Milk Recording organisations, cattle Herd Book Societies and the main Farmer Associations are shareholders.

ICBF is engaged in many projects which draw together the various sources of breeding data and process this information in one central database. The database was launched in 2001 and since then has become fully operational for calf registration, milk recording, dairy and beef herd book recording, dairy and beef genetic evaluations. These systems also make full use of data collected by the Department as part of its calf registration and cattle movement monitoring systems and have removed a great deal of duplication.

The focus for 2006 was a continuation of the move to streamlining the data collection system commenced in 2005, finalising and rolling-out the new beef genetic evaluations and increasing the number of herds participating fully in cattle breeding activities.

The rollout of the use of AI handhelds continued with an expansion also in the electronic DIY milk recording service. A major campaign was undertaken in the spring of 2006 to halt the decline in the use of AI. Preliminary figures for the 2006 AI season indicate that the decline in AI usage has been halted. Plans are underway for a further campaign in 2007.

Funding of €1.3m under the National Development Plan was provided to assist with these projects.

ICBF took over the operation of the National Bull Performance Testing Centre at Tully in September 2002. The Centre is now being used to full capacity. During 2006 a record number of bulls entered and for the first time ever at the centre three bull sales were held.

Milk

The dairy sector performed very well in 2006 despite challenging trading conditions in the first half of the year particularly on the world market. Weather conditions in the EU and Australia reduced supply on internal and world markets and led to better returns for milk processors and traders. Exports of Irish dairy products and ingredients were robust with some €2.08 billion exported in 2006, an increase of 6% on 2005.

In the EU the continued implementation of the Luxembourg Agreement meant reductions in the intervention prices for butter and SMP. However, a summer drought experienced in much of Europe led to a fall in deliveries and lower levels of production. Consequently, there were high market prices for butter, SMP and WMP throughout 2006. The reduction in the intervention price for SMP was the last reduction agreed under the Luxembourg Agreement. No SMP was intervened in 2006 and aid schemes and export refunds for SMP and WMP have now been zero-rated including for use in the manufacture of casein.

The intake of butter into intervention for 2006 was 61,656 tonnes with 22,550 tonnes or 37% from Ireland. Sales out of intervention have been very brisk with stocks expected to be empty by the start of the new scheme in March of 2007.

World prices for all products fell in 2006 averaging 8% below 2005 levels when the euro/dollar exchange rate is taken into account. World prices for casein also fell, down 5% on 2005. This was softened by a surge in prices particularly for WMP in the last two months of the year, up 20%, butter 8% and cheese, a more modest 2%. This increase was caused by a shortage of supply in Australia caused by adverse weather.

The price paid to milk producers remained stable in 2006 despite reductions in the institutional support prices. Milk producers received compensation of €180 million (3.6 cent/litre) for reductions in intervention prices of butter and SMP. The combination of market returns plus the premium has more than maintained the real value of milk prices.

Milk Quota

The Milk Quota Restructuring Scheme has been the main means by which milk quota is acquired by producers. The 2006 scheme was the second part of a two-year Restructuring Programme and the price for the sale/purchase of quota was fixed at 12 cent/litre (55c/gal). 187 quota holders availed of the scheme to dispose of 15 million litres of quota.

This quota was subsequently sold to just over 6,000 producers, which represents close to a quarter of the total number currently in milk production, and was allocated according to their priority status. Under the scheme, there are special priority categories for successors, producers who lost leases and young farmers, as well as two standard categories based on the producer's quota size; Category 1 producers (less than 350,000 litres) in each co-op/dairy are

entitled to purchase twice as much as those in Category 2. Some 78% of the total quota was sold to Category 1 producers.

The Restructuring Scheme is being replaced with a new Milk Quota Trading Scheme for the 2007/2008 milk quota year. Significant changes were made to the scheme for the allocation of unused quota (flexi-milk) in the 2005/2006 quota year, and remained in place for the 2006/2007 year. These changes give further recognition to active and committed dairy farmers who manage their production efficiently having regard to their available quota. While the new system will be a fairer way to distribute flexi-milk, the volume available in any given year cannot be relied upon.

In the milk quota year 2006/2007 Ireland's deliveries of milk did not exceed the national quota and therefore there was no super levy liability payable to the EU Commission.



Sheep

2006 proved to be a steady year for the sheep sector. Slaughtering at Department supervised plants were down by 4% for the year as compared with 2005, reflecting the underlying decline in the national flock. After a sluggish start, prices improved as the year progressed ending up at 2% above 2005 levels for the year as a whole. Prices during the earlier part of the year were affected by difficult conditions on the French market.

Exports declined by seven per cent to 54,000 tonnes (carcase weight equivalent) while domestic demand remained firm. Supplies in 2007 and after across the EU are forecast to decline which should underpin prices in the future.

The Sheep Industry Strategy Group produced its report in June 2006. The report contained a number of recommendations aimed at developing the sector and an Implementation Group was set up in July to oversee their implementation. The Implementation Group is continuing its work.

Pigmeat

The Irish pigmeat market in 2006 was good. The pigmeat market benefited from tight supplies, a good EU market and Avian Influenza concerns affecting the poultry market. The average price paid to producers was €140.04/100kgs (grade E carcasses, excluding VAT), an increase of 7% compared to 2005. The Irish price was over 96 % of the EU average.

2.6 million pigs were slaughtered in 2006, a level similar to 2005. Live exports to Northern Ireland remained a significant feature of the market although the number decreased slightly.

The volume of pigmeat exports in 2006 declined marginally to 103,000 tonnes while the value of this trade increased by 5% to €250 million. Exports to the UK accounted for almost half of Irish pigmeat exports, the balance being divided equally between other EU and third countries. The main international markets are Japan and Russia.

Poultry

Poultrymeat production decreased by 2.6% to 130,000 tonnes. There was a drop in consumption due to consumer concerns surrounding Avian Influenza during the first few months of 2006 but the market returned to normal as the year progressed. Increased feed costs and competitively priced imports added to the challenges facing both producers and processors during 2006.

Export volumes were also down and were valued in the region of €240 million which consisted primarily of processed poultry products and prepared meals.

Eggs

The volume of egg production was similar to that of 2005 at about 570 million eggs from a laying bird population of 1.97 million. More than 90% of eggs sold in retail premises are produced in accordance with the Egg Quality Assurance Scheme operated by Bord Bia.



Cereals

Within the European Union, the 2006 harvest production is estimated at 242 million tonnes, compared to 253 million tonnes for the previous year. This represents a 4% decrease, due mainly to last year's heat wave across Europe, which resulted in severe drought in many of the main EU production regions. Total wheat production is forecast at 118 million tonnes, a drop of 4% on 2005. Barley production is estimated at 54 million tonnes, a slight increase on the 2005 figure. Maize production is estimated at 43 million tonnes, representing a 10% decrease on 2005. EU intervention stocks had reduced to 8.6 million tonnes at the end of 2006, following ongoing sales.

In Ireland, 2006 was a good year for cereal producers. Yields were better than expected and most crops performed well, leading to a very satisfactory harvest. The overall area under cereals was in the region of 267,000 hectares. Cereal production was up 4.5% on the 2005 figure, with total production estimated at 2.021 million tonnes. Barley production at 1.115 million tonnes accounts for most of this increase and represents a 9% increase on 2005. Total wheat production is estimated at 754,000 tonnes, a decrease of 5%, while production of oats is forecast at 152,000 tonnes, an increase of 38%.

The preliminary estimate of output value of cereals in 2006 is €163 million, an increase of 29.7% on 2005, due to an increase in both price and volume of production.

There were no grain intervention stocks in Ireland at the end of 2006. A small amount of barley, which had been held in intervention since May 2005, was sold during the year.

Indications suggest an increase in the area sown to winter cereals for the 2007 harvest. The area sown to winter wheat (the main winter crop) is expected to increase by around 20%, while sowings of winter oats and winter barley are also estimated to increase by approximately 20%.

Sugar

The political agreement on sugar reform achieved in November 2005 was formally adopted by way of three Council Regulations in February. The Commission's implementing rules were published at the end of June. The new Common Organisation of the Market in Sugar came into

effect on 1 July.

Ireland's 80-year-old sugar industry came to an end following Greencore's decision to end sugar processing and to apply for aid under the EU scheme of restructuring aid for the sugar industry. The last remaining sugar processing factory at Mallow closed down in May. The process of implementing the EU restructuring aid for the sugar industry got under way with initial payments due to be made in June 2007. This is subject to the outcome of Judicial Review proceedings instituted by Greencore in respect of the Government decision relating to the distribution of the aid.

Bioenergy

Interest in energy crops and producing biofuels and biomass for renewable energy increased dramatically in 2006. The decoupling of agricultural supports and the ending of sugar beet production led to an increased focus at farm level on opportunities for alternative land uses including agricultural production for non – food uses. The Department responded to this upsurge in interest by devoting additional resources to this whole area in 2006 with the establishment of a new Biofuels Policy Unit.

The development of an indigenous bioenergy sector is an opportunity for farmers to diversify and seek new investment opportunities beyond traditional farming outlets. Agriculture and forestry has the potential to be the source of many feedstocks for biofuels. For example, oilseed rape, wheat and sugar beet can be used for the manufacture of liquid transport biofuels. Other farming and food by-products such as meat and bone meal and tallow, can be used for energy/heat generation.

From a wider economic perspective Ireland urgently needs to lessen its dependence on fossil fuels for environmental and cost reasons. A significant increase in renewable energy would also play an important part in reducing carbon dioxide (CO₂) emissions and assist efforts in energy efficiency improvement.

A number of Government Departments are working closely together to ensure that the sector is supported across the entire supply chain. In August 2006, the Department of Communications, Marine and Natural Resources established a Ministerial Taskforce, including Minister Coughlan, to prepare a National Bioenergy Action Plan to develop Ireland's bioenergy resources to 2020. The Action Plan will establish targets to promote greater use of biomass and biofuels.

In 2006, the Department was granted approval for a number of initiatives to incentivise farmers to grow energy crops. €14m is being provided in the period 2007-2009 for energy crops. The measures include a new national payment of €80 per hectare in addition to the existing EU premium of €45 per hectare. The €80 payment will be paid over 3 years and is subject to a maximum ceiling per producer, currently set at 37.5 hectares. €6m has been allocated for this measure over the period 2007- 2009. A new Bioenergy Scheme to grant aid establishment costs for planting willow and miscanthus was

also approved in 2006. €8m is being allocated to this scheme over the period 2007-2009.

The announcement of a new Excise Relief Scheme for biofuels by the Department of Communications, Marine and Natural Resources will help drive additional demand for the production of energy crops. When fully operational, the Scheme will support the use and production of 163 million litres of biofuels annually.

The Department is also providing funding for biofuel projects under the Research Stimulus Fund and a number of projects selected under the 2006 Calls for Proposals directly relate to biofuels and energy crops.

Horticulture

The Scheme of Investment Aid for the Commercial Horticulture Sector was launched in 2001 under the National Development Plan 2000-2006. Under the first four rounds of the scheme a total of €12.63m was paid out to some 520 applicants. Under Round 5 in 2006 a sum of €4.37m was paid to 133 applicants.

Mushrooms, the most important horticultural crop, accounted for over 35% of production in 2006. Investments in more efficient production systems are ongoing.

Crop Variety Evaluation

403 varieties of grass, clover, barley, wheat, oats, forage maize, oilseed rape and potatoes were evaluated in National and Recommended List trials in 2006. Overall conditions for sowing and harvesting crops in 2006 were good and no difficulties were encountered.

The varieties of each species considered most suitable for Irish producers, given our environment and range of soil types, were selected from these trials and published in Recommended List Booklets and on the Department's website; www.agriculture.gov.ie

Number of Varieties Evaluated in 2006

Crop	Number
Grass	98
Clover	15
Cereals	232
Oilseed Rape	17
Forage Maize	33
Potatoes	8

Open days were held during the year, for the Irish Seed Trade Association at the National Crop Variety Evaluation Centre, Backweston, Co. Kildare and for maize growers at Ballyderown Farm, Fermoy, Co. Cork . The Department's farm at The Tops, Raphoe and the Crop Variety Evaluation Facility at Kildalton College also hosted groups interested in the various trials being conducted.

A number of grass and cereal trials were conducted with a view to ascertaining those varieties that perform well with lower levels of inputs, which are thus better suited to more extensive agricultural systems. Organic cereal trials were conducted to identify varieties suitable for an organic farming regime. This work is ongoing.

In addition, the Register of Plant Variety Rights (PVR) and the National Catalogue of Agricultural Plant Varieties (NCAPV), were maintained and published.



Seed Certification

Varieties of agricultural crop species marketed in Ireland must be listed on the Irish National Catalogue of Agricultural Plant Varieties, or the EU Common Catalogue of Varieties of Agricultural Plant Species, and only certified seed of these varieties may be marketed. Certified seed must meet certain quality standards for varietal identity, purity, germination capacity and disease levels. The main components of the Seed Certification Scheme comprises a field inspection service; pre- and post-control testing; seed sampling, testing and labelling. Samples are also submitted for inclusion in EU Comparative Trials. A detailed statistical database is maintained on the Certification Scheme; information on seed availability is released to the seed trade and Agri-media on a regular basis.

Total Area of Crops Approved for Certification in 2006

Crop	Area (ha)
Cereals	7,621
Pulses	201
Potatoes	1,744
Grasses	23
Oilseed Rape	5

During 2006, 255 varieties were maintained in vitro at the Potato Laboratories, Tops, Raphoe, Co. Donegal. Approximately 30,000 potato minitubers from 15 different potato varieties were grown in virus proof tunnels. Two new potato seedlings were tested for distinctness, uniformity and stability as prescribed by the International Union for the Protection of New Varieties of Plants (UPOV). A reference collection of 391 potato varieties was also maintained.

Agricultural and horticultural seeds subject to official certification also require to be officially tested for purity and germination to ensure compliance with EU seed regulations. These tests were carried out at the Department's Seed Testing Station and over 11,000 were completed in 2006. This laboratory has now been transferred to the Department's Laboratory Service at Backweston.

Genetically Modified Crops

Work continued in the Department towards the development of policy and the drafting of legislation on the coexistence of GM and non-GM crops. Following the Minister's call for submissions from interested parties to the GM Coexistence Working Group Report in December 2005, draft legislation on the coexistence of GM and non-GM crops is being prepared, taking account of those submissions, the recommendations from the Working Group and relevant EU guidelines and legislation.

Plant Protection and Biocidal Product Approval

Plant Protection and Biocidal Products are essential inputs for the sustainable production of high quality food at affordable prices. Of their nature plant protection products are biologically active and are intended to control harmful organisms (weeds, pathogens, insect pests). Such products must be approved and be included on the Official Register prior to their marketing and use. The regulatory system is designed to ensure a high level of protection for man, animals and the environment. Detailed consumer, worker and environmental risk assessments are conducted on the basis of extensive information and data that must be submitted to support applications. Products are not approved for use unless it is shown that there will be no harmful effects on human health and no unacceptable impact on the environment as a consequence of their approved use. Where appropriate, risk mitigation measures are prescribed (e.g. use of personal protective equipment to protect workers, use of buffer zones to protect the environment) and are reflected on approved product labels.

Some 976 plant protection products containing 233 active substances were included on the register at the end of 2006. The live register of plant protection products that may be placed on the market and used can be viewed on the Departments website:

www.pcs.agriculture.gov.ie/db.htm and can be searched by product name, by active substance and by function and crop.

Number and Types of Products on the Register

Product Type	Professional Use	Amateur Use
Herbicides	360	108
Fungicides	204	9
Insecticides	62	37
Molluscicides	17	16
Plant Growth Regulators	37	4
Seed Dressings	31	0
Other*	81	10
Total	792	184

* 65 adjuvants, 3 avicides, 1 disinfectant, 4 fumigants, 1 nematicide, 1 repellent, 2 sterilants, 4 miscellaneous

Inspections at wholesale and retail distribution levels and at farm and other end-user level are undertaken to ensure that only approved products are placed on the market and that such products are used in accordance with approved label instructions. In addition, samples of products are taken during inspection for subsequent analysis to ensure compliance with the approved product specifications.



HORSE INDUSTRY

Irish Horse Board

The equine industry, with its many and varied facets, including show jumping, racing, leisure activities, breeding and training, is a very important one. It contributes substantially to the generation of income from a valuable alternative farm enterprise, to employment, tourism, rural development and the social community and cultural life of the country and the economy as a whole. The Irish Horse Board was the recipient of €1.036m in grant aid in 2006 from the Department.

National Development Plan 2000-2006

The Department provided €0.289m under the NDP in 2006 to the International Equine Institute situated in the University of Limerick towards the cost of developing and delivering third level non degree courses in equine science to meet the needs of the horse industry.

Access to quality diagnostic and research services into Equine Diseases is very important for the breeders of thoroughbred and sport horses. For this reason the Department has provided €0.549m grant aid under the NDP to the Irish Equine Centre to assist it in providing enhanced services to best meet the needs of the horse industry in 2006.

There are a variety of equine schemes, funded under the NDP, some of which are administered on behalf of the Department by the Irish Horse Board (IHB), which have the specific objective of improvement of equine quality. These include the Stallion Performance Testing Scheme, Quality Stallion Purchase Incentive Scheme and Quality Mare Competitions. Other areas of activity focusing on improvement in equine quality funded under the NDP, which involve the IHB, include formulation of genetic indexes, DNA testing to verify pedigree, studbook establishment and development and promotion and marketing. The Department has provided €0.744m to the Irish Horse Board under the NDP in 2006 for these services. Irish Thoroughbred Breeders Association (ITBA) received €0.057m in 2006 under the NDP for the funding of a database and training courses.

Goal 2: Food Safety, Animal Health and Welfare, and Plant Health

Ensure the highest standards of food safety and consumer protection, animal health and welfare and plant health

FOOD SAFETY

Developments in 2006

The key development in food safety for 2006 was the introduction of the European Community's food and feed hygiene legislation, known as the Hygiene Package, which came into effect at the beginning of the year. This legislation revises and consolidates legislation in relation to food and feed hygiene along with the production, control and marketing of products of animal origin and animal health issues in relation to the production of those products. The Hygiene Package was transposed into Irish law by the European Communities (Food and Feed Hygiene) Regulations 2005, S.I. No.910 of 2005, as amended by the European Communities (Food and Feed Hygiene) Regulations 2006, S.I. No. 387 of 2006.

The Hygiene Package was motivated by the necessity to ensure high levels of public health protection in relation to food production. The recast of existing EU legislation also simplifies the range of complicated and often overlapping legislation which has evolved in this area over the past 30 or so years. The underlying philosophy is that food producers should bear full responsibility for the safety of the food they produce. The emphasis is on achieving 'food safety objectives' rather than concentrating, as heretofore, on a detailed description of the measures to be taken to achieve those objectives. Food safety is of the highest priority for the agri-food sector and the new regulations mean little change for those already operating to best practice.

This Department's service contract with the Food Safety Authority of Ireland (FSAI) was amended to reflect this development. Procedures have been established through the F.S.A.I. to co-ordinate the work of different Departments and agencies in the enforcement of this legislation.

There is continued collaboration between the Department and other agencies on the development of food safety legislation taking account of Irish interests. These include the Department of Health and Children, the Department of Communications, Marine and Natural Resources, the Food Safety Authority of Ireland and the Food Safety Promotion Board (*safe*food). There is also well-established communication with the Food and Veterinary Office, the European Commission and other European and international organisations.

Meat Hygiene

The main tasks for the Meat Hygiene area arising from the introduction of the Hygiene Package are:

- Registration and re-approval of feed and food plants including the registration of farmers and retail premises;
- Provision of training for all Department personnel involved in food and feed handling;
- Implementation of an independent audit programme;
- Accreditation of all laboratories;
- Input into guides for good hygiene practices;
- Input into Single Integrated Control Plan.

During 2006, the Department carried out inspections and



recommended conditional or full approval in respect of 101 or 55% of the 185 applications received. These very detailed Hygiene Package inspections were carried out in addition to the regular public health monitoring and routine inspections that are a daily part of the remit of the Department's veterinary staff. Procedures have also been developed to carry out risk-based inspections in meat and feed premises.

In mid-2006, an arrangement was initiated by which, on a monthly basis, representatives of the Meat Industry meet with the Department in order to discuss matters of importance to both parties (e.g. new legislation, clean livestock policy, health and safety). This arrangement has been very satisfactory, providing a regular forum for interaction, and for dealing with new issues as and when they arise. Where appropriate, other important stakeholders have attended in order to inform the process. The arrangement is scheduled to continue throughout 2007.

Dairy Hygiene

Arising from the Hygiene Package, Dairy Inspectorate reviewed and revised their operating procedures, auditing and inspection checklists and food safety sampling protocol to meet the requirements of new food hygiene legislation. The revised operating procedures ensure that resources available for food safety controls are applied on a risk assessment basis, which contributes to a more efficient and targeted service. The inspectorate also implemented the EU regulations governing Market Support Schemes, by means of its established Standard Operating Procedures. Review of the Standard Operating Procedures continued by means of internal audit within the group.

The Dairy Science Laboratories continued to carry out their testing function for Market Support Schemes, Certification for Export and Food Safety. They implemented the necessary method changes to meet the microbiological criteria of the hygiene package. The Dairy Science Laboratory moved to the Laboratory Service in Backweston and maintained its accreditation. The Cork and Limerick Laboratories are progressing towards attaining accreditation.

IMPORT CONTROLS

Controls on Imports of Animal Products from Third Countries

To ensure protection of public and animal health EU harmonised controls are applied to imports of animal products into the EU at approved Border Inspection Posts (BIPs). Dublin Port and Shannon Airport have EU approved BIP facilities for the application of veterinary and public health checks. Falling within the scope of veterinary controls on imports include meat and meat products, fish and fish products, animal by-products for technical and pet food use, certain plant products such as hay and straw, animal products

re-imported from third countries, the control of disposal of galley waste and direct supply from third countries of food destined for international means of transport.

The Department maintains close liaison with Customs Services and with the Department of Communications, Marine and Natural Resources in operating these import controls.

Animal products entering the EU must have health certification and have been obtained from approved countries and establishments that have production and processing controls offering equivalent guarantees to those within the EU. Where a consignment is found not to comply with the animal and public health import conditions it is seized either for re-exportation to the country of origin or for destruction, the cost of which is levied on the Importer. Importers are required under EU and National legislation to pay fees towards the cost of veterinary inspection.

Where an outbreak of animal disease occurs in an approved third country, or in a third country region, or where a public health risk is identified, the EU may invoke safeguard measures controlling or banning import until any risks to public health and EU economic production have been removed. During 2006 safeguard measures affecting animal product imports were applied:

- Banning poultry products for outbreaks of Avian Influenza in Thailand¹ Peoples Republic of China including Hong Kong, North Korea, Cambodia, Indonesia, Malaysia, Japan, Laos, Pakistan, Vietnam, Mongolia, Kazakhstan and South Korea;
- Banning import of unprocessed feathers for risks of Avian Influenza;
- Banning poultry products for outbreaks of Avian Influenza from certain areas of Russia², Romania¹, Turkey¹, Bulgaria¹, Switzerland, Croatia, Madagascar, Israel^{1,3}, South Africa⁴;
- Banning beef from certain areas of Brazil because of an outbreak of Foot and Mouth Disease;
- Banning certain fishery products from Albania because of cholera;
- Banning imports of meat and milk products from China because of residue risks and requiring certain other animal and fish products from China to have been tested for Chloramphenicol and Nitrofurans;
- Banning poultry products from Bulgaria¹ because of outbreak of Newcastle disease;
- Specifying residue testing of fish products imports from Brazil, Indonesia and Myanmar.

1 except cooked poultry meat
2 effective to 31/3/2006

3 effective to 31/5/2006
4 effective to 31/10/2006

Registration as an importer of animal products is a national pre-requisite (S.I. No 269 of 2004). A total of 641 importers and their agents are registered.

Imports of Animal Products for Food Purposes

During 2006 imports of 16,661,767kg (15,234,786kg in 2005) comprising 783 consignments (648 in 2005) were processed and approved for entry into the EU through these BIPs. The number of consignments of fish and fishery products presented for checks in 2006 was 322 (4,068,502kg) compared to 267 during 2005. During 2006 some 3 consignments of animal products (5 in 2005) and 2 consignments of fish and fishery products (3 in 2006) were rejected. Licences are issued for re-importation of consignments of Irish products. These must re-enter the EU through an approved BIP. Checks were applied to a total of 14 re-imported consignments during 2006 (17 in 2005).

Control on Personal Import of Animal Products

To reduce risks to public and animal health Regulation (EC) No. 748/2004 provides for the banning of the personal importation from most third countries of animal products such as meat and milk for own consumption. Travellers to this country and those providing them with travel services are advised not to bring such products in personal luggage. In co-operation with the Port and Customs authorities checks are carried out at airports and ports. In co-operation with Customs and the postal services checks for animal products are also applied to postal packages. During 2006 a total of 1,203 confiscations for destruction were made (565 in 2005) comprising a total of 7,447.1kgs of animal products (3,154kgs in 2005). Of the total for 2006 almost 2,400kgs of fish products were seized.

Controls on Import of Animal By-Products

The BIP also applies controls on import of animal by-products listed in Regulation (EC) No. 1774/2002 as well as on hay and straw and on the import of germinal products such as embryos, semen and hatching eggs. Animal by-products include those destined for use in the manufacture

of in-vitro diagnostic (IVD) equipment, for pharmaceutical use, the manufacture of technical products as well as pet foods. Licences are issued for importation of samples of animal products used for trade exhibition purposes or for research as well as for importation of non-harmonised animal products in accordance with national rules. This latter provision has continued to apply during 2006 in the case of import of certain unprocessed products for IVD manufacture, as harmonised provisions in Regulation 1774/2002 for certain blood products have not yet been adopted. During 2006 a total of 583 consignments of animal by-products were presented for entry into the EU through Irish BIPs (564 during 2005).

Food Safety Liaison Division also issued import licences for the following purposes during 2006 (2005):

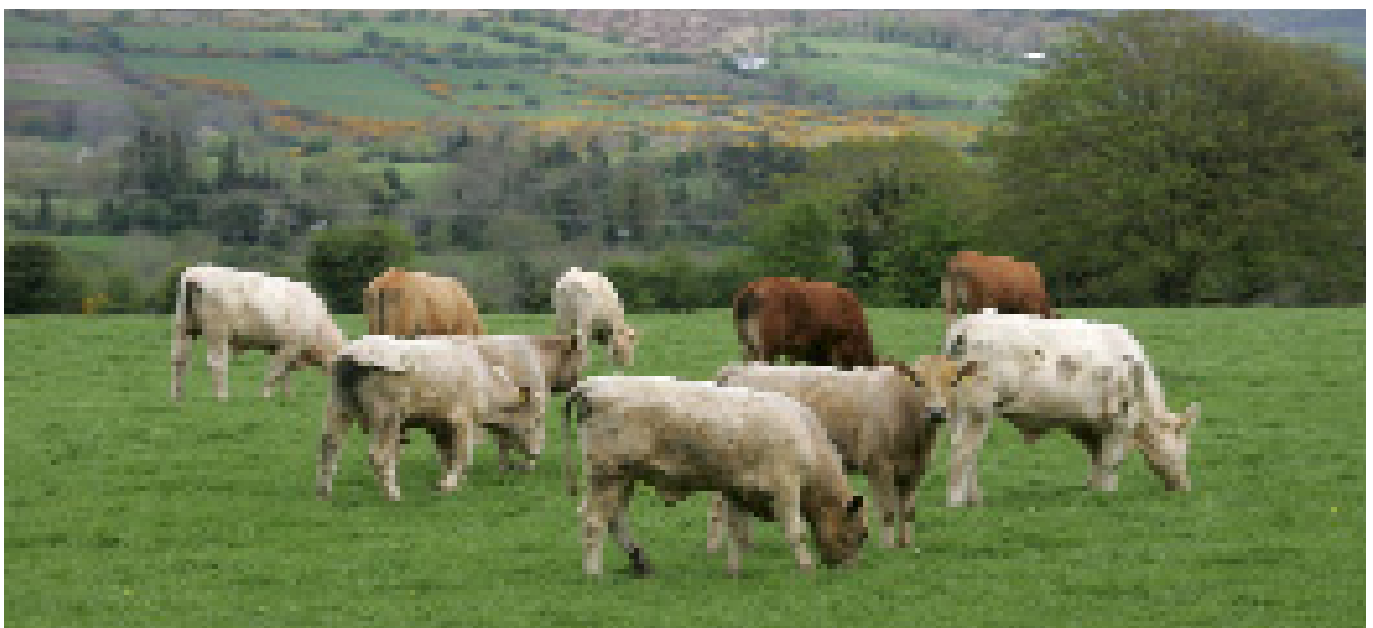
Trade & Research Samples:	251	(247)
Non-harmonised Products:	310	(438)

NATIONAL BEEF ASSURANCE SCHEME

The purpose of the National Beef Assurance Scheme Act 2000 (No. 2 of 2000) is to further guarantee the safety of beef and beef products by:

- Implementing an effective animal identification and tracing system;
- Developing high standards of production and processing; and
- Enforcing these standards through a registration and approval system.

One of the objectives of the National Beef Assurance Scheme is that all persons engaged in the primary production and processing of cattle and beef (farmers, marts, slaughterhouses, meat processors, bovine animal feed manufacturers and other keepers of cattle) will be registered and approved under the Act.



It is proposed to amend the Act in order to develop synergies with and take into account developments under the Hygiene package and the Cross-Compliance requirements of the Single Farm Payment Scheme.

S.I. No. 676 of 2006 (National Beef Assurance Scheme Act, 2000 (Approval) Order, 2006) was adopted to extend the period for participants to apply for approval under the Scheme until 31 December 2008.

Support For and Promotion of Research Into Food Safety

Food Safety is a priority theme under the Food Institutional Research Measure of the Productive Sector Operational Programme 2000 – 2006. To date, a total of €26.9 million has been awarded for 56 Food safety projects. Topics include research to detect and control food pathogens such as E. Coli 0157:H7, Salmonella, Listeria and Campylobacter, the development of HACCP system in meat, research into factors influencing the formation of acrylamide in certain food products and the development of a National Food Consumption database for children for risk assessment of food borne chemicals.

VETERINARY MEDICINES AND RESIDUE SURVEILLANCE

The viability of Ireland's food production industry is underpinned by a healthy animal population. Legal and proper use of approved veterinary medicines (including vaccines) plays an important part in ensuring the continued high animal health status of our national herd and by implication the health of consumers of Irish food. The Department, in co-operation with the Food Safety Authority of Ireland and the Irish Medicines Board, oversees and implements important controls in this area in terms of approval and distribution of veterinary medicines, implementation of residue surveillance measures (e.g. National Residue Plan) and follow-up enforcement activities.

In October 2006, the Department secured a favourable outcome at EU level to negotiations on criteria facilitating the exemption of certain medicines from a mandatory prescription regime. The criteria facilitate animal medicines, currently available off prescription, continuing to retain this status. In relation to antibiotic mastitis treatments (intramammaries), a decision was made some time ago that these medicines should be made "prescription only". In order to afford an adequate opportunity for product labelling to be amended by license holders, in consultation with the Irish Medicines Board, the prescription regime will become fully operational for intramammaries on 1 January 2008.

Following the outcome to the exemption issue, the Department is in the course of finalising a number of adjustments to the Animal Remedies Regulations 2005 with a view, in particular, to introducing an alternative prescribing regime for intramammaries based on effective mastitis control programmes which have the objective of reducing the incidence of mastitis and fostering the prudent use of antibiotics. This regime will complement the normal

prescribing arrangements.

At National level, the Department implements on an ongoing basis a number of controls in relation to veterinary medicines in order to safeguard public health and also animal health and welfare. The Animal Remedies Act 1993 and Regulations made thereunder (Control of Animal Remedies and their Residues Regulations 1998 and the Animal Remedies Regulations 2005) provide a comprehensive legislative basis for the licensing of veterinary medicines (including the role of the Irish Medicines Board insofar as that body acts as competent authority under the legislation) and also licensing of premises engaged in the commercial distribution of veterinary medicines.

Over 1,300 individual products are licensed in accordance with the detailed requirements of EU legislation. In addition, in the region of 76 wholesale and 700 retail premises are regulated and licensed in accordance with relevant legislation having been inspected by the Department to ensure that they reach the required standard. The manufacture, distribution and sale of medicated feedingstuffs and intermediate products for the manufacture thereof is also subject to licensing by the Minister under the European Communities (Animal Remedies and Medicated Feedingstuffs) Regulations, 1994 as amended by the European Communities (Animal Remedies and Medicated Feedingstuffs) (Amendment) Regulations, 2003. The use of medicated feedingstuffs is prohibited except under and in accordance with the terms of a veterinary written direction issued by a registered veterinary practitioner. Medicated pre-mixes must be authorised by the Irish Medicines Board. There are currently in the region of 67 licensed medicated feed manufacturers.

National Residue Plan

The Department also implements a comprehensive National Residue Plan designed to protect consumers from illegal residues, be they of banned products (such as growth promoting hormones) licensed medicines (these usually arise where animals enter the food chain before expiry of the prescribed withdrawal period for the medicine concerned), or environmental contaminants. The Residue Plan covers eleven food-producing species (including aquaculture, where operation of the Plan is managed by the Department of Marine and Natural Resources). During 2006, in the region of 30,000 samples were taken and tested at the Department's Central Meat Control Laboratory at Backweston and at other officially approved laboratories for 18 residue groupings. All positive results are followed up by an investigation on the farm of origin with a view to taking the necessary enforcement measures up to and including legal action.

Since 2000, official testing has been complemented by a statutorily based regime under which primary processors are obliged to implement residue-monitoring measures. This regime, which involves annual submission to the Department for approval of individual residue plans, makes it mandatory for processors to subject suppliers, whose animals or animal products test positive, to significantly intensified monitoring.

This regime of self-monitoring is subject to Department scrutiny.

Veterinary Practice Act 2005

The primary purpose of the Act, which was enacted by the Oireachtas on 12 July 2005, has brought regulation of the veterinary profession fully up to date taking account of the many developments in the environment within which the profession operates since the original legislation was enacted in 1931.

The Act provides, in particular, for the first time, the definition of the practice of veterinary medicine and the statutory recognition of veterinary nurses. The Act also provides for continued professional development, wider registration possibilities for practitioners trained outside the State, recognition of specialisation, practice accreditation and updated fitness to practise procedures, with proportionate sanctions. In addition to 9 members elected by the Veterinary profession the Council has been broadened to reflect interests such as education, consumers, food safety and animal welfare interests as provided for in the Act.

The newly constituted Veterinary Council of Ireland, which consists of 19 Members came into office on 1 January 2006. As part of its implementation of the Act, the Veterinary Council of Ireland made provision for a mandatory premises accreditation regime from 1 January 2007.

Control of Agriculture Inputs

One piece of EU legislation on animal feedingstuffs was transposed into national law during the year 2006:

- SI No. 577 of 2006 European Communities (Undesirable Substances in Feedingstuffs) (Amendment) Regulations 2006.

In order to monitor feedingstuffs and fertilisers for compliance with statutory requirements some 2,470 inspections were carried out at points of import, feedingstuff manufacturing premises, feed material stores, retail premises and on farms. This involved the taking of more than 3,000 samples of feedingstuffs for analysis to determine compliance with feedingstuffs legislation. The Department routinely analyse animal feed for the presence/absence of prohibited animal proteins. The inspection programme also includes both random and targeted routine sampling and analyses of feedingstuffs for nutrient composition and levels of additives and undesirable substances and products. There were also 80 inspections carried out at fertiliser manufacturing/importer premises and retail outlets which involved the taking of some 328 samples all of which were analysed for primary nutrients and secondary nutrients. There were 65 samples taken at ground limestone manufacturing premises all of which were analysed.

A new Feed Business Operators database was developed during 2006. This database is designed to contain the registration details of all feed business operators as required under the Feed Hygiene Regulations. A list of a registered and approved feed business operators is available on the Department's website at www.agriculture.gov.ie.

ANIMAL HEALTH AND WELFARE

Animal Identification and Trace Back System for Bovine Animals

CMMS and a number of other animal identification systems are being redeveloped under the Animal Identification and Movement (AIM) system project. The system is being developed using Internet based technology. A number of online facilities have already been provided to farmers which enable them to view their bovine herd profiles, register the birth of a calf and apply for a Certificate of CMMS Compliance for certain animal movements. AIM also manages the ordering and distribution of ear tags for bovine, ovine, porcine and caprine animals.

During 2006:

- An application was introduced that allows farmers to view their herd profile, register a calf birth and apply for a Certificate of CMMS Compliance using their mobile phones;
- Significant progress was made in the projects to bring Livestock Marts online and to update the facilities for reporting exports of cattle;
- Facilities were introduced to allow the recording of Animal Census details for the annual census of Sheep and Goats;
- Change of role from Herd Owner to Herd Keeper for the conduct of business with the Department; and
- Changes were implemented to cater for the different tag formats in place in the UK following the lifting of the UK BSE Ban.

The AIM system is being introduced on a phased basis and it will also be extended to slaughter plants and all locations that notify animal movements to the tracing system.

Sheep and Goat Identification

During 2006 certain adjustments were made to the National Sheep Identification System and to the format of the flock registers and dispatch documents to reduce the amount of recording to be undertaken by flock-owners and to make the documents more user-friendly. New format registers and dispatch documents were forwarded directly to all flock keepers in November 2006.



Also in 2006 the results of the first national sheep and goats census were compiled and published. At December 2005 Ireland had just over 4 million sheep on 37,209 holdings – an average of 108 sheep per holding. The second national census was initiated in December 2006, with results due in the spring of 2007.

CLASS A DISEASES – MONITORING AND CONTROL

Avian Influenza

At the end of 2006, the Avian Influenza (AI) or “Bird Flu” virus had been confirmed in birds in over 50 countries on 3 continents. In 2006 there were 20 occurrences of HPAI H5N1 in wild birds in EU Member States with 5 Member States notifying outbreaks in poultry. These were all rapidly contained. There have been no cases/outbreaks in Ireland in either wild birds or poultry.

The Department introduced a series of measures aimed at ensuring early detection of the disease in wild birds minimising the risk of any subsequent transmission to the commercial poultry flock, and the efficient management of an outbreak in wild birds or poultry should this occur.

Import bans remain in place on live birds and potentially risky poultry products as well as untreated feathers from all regions which had confirmed outbreaks of avian influenza. These import restrictions are reviewed and updated as appropriate by the EU in line with the disease situation in the country concerned.

One of the key tools of the approach adopted by Ireland was the establishment of a poultry flockowners’ register in 2005. All individuals that keep domestic poultry or who own, handle or trade in domestic poultry or other captive birds for sale or sporting purposes (including such enterprises as aviaries, pet farms, game clubs or pigeon breeders etc (but not pet birds in domestic households) are statutorily required to register with the Department.

The Department maintained an information and awareness campaign for the benefit of poultry flockowners, industry representatives as well as the general public. Information booklets, containing biosecurity advice and information on the measures to be applied in the event of a confirmed or suspect case were issued to all registered poultry flockowners.

The European Commission introduced a number of Avian Influenza related Decisions in the light of experiences of some Member States in late 2006. New National Regulations were signed by the Minister for Agriculture and Food providing the most up to date basis for actions to be taken in the event of a case of Avian Influenza in wild birds or an outbreak in poultry.

Equine Infectious Anaemia

Equine Infectious Anaemia (EIA) has a worldwide distribution

and until 2006, Ireland and the UK had been free of this disease. The first cases of EIA were recorded in Ireland on 15 June with a total of 28 cases confirmed in Ireland in 2006 in both the thoroughbred and sport horse sectors. The cases were mostly concentrated in the Meath/Kildare/Dublin area.

Measures taken by the Department included the immediate tracing of all in-contact horses, placing them under movement restriction where appropriate and subjecting them to a sero-surveillance programme over a period of at least 90 days. The satisfactory completion of this testing regime was a precondition to having restrictions lifted. At one time movement restrictions were placed on 53 separate premises and 1,200 individual horses. The circumstances under which the virus was introduced into the country is currently the subject of an international investigation.

In addition, the Department widened the surveillance testing programme by targeting particular populations of horses, identified on a risk-assessment basis as being part of a high-risk group, principally in the Meath/Kildare/North Dublin areas. This was done in order to increase the numbers of horses tested for EIA and to provide further reassurance to the industry. At end 2006 almost 35,000 tests for EIA have been carried out between the Irish Equine Centre (IEC) and the Department’s Central Veterinary Research Laboratory. This surveillance programme has been extended into the 2007 breeding season as part of the Common Code of Practice, whereby all mares to be covered in 2007 will have two negative EIA tests.

A financial package was introduced in August 2006 to assist those owners whose horses were subjected to movement restrictions and so unable to move off the premises. The package includes a financial contribution for each visit by a veterinarian to take blood samples from the restricted horses and covers the cost to the Irish Equine Centre of analysing the sample. The provision of this financial package recognised the burden imposed on owners whose horses are required to complete a programme for testing for EIA.

BSE

A total 41 BSE cases were confirmed in 2006. This represents a decrease of almost 41% compared with the previous year’s total of 69. This dramatic reduction in case numbers comes against a background of intensive active surveillance for the disease involving 845,043 rapid BSE tests at meat factories and knackeries etc. Falling case numbers, and the continuing increase in the age profile of positive animals, provide a positive indication that the enhanced control measures introduced in 1996 and 1997 have had a major effect on the exposure to animals born after that time to the infective agent, and that the incidence of the BSE will continue to decline as older animals leave the system.

With effect from 5 April 2006, Ireland replaced its compulsory whole herd depopulation policy when BSE is confirmed in herds, with a partial depopulation regime which involves the removal of the BSE positive animal, the birth and feed cohorts (as defined in EU legislation) and the progeny,

with compensation paid at market value. This decision was based on a number of issues, including, in particular, the continuing and significant decline in the incidence of the disease in Ireland and developments at EU and international level and, significantly, the comprehensive range of effective control measures currently in place.

Scrapie

Since October, 2003 flocks in which Scrapie is confirmed are being genotyped, and only those animals most susceptible to the disease are being depopulated. In the second half of 2006 the level of active surveillance (at slaughter plants and knackeries) was increased significantly following a change in the EU rules.

Compensation payable under the current scheme includes live valuation of the breeding animals. A rate for factory lambs is payable in accordance with the average factory price per kg. pertaining to the week of slaughter to a maximum weight of 20kgs., and a hardship payment of €84 per breeding ewe. In 2005 the latter was increased from €28 per breeding ewe. Additionally, the Department genotypes entire flocks and a limited number of replacement rams, free of charge.

In May 2004 the Department established a National Genotype Programme. The overall objective of this voluntary scheme is to enable sheep in the national flock, particularly breeding stock, to be identified by genotype and raise the level of resistance to Scrapie among Irish sheep by promoting the use of the most Scrapie resistance animals for breeding. In 2006 new initiatives were introduced to encourage greater participation in the programme. This involved the payment of a contribution of €12 towards the testing costs together with compensation where genotyped rams were identified as the most susceptible to Scrapie and were presented for slaughter by the end of October. The amount of compensation payable to any one claimant in 2006 was capped at €1,200.

Swill

Orders made under the Diseases of Animals Act, 1966 (as amended) prohibit the collection and feeding of swill to animals indefinitely for reasons of animal health but permits the feeding of certain non-animal products and milk products to animals. A licence is required to remove international swill from ports and airports under the above Swill Orders. International swill may only be removed from a port or airport by a licensed operator approved by the Department of Agriculture and Food. Licences issued for 2006 contained a condition that during transportation a commercial document must accompany animal by-products. The company must complete the commercial document and fax a copy together with a copy of the burial document to the District Veterinary Office referred to on the licence within 24 hours of the

disposal of a consignment. Regular monitoring of the proper disposal of international swill is carried out by Department staff as well as random checks to ensure that swill is not being fed on pig farms.

CLASS B AND OTHER DISEASES – MONITORING AND CONTROL

Bovine Tuberculosis and Brucellosis

There was a further significant improvement in Brucellosis levels in cattle in 2006, which consolidated the progress made in recent years. The number of Brucellosis reactors fell by about 7% over 2005 levels. More significantly, the number of depopulations and the number of animals removed were 89% and 84% respectively lower than in 2005.

The level of Bovine Tuberculosis in Ireland has been falling in recent years and although the incidence of the disease increased slightly in 2005 when the number of reactors reached 25,800 compared to 23,000 in 2004, the downtrend continued in 2006 when there were approximately 24,000 reactors compared with 45,000 in 1998 and 1999.

Bovine Brucellosis

The incidence of Brucellosis continued to decline in 2006. Annual herd incidence in 2006 was 0.11% compared with 0.12% in 2005 and 0.76% in 1998. The number of reactors has declined from 6,417 in 1998 to 212 in 2006.

The aggressive depopulation and extended rest period policies as well as other measures in force continued to be applied and contributed to the decline in the disease. Since the current intensive brucellosis programme began in 1998, very considerable progress towards eradication has been made, as outlined in the table below.

Just over 3.78 million blood samples were tested for Brucellosis in 2006. The main testing measure is now supplemented by monthly Bulk Milk Testing from each dairy herd and blood sampling of cows in slaughter plants, which has proved very effective in disclosing a number of reactors that might otherwise not have been detected.

Bovine Tuberculosis

The incidence of Bovine Tuberculosis decreased in 2006 when circa 24,000 reactors were disclosed. This was 6.6% lower than 2005 levels and was still well below the levels recorded in 2003.

The 2006, TB eradication programme was completed with 118,925 of the 122,392 cattle herds tested within the twelve-month window. A total of approximately 6.2 million animals were subject to at least one test within a twelve-month window and approximately 9 million animal tests were carried out.

Brucellosis Statistics	1998	1999	2000	2001	2002	2003	2004	2005	2006
Number of Reactors	6,417	4,545	3,590	3,112	1,530	900	664	228	212
Number of Newly Restricted Herds	1,081	875	659	553	430	324	283	144	132



Minister of State, Brendan Smith T.D. at the North East Food Forum, Carrickmacross, Co. Monaghan, June 2006.

Prosecutions

In 2006 the Special Investigation Unit continued the investigation of irregularities in the Bovine TB and Brucellosis Eradication Schemes and in bovine identification and registration. Resulting from those investigations, there were five successful prosecutions during the year and seven further cases were submitted for prosecution. Thirty two cases now await hearing.

On-Farm Market Valuation Scheme

The On-Farm Market Valuation Scheme replaced the Reactor Grant Scheme from 2 April 2002. Approximately €17.6 million was spent on all compensation elements of the TB and Brucellosis Eradication Schemes during 2006. This was a considerable reduction on 2005 expenditure (€21.4m) and resulted from the general decline in Brucellosis disease levels.

Bovine Diseases Levies

Receipts from disease levies amounted to €10.44 million in 2006.

Given the ongoing improvement in TB and Brucellosis levels and the consequent reduced cost of the schemes, a reduction in the Bovine Disease Levies rates of 50% will be effective from 1 January 2007.

Dealers

A review of the Disease of Animals Acts 1966 to 2001 (Approval and Registration of Dealers and Dealer's Premises) Order, 2001 (S.I No.79 of 2001) has been undertaken in 2006. It is expected that amending legislation will be introduced in 2007.

At the end of 2006 the total number of approved Dealers included 211 Dealers with premises and 971 Dealers without premises (Agents).

National Aujeszky's Disease Control and Eradication Programme

Testing under the National Aujeszky's Disease Control and Eradication Programme continued throughout 2006. This programme has the objective of eliminating this disease from the national herd, thus raising health standards and protecting our access to export markets. Results were encouraging, with no new herds positive for Aujeszky's disease identified despite an extensive farm and factory testing programme.

Johne's Disease

Johne's Disease is a notifiable disease regulated by the Diseases of Animals Act 1966 (Notification and Control of Animal Diseases) Order 2006 and is a Class B disease. Johne's disease is caused by infection with *Mycobacterium avium* subspecies *paratuberculosis* (MAP). Most cattle are infected early in life by ingestion of MAP through colostrum, milk, faecal contaminated teats, water, feed or surfaces. Adult animals can become infected but it is rare, and usually do not show symptoms.

In early 2003, the Department discontinued the policy of slaughtering and paying compensation for affected animals when it became apparent that this approach was not effective.

Between then and now the Department has met on a number of occasions with key interested parties such as Teagasc, Veterinary Ireland, ICBF, the cattle breeding societies, the dairy co-ops, farmer representative bodies and others to discuss possible approaches to tackling the disease. Information seminars have been attended by interested private practitioners, Teagasc advisors and farmers. In addition a small number of herds participated in a project on the on farm control of the disease. Discussions are ongoing

with a view to putting in place and implementing a new fully integrated and effective approach to addressing the problem in the context of a National Herd Health initiative in which all of the stakeholders would play a defined and sustained role.

A random survey was undertaken using the bovine blood samples submitted as part of the Brucellosis eradication programme to the Department's laboratory in Cork. The results of this survey are being analysed to determine the percentage of the national herd that may be affected by this condition.

ANIMAL BY-PRODUCTS

Animal By-Products Legislation

The annual slaughter and processing of approximately 1.6m cattle, 2.6m pigs, 3.3m sheep and 80m poultry, and the deaths of some 230,000 bovine animals on farm, results in the production of approximately 550,000 tonnes of animal by-products each year. In 2006 there were 9 rendering plants in the State, which processed the bulk of this material into meat and bone meal and tallow. These plants are supervised by full-time staff of the Department of Agriculture and Food.

During 2006, the Department made good progress in applying the wide ranging system of controls provided for in Regulation (EC) No. 1774/2002 on the collection, transport, storage, handling, processing and use or disposal of all animal by-products not intended for human consumption. Implementation of the Regulation, which safeguards the integrity of the food and feed chains by reducing the risk of the illegal diversion of animal by-products, ensures a high level of protection of animal and public health.

The European Commission has also introduced a number of amending Regulations and the Department has prioritised these by implementing national measures. As part of an ongoing programme of review in this area, the European Communities (Animal By-Products) Regulations 2003, SI No. 248 of 2003, as amended by the European Communities (Animal By-Products)(Amendment) Regulations 2005, SI No. 707 of 2005, which give effect to Regulation (EC) No. 1774/2002, were repealed and replaced by a new statutory instrument - SI No. 612 of 2006, the European Communities (Transmissible Spongiform Encephalopathies and Animal By-Products) Regulations 2006.

The disposal infrastructure for animal by-products was further enhanced by the approval of five composting facilities handling animal by-products in 2006. The Department organised an information seminar for the composting and biogas industry and published guidance material for industry.

Additional guidance material has been prepared for the incorporation of mammalian protein into petfood and organic fertiliser and soil improvers. The Department continues to keep abreast of developments and is actively

encouraging alternative methods for the processing, use and disposal of animal by-products, in particular the use of tallow and processed meat and bone meal for alternative energy uses.

Introduction of Transport Register

To enhance handling and transportation controls progress has been made on the introduction of a register of approved hauliers, which will ensure that animal by-products are not diverted to non-permitted use. All hauliers who transport animal by-products are required to register receptacles and these must be dedicated to the carriage of animal by-products to the extent necessary to avoid cross-contamination. This approach places a particular emphasis in the context of TSE controls on the need to ensure that animal by-products and processed products do not enter the food or feed chain.

Central to the Department's approach has been the issuance of guidance to industry and to this end Animal By-Products Division is working closely with industry to address issues in the monitoring, controlling and movement of animal by-products. To date there has been a positive response to this initiative with 153 applicants registered.

Capital Grant Scheme for Animal Carcase Disposal

A Capital Grant Scheme for Animal Carcase Disposal was introduced in 2002 under the National Development Plan. The aim of the scheme was to aid investment in appropriate facilities for the handling and storage of fallen animals with an emphasis on establishing a comprehensive animal collection service in areas of the country not already served. Under the scheme funding was provided to include the improvement of waste water collection and treatment.

In 2006, capital expenditure of €393,000 was incurred in respect of 10 projects.

The Fallen Animals Scheme

The Fallen Animals Scheme was introduced in the wake of the Purchase for Destruction Scheme (PFD) to underpin and further improve the existing infrastructure for fallen animal collectors, to maximise the number of fallen animals being collected, to integrate fully with BSE requirements, to minimise the use of licensed burial and to provide additional important environmental benefits. Under the scheme, licensed fallen animal collectors and their nominated agents will be paid by farmers and are further subsidised by the State for the collection of fallen bovine animals.

The Fallen Animals Section also subsidises the rendering of fallen animals.

Meat and Bone Meal Disposal

The ban on the feeding of meat and bone meal (MBM) to farmed animals, introduced at the end of 2000, remained in force in 2006.

By the end of 2006 all MBM, blood meal and poultry meal that had been produced up to early 2001 had been disposed

of at approved incinerator facilities in the UK and Germany at a cost of approx €23.5m. The total quantity amounted to 166,000 tonnes.

The costs of disposing of MBM produced since May 2003 are borne by the industry.

ANIMAL WELFARE

Protection Of Farm Animals

The Protection of Animals Acts, 1911 and 1965, are the principal statutes governing cruelty to animals in Ireland. The legislation is enforced by the Garda Síochána, who may, on receipt of a complaint, investigate and bring a prosecution against any person alleged to have committed an act of cruelty against an animal in this country. Reported cases of cruelty to or neglect of farm animals were investigated by officers of this Department in conjunction with the Gardai or veterinary staff of the Local Authorities. Staff were proactive in dealing with cases involving welfare compromised animals at a number of locations around the country.

Stricter welfare standards for farm animals are now in operation and must be implemented to a large extent at farm level. The Protection of Animals Kept for Farming Purposes Act, 1984 has been supplemented by the European Communities (Protection of Animals Kept for Farming Purposes) Regulations 2006 (S.I. No. 705) of 2006 giving effect to Council Directive 98/58/EC (as amended by Council Regulation (EC) No. 806/2003) which sets the standards concerning the protection of animals kept for farming purposes and requires owners and people in charge of animals to ensure the welfare of their animals.

Control of Horses

The Control of Horses Act, 1996, was introduced to address the problem of wandering horses, mainly in urban areas. The Act, which was commenced in March 1997, assigns to local authorities the primary role for dealing with wandering horses. It provides for the designation, by local authority byelaws, of control areas in which horses cannot be kept without a licence. The Act also contains provisions on the licensing procedure and the identification of horses; a ban on the sale of horses to minors; the seizure and detention of stray horses; the confiscation of horses which stray repeatedly; the disposal of horses seized by the local authorities; and criminal liability for permitting or causing a horse to pose a danger to persons or property. The Act also deals with the question of nuisance caused to persons occupying premises near places where horses are kept.

The Minister is empowered by the Act to make grants available to local authorities towards the expenses they incur in its implementation. In 2006 the Department provided funding totalling €1.66m to 18 Local Authorities.

Transport

The Diseases of Animals (Protection of Animals during Transport) Orders, 1995, 1997, 2001 and 2003 prescribe

strict standards for the transport of animals including handling, vehicle repair and hygiene and, on long journeys, standards for feeding, watering, resting periods, journey times and stocking densities during transportation. The legislation was updated and consolidated in 2006 and replaced by the European Communities (Protection of Animals during Transport) Regulations 2006 (S.I. No. 267 of 2006).

The Department maintains a register of approved transporters and hauliers. In addition the journeys of international transporters are monitored and journey logs are checked to ensure that animals are transported in accordance with specified welfare standards.

Council Regulation 1/2005 will apply from 5 January 2007 to persons transporting all vertebrate species of animals over long (greater than 8 hours) and short journeys. It sets down training and authorisation requirements for those involved in transporting animals and those handling animals at assembly centres. The European Communities (Animal Transport and Control Post) Regulations 2006 provides for implementation of the Transport Regulation in full.

The Department consulted with interested parties, including farming organisations, transporters of live animals, operators of Assembly Centres and Livestock Marts and welfare groups on the implementation of the Regulation. During 2006 the Department put systems in place to implement the Regulation.

Farm Animal Welfare Advisory Council (FAWAC)

The purpose of this Council, which is representative of various interests, is to seek consensus and provide advice to the Minister on issues relating to the care and welfare of farm animals.

In 2006 the Early Warning/Intervention System (EWS) for Animal Welfare Cases continued to operate in all regions. This system, which was introduced by FAWAC in 2004, involves the Department, Irish Farmers Association and the Irish Society for the Prevention of Cruelty to Animals. The objective of the system is to provide a framework within which animal welfare problems can be detected and dealt with before they become critical or overwhelming. During 2006 discussions were also held with other bodies, including the Gardai, Veterinary Ireland and Local Authority Veterinary Services, with a view to increasing the awareness at local level of EWS.

In 2006 the Farm Animal Welfare Advisory Council presented its Biennial Report for 2005 to the Minister.

Scientific Advisory Committee On Animal Health and Welfare

This Committee is comprised of scientific experts with experience in a variety of disciplines such as animal husbandry, animal behaviour, bacteriology, clinical medicine, epidemiology, parasitology and virology. The principle function of the Committee is to provide the Minister with advice, from a scientific perspective, on issues where independent expert opinion is warranted.

Following the Scientific Advisory Committee on Animal Health and Welfare Report on "The Use of Electro-immobilisation on Live Farm Animals in Ireland" and consultations with stakeholders the Minister announced a ban on the use of Electro-immobilisation from June, 2007.

Welfare Of Calves Pigs and Laying Hens

Inspections took place in respect of the welfare of calves, pigs and laying hens and reports were completed in compliance with EU requirements.

Animal Welfare Inspection System (AWIS)

This system was extended from the existing area of on-farm inspections to include animal welfare during transport inspections. The main locations where these inspections are carried out by the veterinary inspectorate are at Livestock Marts and in lairages of the slaughter plants. Training seminars were provided to facilitate staff in operating the new system.

Animal Welfare Organisations

In 2006 the Minister approved grants totalling €1.2 million to 94 animal welfare organisations involved in the direct delivery of animal care and welfare services throughout the country to assist in their work during 2007.

LABORATORY SERVICE

In late 2006, the Department consolidated its various laboratories under a Director of Laboratory Services. The headquarters of this service is at the new Backweston Laboratory Complex which entered the final stages of completion and snagging, equipment procurement and commissioning during 2006. As further laboratory space became available during the year staff from Abbotstown moved to the new laboratory complex. By December 2006 most of the staff had moved to Backweston with a small number still left at the CVRL in Abbotstown.

The laboratory complex is a state of the art facility that has been developed to provide a laboratory infrastructure to support the diagnostic, regulatory and research and development functions necessary for this role.

The laboratory service consists of a central laboratory complex at Backweston together with a number of regional laboratories located throughout the country. The Backweston complex has brought together a number of different laboratories having a variety of functions in one building. The laboratories involved are the:

- Central Veterinary Research laboratory (comprising the divisions of Bacteriology, Pathology, Virology and a Laboratory Audit Unit);
- Central Meat Control Laboratory (CMCL);
- Pesticides Control Service;
- Seed Testing Laboratories, and
- Dairy Science Laboratory.

In addition to the Backweston complex, six Regional Veterinary Laboratories, (whose primary work is in disease diagnosis and surveillance) located at Athlone, Cork, Dublin,

Kilkenny, Limerick and Sligo, a Brucellosis Laboratory in Cork and two regional Dairy Science laboratories at Limerick and Cork complete the Laboratory Service.

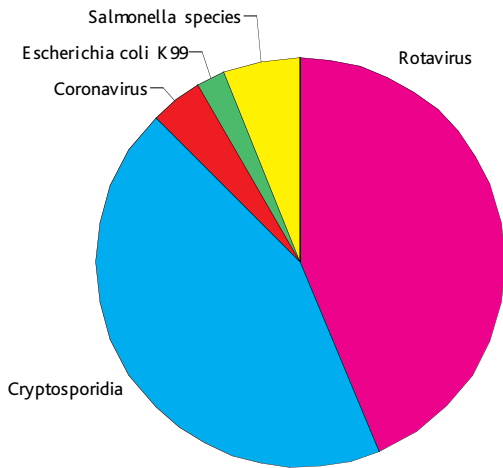
Veterinary Laboratory Service

As part of information transmission to customers based on general disease surveillance functions, the Regional Veterinary Laboratory Service published a handbook on the surveillance findings from 2005 based on passive surveillance during the year (Regional Veterinary Laboratory Disease Surveillance Report 2005). This report, to which all the RVLs contributed, is based on submissions to the Regional Laboratory Service and comprises an analysis of the most frequently diagnosed causes of deaths and abortion in cattle and sheep, mastitis in cattle, and enteritis in calves together with reports on investigations of suspect outbreaks of Foot



and Mouth Disease. It has been delivered to veterinary practitioners throughout the state - and is available on the Department's website at; www.agriculture.gov.ie

Analysis of the data for 2006 is currently being undertaken and the frequency of agents associated with enteritis in calves during 2006 is shown on the pie chart below.



Pathology Division

Pathology Division, which is based in Backweston, comprises three Sections – Histopathology, Clinical Pathology and Dublin Regional Veterinary Laboratory (RVL).

As the TSE National Reference Laboratory (NRL), the **Histopathology Section** has responsibility for confirmation of all BSE and scrapie suspect cases from both active and passive surveillance programmes. The TSE NRL is also responsible for approving and monitoring performance of all private laboratories carrying out TSE rapid screening tests under EU 999/2001. Since January 2005 the TSE NRL also carries out further discriminatory testing on all confirmed scrapie cases to ensure the identification of any isolate with BSE-like characteristics. To date no such isolates have been identified.

Specialist in-service training for RVL pathologists occupied a significant amount of Histopathology Section time and resources in 2006.

Clinical Pathology Section performs metal (macro, trace and heavy) analyses on animal blood and tissues, and also measures metabolites and enzyme activity in serum to diagnose economic animal diseases or animal exposure to environmental pollution. In addition to providing specialist support to the RVLs, the Section liaises with other State agencies such as the FSAI and the EPA to provide expert advice in relation to food safety and environmental animal health. In 2006, it contributed to the investigation of a mining environmental pollution incident in Co. Tipperary. Newly-acquired atomic absorption and clinical analyser instruments assisted in the timely reporting of results to the EPA - the lead agency for this investigation.

Virology Division

Some 1,000 specimens from wild birds were examined for Avian Influenza (AI) virus as part of the annual, *active* surveillance programme. As a result of extensive *passive* surveillance, an additional 1,500 specimens from wild birds were tested by real time PCR and/or virus isolation. A total of four non-pathogenic avian influenza viruses were isolated from the wild birds samples.

Due to the heightened publicity surrounding reports of H5N1 during the year, 500 specimens from poultry and captive birds were also tested for virus. In addition, 37,478 sera from domestic birds were examined for antibodies to AI as part of two major national surveys and for trade purposes. No highly pathogenic H5 or H7 Avian Influenza viruses were identified.

Equine Infectious Anaemia (EIA) was first reported in Ireland in June 2006. Immediately, a programme to control the disease was undertaken by the Department of Agriculture and Food. This resulted in the receipt of 2,205 sera, from veterinary inspectors and private veterinary surgeons, which were tested using the agar gel immunodiffusion (Coggin's) test. In October 6,925 sera, collected in Counties Meath and Kildare as part of a DAF surveillance programme, were tested by ELISA. This surveillance will continue in 2007.

Virology Division is the National Reference Laboratory for EIA and in 2006 approved another laboratory to perform official tests. However, all positives must be confirmed at Backweston. To date, a total of 28 horses have been confirmed positive.

Virology is an EU, National Reference Laboratory for bluetongue virus. Because of the outbreaks of bluetongue in Northern Europe in 2006, a total of 403 sera collected from all cattle and sheep imported from this region in the latter half of 2006 were examined for antibodies by ELISA. A serosurvey of the national herd, which consisted of 1,020 cattle from 102 herds in Counties Cork, Waterford, Wexford and Wicklow, was also undertaken. Both studies yielded negative results.

National serological surveillance was performed for a number of listed diseases such as Foot and Mouth Disease, Swine Vesicular Disease, Classical Swine Fever, and Enzootic Bovine Leucosis. In addition, the laboratory participated in EU ring trials for AI, NDV, FMDV, SVD, CSF, ASF, BT (2 trials) and AHS.

A total of 553 sera from 362 thoroughbred stallions were examined for antibodies to Equine Viral Arteritis (EVA) as part of the EVA vaccination requirements; and some 50,000 sera were examined for antibodies to various poultry mycoplasma. As part of the national eradication programme for Aujeszky's Disease (AD), pigs from fattening herds were tested as well as samples from herds seeking to upgrade their "AD Herd Status".

A comprehensive viral diagnostic service for cattle, horses, pigs, sheep, goats and poultry was provided with over 40,000 samples examined. The diagnostic service was enhanced with

the introduction of the polymerase chain reaction (PCR) for bovine respiratory diseases, and the launch of the Division's website at: www.agriculture.gov.ie/virology.

Bacteriology Division

In 2006 the Veterinary Laboratory Service (VLS) was nominated to undertake additional duties as the National Reference Laboratory for Food and Feed in the following areas: Zoonoses (salmonella), VTEC *Escherichia coli*, *Campylobacter*, Parasites, Antimicrobial resistance, TSEs, and detection of some residues in food of animal origin. The VLS also completed testing in Ireland for the EU baseline study on Salmonella in broilers and began in October further baseline studies on Salmonella in turkeys and pigs. These studies will be used to set targets for the control of *Salmonella* in EU member states.

The Department's network of Regional Veterinary Laboratories (RVLs) provide specialist diagnostic facilities at strategic locations throughout the country. In 2006, the RVLs comprised the Department's first line of laboratory defence against the threat of the highly pathogenic H5N1 strain of Avian Influenza. Dublin RVL examined over 800 wild birds during the year. Suspicious outbreaks of mortality were also investigated in poultry flocks.

The RVLs supported the Department's animal disease control and eradication schemes in 2006 which included pathology investigations in support of the Equine Infectious Anaemia (EIA) virus control program.

Controls on Pesticide Residues in Food

Current production practice provides a plentiful supply and variety of good quality reasonably priced food. The production of much of this food depends upon use of plant protection products to control pests and to maximise output. Plant protection products may only be used under carefully controlled conditions. One of the important controls in place, to ensure their safe use, is the setting of the maximum quantities of such products that may be present in food.

These Maximum Residue Levels (MRLs), established through European legislation, are used by control authorities to ensure that plant protection products are used correctly and to ensure that treated food is safe for consumers. The Pesticide Control Service of the Department implements monitoring programmes involving measurement of residual levels present in Irish food. Those programmes are agreed between the Department and the Food Safety Authority of Ireland (FSAI). Details of previous years results, together with associated risk assessments for Irish consumers can be seen / downloaded from the Department's web site at www.pcs.agriculture.gov.ie/ppp.htm.

PLANT HEALTH

Plant Protection

The Department's Plant Protection Service carried out activities during 2006 to protect and maintain the country's plant health status. The action programme included the following range of activities:

- Relevant plants and plant products imported directly into Ireland from third countries were subjected to mandatory plant health inspections and released only after it had been determined that EU plant health requirements had been met;
- Ireland retained its protected zone status for the bacteria *Erwinia amylovora* following the submission of EU required national survey and evaluation at the Standing Committee on Plant Health;
- Monitoring of premises registered under the Plant Health Registration Scheme, and of other outlets where material subject to plant health requirements moves in trade, continued throughout the year;
- Quarantine and harmful organisms were intercepted on a number of occasions but all of these were dealt with successfully and none became established in the country;
- The survey for *Phytophthora ramorum* continued and Ireland joined in the European Pest Risk Analysis for *Phytophthora ramorum* (RAPRA);



- Following monitoring of Maize crops, Ireland is now one of the few remaining areas in the EU free from *Diabrotica virgifera*, the Western Corn Rootworm.

Forest Protection and Forest Health

The Department's Forest Service is responsible for implementing the forestry aspects of Council Directive 2000/29/EC on protective measures against the introduction into the Community of organisms harmful to plants and plant products and against their spread within the Community. The forestry aspects include the provisions relating to wood, wood packaging, forest plants and Christmas trees.

The main forest protection activities in 2006 were as follows:

- New national survey for oriental chestnut gall wasp;
- National forest survey for pine wood nematode;
- National forest survey for sudden oak death;
- National forest surveys for the 11 forest pests and diseases for which Ireland has special Protected Zone status within the EU;
- Inspection of wood imports;
- Inspection of wood packaging associated with imports of goods of all kinds with particular reference to compliance with ISPM No. 15 (see below);
- Provision of an advisory service concerning wood import regulations and general forest pest and disease matters.

In relation to exports, the Forest Service is responsible for the implementation of the International Plant Protection Convention's new International Standard for Phytosanitary Measures (ISPM) No. 15, Guidelines for regulating wood packaging in international trade.

The main activities in 2006 were as follows:

- Registration and auditing of producers of wood packaging, kiln operators and fumigation companies;
- Advising Irish exporting companies concerning ISPM No. 15;
- Issuing of Phytosanitary Certificates for the related wood packaging scheme for exports of goods of all kinds to China.

Data from the Level 1 Forest Focus plots again showed the continued good health and condition of Ireland's forests.

Goal 3: Rural Economy and Environment

Promote the development of the rural economy and of environmentally friendly and sustainable systems of agriculture, forestry and food production and assist structural change

Rural Environment Protection Scheme (REPS)

Record participation and spending levels in REPS were achieved once again in 2006. Participation levels rose to over 59,000 and payment in the year of €330 million was the highest expenditure on the Scheme in any single year since its introduction in 1994. The scheme continued to be 75% co-funded by the EU in 2006. Since its introduction in mid-1994 it has delivered, in financial terms, over €2.2 billion in payments to farmers. These payments have not only benefited the individual recipients but have made a significant contribution in sustaining rural communities and the rural environment.

REPS closed to new entrants on 31 December 2006, when the last EU rural development programming period came to an end. Proposals for a new Scheme were submitted to the European Commission in December 2006 as part of the draft Rural Development Programme 2007–2013. The proposals, put together after a wide-ranging process of consultation with farming organisations and other stakeholders, preserve the structure of the previous scheme but include new biodiversity options and supplementary measures designed to reflect the EU's priorities for the new programming period: biodiversity, climate change and water quality. The proposed new Scheme will deliver an increase of 17% in payment rates, in line with the Social Partnership agreement *Towards 2016*.

Farm Waste Management Scheme

The Farm Waste Management Scheme is operated under the aegis of the National Development Plan 2000–2006. Details are given in Goal 1 under National Development Plan.

Scheme of Early Retirement from Farming

Demand for the Scheme of Early Retirement from Farming was slightly higher in 2006 than in 2005, with 341 new entrants as against 296, but remained well below projections when the Scheme was launched in November 2000. Like REPS, the Early Retirement Scheme closed to new applications in December 2006. Proposals for a new Scheme were submitted to the European Commission in December 2006 as part of the draft Rural Development Programme 2007–2013.

The Minister for Agriculture and Food announced a number of changes to the terms and conditions of the existing Early Retirement Scheme during 2006. The most significant of these, as far as participants were concerned, was an increase in the maximum rate of pension from €13,515 to €15,000. The maximum rate for remaining participants in the previous (1994–99) Scheme was increased from €12,075 to €14,075. These increases, part of the *Towards 2016* agreement with the farming organisations, are funded entirely from the National Exchequer and will cost some €33 million extra over the remaining period of the two Schemes.

Organic Food and Farming

Although the organic sector remained small in comparison with the EU average, for the second year running there were signs of growth. Nationally, the total area in conversion or with full organic status rose by 15% in 2005 and by a further 14% in 2006. At the end of 2006 there were just over 1,270 organic operators and some 40,000 hectares of land under organic production methods. The market also continued to grow strongly, with the organic retail sector in Ireland



estimated to be worth €66 million, compared to €38 million in 2003.

The Department of Agriculture and Food continued to provide substantial financial supports for organic producers, through the Rural Environment Protection Scheme (REPS) and the Scheme of Grant Aid for the Development of the Organic Sector. The draft Rural Development Programme for the period 2007–2013 includes measures designed particularly to encourage development in the organic tillage and horticulture areas. It is proposed, for example, to allow organic farmers to obtain organic support payments without having to be in REPS.

The National Steering Group for the Organic Sector and its two sub-groups, the Organic Market Development Group and the Partnership Expert Working Group, continued to operate during the year and the Chairman of the National Steering Group, Mr John Duggan, made his third Annual Report to the Minister for Agriculture and Food. The Minister reappointed the members of the Group for a further three years, with Mr Duggan remaining as Chairman.

National Climate Change Strategy

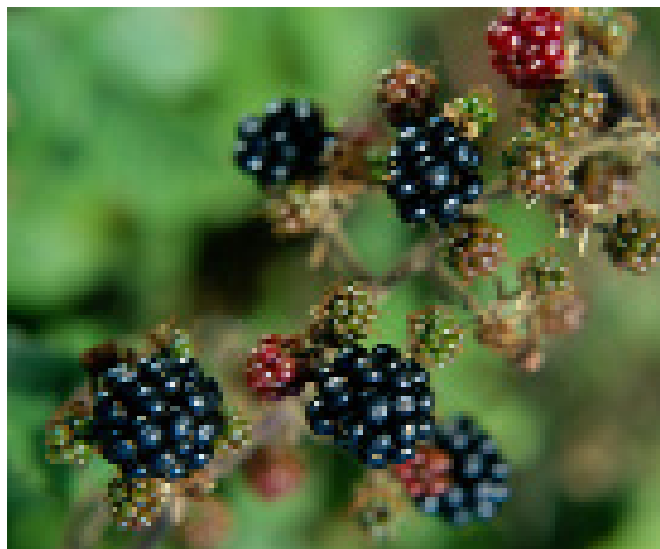
The National Climate Change Strategy (2000) set down the measures to be implemented to enable Ireland to meet its legally binding commitments under the Kyoto Protocol (1997) in the first commitment period, 2008–2012. Methane and nitrous oxide are the greenhouse gases of main concern to the primary agriculture sector. In 1990, agriculture produced 35.9% of emissions but this is steadily declining both in real terms and as a proportion of Ireland's total emissions. By 2005, it had fallen to 27.6%. Between decoupling, which is the main cause of reduced emissions, and afforestation, which plays a major part in carbon sequestration, projected abatement from agriculture and forestry will account for 56% of projected national emissions reductions in the period 2008–2012.

Plant Genetic Resources

The Department continued to provide financial support to suitable projects, submitted by stakeholders to promote the conservation and utilisation of Plant Genetic Resources. Projects funded covered a diverse range of species including apples, vegetables, grasses, flax, maritime beet and forestry.

Water Quality and Biodiversity

The Department is in continuous contact with EU and national agencies and with other Government Departments in relation to the agricultural aspects of emerging environmental policy. During 2006, the Department worked closely with the Department of the Environment, Heritage and Local Government on a range of issues, including biodiversity and the implementation of the Nitrates Directive.



Nitrates Directive

In July 2006, the Minister for the Environment, Heritage and Local Government signed the European Communities (Good Agricultural Practice for Protection of Waters) Regulations 2006 (SI No 378 of 2006), giving legal effect to Ireland's Action Programme under the Nitrates Directive. In October 2006, the Department produced an Explanatory Handbook for farmers setting out in clear terms their obligations under the Regulations. This was followed by a series of information meetings in November and December at which Department and Teagasc personnel explained the Regulations further and answered farmers' questions.

In December 2005, Ireland presented proposals to the EU Nitrates Committee for a derogation from the general limit of 170kg organic nitrogen per hectare per annum limit laid down in the Nitrates Directive. These proposals, which would allow a derogation of up to 250kg in appropriate circumstances, are important for the intensive dairying sector in particular but will also benefit other farmers. The Nitrates Committee voted in favour of Ireland's proposals in December 2006.

Fertiliser Use

Phosphorus sales in 2005/2006 amounted to 37,209 tonnes, which is 42% below the 1989/90 level, when sales of 64,573 tonnes were recorded. Phosphorus sales in 2004/2005 amounted to 38,645 tonnes (the fertiliser year runs from 1 October to 30 September).

Nitrogen usage decreased to 345,154 tonnes in 2005/2006, which is 22% below the 1998/99 figure when nitrogen usage peaked at 442,916 tonnes. Nitrogen usage in 2004/2005 was 352,165 tonnes.

Contribution of Forestry to the Rural Economy

Irish forest policy is based on the principles of Sustainable Forest Management, established at the Third Ministerial Conference on the Protection of Forests in Europe held in Portugal in 1998.

Forest cover in Ireland is over 10% of the land area which is one of the lowest covers in Europe where the average cover is closer to 40%. The aim of current forestry policy is to increase the cover to 17% of land area by 2035. While planting levels have decreased in recent years for a combination of reasons, forest cover in Ireland has grown from over 480,000 hectares in 1990 to approximately 718 000 hectares in 2006. The most recent research indicates that forestry generates employment for approximately 16,000 people, both directly and indirectly. A further 14,000 people have established forests of their own under the various schemes operated by the Department. The multi-functional nature of forestry helps it to contribute significantly to the rural economy e.g. employment, industry, fuel, recreation, health etc. On a wider scale, under the Kyoto Agreement it is estimated that the carbon sequestered by Irish forests will be worth €31m annually for the first commitment period of 2008-2012 inclusive.

In June 2005 a High Level Working Group was set up to review the current forestry policy in the light of both the 2004 Bacon report on Forestry and the 2005 new Rural Development Regulation. This Group is currently finalising its report.

The new Rural Development Regulation provides for incentives to deliver additional environmental benefits through the forestry programme including provision for forest environment payments for commitments that go beyond the relevant mandatory requirements. Given this, the Department has introduced a new Forest Environmental Protection Scheme (FEPS) to encourage the establishment of high nature value forestry on farms which participate in the Rural Environmental Protection Scheme (REPS). This new scheme was designed following extensive consultation with the sector and will operate on a pilot basis in 2007. An additional premium of up to €200 per hectare for five years will be available to farmers in REPS who join FEPS and plant part of their land in accordance with the provisions for forestry laid down in the new scheme. Farmers planting under FEPS will have to adhere to enhanced environmental objectives, some of which will be mandatory while others will be drawn from a menu of options. These will concentrate on



Minister of State, Mary Wallace T.D. with Mr. Tony Quinn, Contract Inventory Inspector and Mr. Diarmuid McAree, Chief Forestry Inspector at the commencement of the Forest Inventory at Balrath Woods, Co. Meath, September 2006.

biodiversity, habitats, species mix, environmental impact and visual considerations, setting standards which go beyond the already substantial commitments applying under the regular Afforestation Scheme.

Forestry and Bio Energy

Wood biomass can play a major role in Ireland's natural bio-energy strategy. It is renewable, carbon neutral and sustainable. Wood is already the biggest contributor to renewable energy in Ireland, accounting for 57% of renewable energy output.

The principal source of wood biomass is Ireland's national forest estate, which currently stands at 700,000 hectares. The growing of short rotation forest energy crops also has the capacity to contribute to the overall development of wood biomass as an energy source.

The Department of Agriculture and Food is actively encouraging the development of the bio-energy sector in Ireland through a number of support schemes, primarily aimed at the development of an effective and efficient supply chain from forest grower to end user.

In December, the Minister for Finance announced a package of bio-energy measures including the provision of €1.2 million towards a special scheme to aid the purchase of biomass harvesting equipment, such as whole tree chippers and forest residue bundlers.

Forest Recreation

Throughout 2006, the Forest Service continued to promote the development of forests for recreation, with a focus on public health and well-being, and environmental education. This was undertaken principally through the NeighbourWood Scheme and the publication, based on extensive consultation, of *Forest Recreation in Ireland: A Guide for Forest Owners and Users*. The Forest Service also funded the establishment of Leave No Trace Ireland, and various recreational initiatives undertaken by the Tree Council of Ireland and the Society of Irish Foresters. The Forest Service also inputted into related initiatives, including A Review of Forest Research Needs in Ireland (COFORD), the National Countryside Recreation Strategy (Comhairle na Tuaithe) and the Irish Trails Strategy (Irish Sports Council).

Goal 4: Schemes Delivery and Financial Management

Operate all our schemes and programmes in an efficient and effective manner, and ensure the highest standards of corporate and financial management and accountability in all our activities

SCHEME OPERATIONS

The Single Payment Scheme

Following the Luxembourg Agreement on the Reform of the Common Agricultural Policy (CAP) in 2003, Ireland decided to introduce full decoupling of premia and arable aid payments with effect from 2005. In general, the Single Payment Scheme (SPS) is applicable to farmers who actively farmed during the Reference Period 2000, 2001, 2002, who were paid Livestock Premium and/or Area Aid in one or more of those years and who continued to farm in 2005 and afterwards. The gross Single Payment is based on the average number of animals and/or the average number of hectares on which payments were made in the three reference years.

er conditions in the summer months of 2006. At 31 December 2006 some €1.17 billion had been paid to 118,000 applicants representing nearly 92% of all SPS applications.

In addition, in 2006, the Single Payment Scheme (SPS) Unit processed 6,000 applications to consolidate entitlements.

Cross-Compliance

An important cornerstone of the decoupling of direct payments from production is the link between EU support for agriculture under the SPS and measures aimed at protecting the environment as well as achieving high standards in food safety and in animal health and welfare. Under the SPS



Minister Mary Coughlan T.D. with Mairead Lavery, Chairperson of Agri-Aware at the launch of "Dig In" Educational Resource Pack, March 2006, St. Stephen's Green.

The SPS replaces the Suckler Cow Premium Scheme, Special Beef Premium Scheme, Slaughter Premium Scheme, Ewe Premium Scheme, Extensification Premium Scheme, Dairy Premium Scheme and Area Aid Scheme. Furthermore, in 2006, following reform of the Sugar sector, the farmers concerned were allocated additional entitlements, on the basis of contracts held during the Sugarbeet Reference Period of 2001, 2002, 2004.

The SPS allows farmers to concentrate on market requirements and removes concerns about retention periods, quotas, stocking densities, census dates and other requirements associated with the old coupled schemes.

In 2006, the Single Payment was made in two stages: an advance payment on 16 October and a balancing payment on 1 December. The decision to make an advance SPS payment was taken to compensate farmers for difficult weath-

farmers are required to respect the various Statutory Management Requirements (SMRs) set down in EU legislation (Directives and Regulations) on the environment, public, animal and plant health and animal welfare and to maintain land in Good Agricultural and Environmental Condition (GAEC).

This is known as Cross-Compliance. Cross-Compliance involves two key elements:

- A requirement for farmers to comply with 18 statutory management requirements (SMRs) set down in EU legislation on the **environment, food safety, animal health, welfare, and plant health**;
- A requirement to maintain the farm in good agricultural and environmental condition (GAEC).

If an applicant is found to be non-compliant sanctions are provided for in the governing EU regulations and those sanctions will be applied to the applicant's Single Payment.

Implementation of Cross-Compliance

The Cross-Compliance obligations were phased in over a three-year period. Eight Cross-Compliance SMRs were introduced in 2005 together with the Good Agricultural and Environmental Condition (GAEC) requirements for Ireland.

A further 7 SMRs were introduced with effect from 1 January 2006 with the final 3 SMRs coming into effect from 1 January 2007.

Before finalising the Guidance Document for 2005 Cross-Compliance the Department sought views from interested stakeholders, in particular the farm bodies. The Department then published an information booklet for farmers in April 2005 covering the SMRs that were introduced in 2005. A copy of this booklet was posted to all farmers. A further booklet covering the SMRs introduced in 2006 and 2007 (Excluding SMR4 - Nitrates) was posted to all farmers in August 2006.

An explanatory handbook covering SMR4-Nitrates was posted to all farmers in November 2006 and was accompanied by a series of public information meetings nationwide. All publications are available on the Department's website www.agriculture.gov.ie

Noxious Weeds Control Campaign

Control of noxious weeds has been made an element of Cross-Compliance under Good Agricultural and Environmental Condition, for purposes of single farm payment. So as to re-create a public awareness of the obligation to control noxious weeds, a campaign was put in place in 2006. The campaign consisted of department press releases, public notices in the news media and posters erected in areas frequented by the farming community and the general public.

Disadvantaged Areas Compensatory Allowances Scheme

Payments under the Disadvantaged Areas Compensatory Allowances Scheme commenced on 21 September 2006, in accordance with the commitment in the Charter of Rights for Farmers and by 31 December 2006 a total of nearly €251 million had been paid to 97% of applicants. This amount includes €18.4 million of Modulation Funds, which was used to pay a top-up of approximately 7.9% on the basic grant rates. Modulation is the process whereby each farmer's Single Payment entitlement is reduced by a set percentage - 3% in 2005, of which in excess of 80% was made available to Member States for utilisation in Rural Development measures.

Forestry Grant and Premium Schemes

Expenditure under the various forestry schemes - including grants and premiums - totalled €103.8m in 2006 compared to €104.6m in 2005. Payments in respect of approximately 8,000 hectares of new planting were made in 2006.

Intervention Schemes

There was no barley, sugar or skimmed milk powder (SMP) purchased into intervention during 2006. However, of the 4,019 tonnes of barley still in stock from 2005, there was a sale out of intervention of 400 tonnes in April 2006, with the balance sold out in November. The 12,000 tonnes of sugar purchased in 2005 remained in store at the end of 2006. During the 2006 dairy season, 22,125 tonnes of butter was purchased into intervention at a value of €56,596,189. However, 57,996 tonnes of butter was sold out, giving receipts of €166,090,932. The most significant intervention activity in 2006 was the depletion of the butter stocks from an opening stock at January 2006 of 66,469 tonnes down to 12,842 at 31 December 2006. Apart from the butter moved out of store as a result of sales, 17,644 tonnes was dispatched under the "food aid for the most deprived persons in the community" scheme.

Export Refunds

Payments totalling €113million were made to dairy, beef and other traders in the FEOGA year 2006. This amounts to a fall of €66 million on the previous year's payments, which represents a drop of 37% over the twelve month period. The overall trade in refundable dairy and processed products sectors, which makes up nearly 80% of total export refunds paid, actually increased slightly year on year, though the level of corresponding payments fell. The reduction in these sectors therefore arises from the significant cuts in the rates of refund that were made during the year.

The level of payments to beef traders continued to fall during the FEOGA year 2006. This was due to the continuing high level of demand in the internal market for our beef products and reductions in refunds rates.

FINANCIAL MANAGEMENT

Expenditure

The Department was responsible for Voted expenditure of €1.437 billion in 2006. Some of this expenditure related to activities part financed by the European Union, which attracted receipts amounting to €450 million from the EU. In addition, the Department spent €1.423 billion in administering EU fully funded CAP Guarantee schemes and €55.84 million on purchases of product into Intervention, bringing total expenditure to €2.916 billion (see table overleaf). It should be noted that in any given year, expenditure by the Department on EU measures and receipts from the EU cannot be compared directly because of time lags involved in the refund by the EU of expenditure incurred by the Department on EU measures.

The Department is obliged to ensure that implementation of all schemes complies with EU and national requirements on financial reporting, maintenance of accounting and transaction details and audit trails. It operates comprehensive financial management and control and accounting systems to ensure this.

Expenditure on Irish Agriculture 2006

	€ m	€ m
EAGGF Guarantee direct expenditure		1,423.49
Single Farm Payment	1,308.95	
Premia/Area Aid	5.41	
Export Refunds	96.40	
Other Market Supports	12.73	
Intervention Purchases (1)		55.84
Voted Expenditure (excluding Administration)		1,155.85
CAP Rural Development (2)	751.73	
Structural Measures (2)	49.79	
Animal Health/ State Bodies	331.62	
Market Intervention and other costs (3)	22.71	
Administration		281.24
Total Voted Expenditure		1,437.09
Total Expenditure		2,916.42
<p>(1). This is the amount paid by the Department on product purchased into Intervention in the year. The cost of Intervention purchases is fully recouped from the EU through depreciation of stock value during the year of purchase and at the time of sale of the product.</p> <p>(2). CAP Rural Development measures and certain Structural development measures are part financed by the EU and the Vote. These figures are total Vote expenditure on these measures in the calendar year, as payments are made from the Vote. The EU contribution to expenditure is subsequently recouped to the Vote as appropriations in aid, some of which is received in a subsequent calendar year. CAP Rural Development comprises REPS, Early Retirement, Compensatory Allowances and Forestry and the programme concluded on 15 October 2006.</p> <p>(3). This Vote expenditure relates to expenditure on IACS and to Intervention financial (interest) and operational costs. The latter costs are subsequently claimed back from the EU on the basis of standard amounts.</p>		

Vote Expenditure

Overall there was a 6% increase of approximately **€81.7 million** in total gross expenditure in 2006 compared with 2005. This reflects a number of factors including lower expenditure on certain measures (e.g. Animal Health, Early Retirement and Special Beef Premium) and higher expenditure in other areas (e.g. REPs, Disadvantaged Areas Compensatory Allowances Scheme and On-Farm Investment Scheme).

A comparative outturn of Agriculture and Food, Vote 31 expenditure for year 2005 and 2006 is set out in the table below:

Comparative Outturn of Vote Expenditure for Years 2005 and 2006

Expenditure Type	Year 2005 €m		Year 2006 €m	
Net expenditure		910.652		939.328
Appropriations in Aid		444.865		497.770
EU Receipts	403.488	450.000		
Other	41.377		47.770	
Gross Expenditure		1355.517		1437.098

For a detailed breakdown of Vote expenditure see Appendix 5.

EU EXPENDITURE

Financing of European Agricultural Guarantee Fund (EAGGF) Expenditure

The Guarantee Section of the European Guidance and Guarantee Fund (EAGGF) fully finances CAP expenditure such as direct payments to farmers and EU market supports. In addition, the Guarantee Fund provides the EU contribution towards co-financed CAP Rural Development Programme 2000-2006 measures, and the EU contribution towards the financial and operational costs of Intervention purchases. Under EU rules, the Department initially pre-finances CAP Guarantee expenditure, pending recoupment from the EU some six weeks in arrears. Payments are made from a float provided by the National Treasury Management Agency (NTMA), which is supplemented by short-term Exchequer Issues at peak payment periods. The Department submits a claim to the EU each month for recoupment of expenditure from the Guarantee Fund.

The EU co-funding contribution towards the CAP Rural Development measures 2000-2006 varies from 50% to 85% of eligible expenditure, subject to overall financial ceilings. Expenditure on the CAP Rural Development measures is initially paid in full from the Vote and a claim for the EU contribution is included in the monthly claim on the Guarantee Fund.

Claims submitted to the EU in 2006 in respect of measures funded by the Guarantee Section of the EAGGF amounted to €1,779 million. The details are set out in the following table. A more detailed breakdown is set out in Appendix 6.

EAGGF Guidance Fund

The Guidance Section of the European Agricultural Guidance and Guarantee Fund (EAGGF) is one of the EU Structural Funds. The Structural Funds part finance the cost of agreed national development measures implemented over a period of a number of years, currently 2000-2006. The Department of Agriculture and Food has been receiving Guidance funding in the period 2000-2006 towards part of the cost of certain measures being implemented under two separate Operational Programmes, viz. Sub Programmes on Agriculture and Rural Development approved for each of the two regions, the Border, Midlands and Western Region (BMW) and the Southern and Eastern Region (S+E).

Expenditure on measures co-financed from the Guidance Fund is funded from the Vote with EU recoupment being subsequently claimed and credited to Appropriations-in-Aid. Claims for EU funding are submitted periodically in accord with a financing programme.

Guidance Funding is also channeled through the Department of Agriculture and Food to the Department of Community, Rural and Gaeltacht Affairs (DCRGA) for certain measures under the above Operational Programmes and in respect of the LEADER Community Initiative and to the Department of Environment, Heritage and Local Government (DEHLG) in respect of certain PEACE II initiatives.

Ireland's EAGGF Guidance Fund receipts in 2006 amounted to **€40.741million** (DAF €27.918 million, DCRGA €10.219 million and DEHLG €2.603 million).

All Expenditure is subject to audit by the EU Commission and the European Court of Auditors. Details are set out in the table overleaf.

Claims submitted to the Guarantee Section of the EAGGF in 2006

	2005 €m	2006 €m
Direct Measures		
Single Farm Payment	1058.41	1309.0
Livestock Premia	612.2	5.0
Area Aid	2.1	0.4
Export Refunds	159.1	96.4
Dairy Measures	3.9	8.5
Other Measures	5.4	6.9
Indirect Measures		
Rural Development Measures (1)	358.4	356.1
Public Intervention Storage (2)	37.8	0.2
Other Indirect Measures	-1.2	-2.7
Total	2237.0	1779.8
(1) Amount claimed from the EU on these co- financed measures		
(2) Amounts claimed from the EU in respect of depreciation of stock, financial and operating costs.		

FEOGA Guidance Receipts (€m) 2005-2006

	2005 €m	2006 €m
2000-2006 Programme Period		
NDP S&E/BMW Regional OP's (a)	22.846	34.385
LEADER Plus (b)	6.113	3.541
Peace and Reconciliation Initiative (c)	0.664	2.815
2000-2006 Programme Period - Total	29.623	40.741
Notes		
(a) Includes Department of Community Rural and Gaeltacht Affairs (DCRGA) Receipts of €6.468m (€3.743m in 2005)		
(b) All Department of Community Rural and Gaeltacht Affairs (DCRGA) receipts		
(c) Department of Environment, Heritage and Local Government (DEHLG) receipt in 2006 of €2.603 (2005 €0.589m and Department of Community Rural and Gaeltacht Affairs receipts in 2006 of €0.212 (€0.075 in 2005).		

Financing CAP and Rural Development Expenditure Post 2006

European Union policies are implemented within the framework of multi annual financing plans. The current plan period is 2000 to 2006 and the next period will be 2007 to 2013. In 2005, the Council of the European Union adopted new rules for the period 2007 to 2013 on the financing of the Common Agricultural Policy (CAP), which includes Rural Development. Two new agricultural funds were established under Council Regulation (EC) No. 1290/1995 with a common set of financing rules, viz:

- A European Agricultural Guarantee Fund (EAGF);
- A European Agricultural Fund for Rural Development (EAFRD).

Commencing in 2007, the two new funds will replace the European Agricultural Guidance and Guarantee Fund (EAGGF or FEOGA in French), which was established in 1962 (under Council Regulation (EEC) No 25 of 1962). The Guarantee section of the EAGGF has financed CAP market measures, direct aids to farmers and also the CAP Rural Development Programme 2000-2006. The Guidance section of the EAGGF, which operates under EU Structural Fund rules, has financed other rural development and farm investment measures under Operational Programmes being implemented under the National Development Plan 2000-2006. It also financed the LEADER Community Initiative. During 2006 the European Commission introduced a number of Regulations setting down the detailed rules for operation of the new funds.

The new European Agricultural Guarantee Fund (EAGF) will continue to finance the market measures and direct payments to farmers. The main change is that the new Agricultural Fund for Rural Development will consolidate EU agricultural policies on structural and Rural Development under a single set of operational and financing rules.

Veterinary Fund Expenditure

Under the Common Agricultural Policy, the European Commission directly manages and contributes, through the Veterinary Fund, towards the cost of measures to eradicate

and monitor animal diseases, with the objective of protecting and raising the level of public health and animal health in the Community.

Funding is provided towards the cost of emergency measures and towards annual eradication and monitoring programmes. The EU Commission approves annual programmes submitted by Member States and sets the level of Community assistance. EU recoupment is generally received in arrears towards the end of the year following that in which the expenditure is incurred. In 2006 the Department received a total of €13,042 million from the Veterinary Fund in respect of eradication and monitoring measures, including BSE measures.

The Department's expenditure on Veterinary Funded measures is paid from the Vote and the EU contribution is received into the Vote as Appropriation in aid.

FINANCIAL CONTROLS

Compliance with National and EU Financial Reporting Requirements

The Department must ensure that implementation of all schemes complies with EU and national requirements on financial reporting, maintenance of accounting and transaction details and audit trails. It operates comprehensive financial management and control and accounting systems to achieve this objective. These include:

- SAP computerised accounts system, introduced in 2001 and updated in 2005, to meet expanding national and EU financial management and control requirements;
- an effective Internal Audit Unit which completed a substantial body of work in 2006;
- an Audit Committee, consisting mainly of external members (six out of seven);
- audit examination by 5 independent external auditors (Comptroller and Auditor General; European Commission; European Court of Auditors; the Certifying Body; and OLAF, the independent European Commission Anti-Fraud Office);
- an Accreditation Review Group to ensure that the

Department's status as an accredited EU paying agency is retained and to ensure audit findings and recommendations are followed up;

- implementation of a formal Risk Management Programme ensuring identification and management of the principal risks facing the organisation.

ACCREDITATION FOR EU GUARANTEE – FINANCIAL ACCOUNTABILITY SYSTEMS

The Department is one of the largest EU paying agencies. Up until the financial year ending 15 October 2006, the Department was the accredited paying agency in Ireland for all expenditure on CAP market supports and direct payments to producers, except for fisheries measures. Post 2006 fisheries measures will be administered directly by the Commission instead of an accredited paying agency. Therefore, with effect from the financial year commencing 16 October 2006 onwards, the Department is the accredited paying agency in Ireland for all expenditure under the new European Agricultural Guarantee Fund (EAGF) and European Agricultural Fund for Rural Development (EAFRD). Certain rural development schemes operated by the Department as well as certain schemes operated by the Department of Community, Rural and Gaeltacht Affairs (DCRGA), are financed under the new EAFRD. The Department's role as paying agency has been extended to cover these schemes. The Department will, as paying agency, also delegate certain functions to DCRGA in respect of their EAFRD schemes.

As a paying agency accredited in accordance with EU rules, the Department must adhere to stringent regulatory requirements to meet financing and accounting standards and must submit independently certified annual accounts of expenditure to the EU Commission. Failure to do so could result in withdrawal of accreditation.

During 2006, the Department continued to operate as the designated Co-ordinating Body responsible for the supply to the Commission of EU EAGGF financial information on its operations and those of the Department of Communications, Marine and Natural Resources (DCMNR). However, as a result of Regulatory changes in financing of EU fisheries measures, the Department's responsibilities for transmission of DCMNR financial information and its role as a Co-Ordinating Body will terminate following its discharge of these duties in respect of the accounts for financial year ending 15 October 2006.

In 2006, the Department retained accreditation status as an EU paying agency for EAGGF Guarantee expenditure. The EAGGF account for the 2005 EAGGF year (16 October 2004 -15 October 2005) totaled €1,805,720,408.74 in respect of FEOGA direct payments to producers and market supports and CAP Rural Development measures. The 2005 Annual Account was audited and certified by the Certifying Body (Deloitte), and the audited and certified accounts were submitted to the Commission by the regulatory deadline of 10 February 2006 and included in the Commission's annual

financial clearance decision.

The Department's performance as paying agency continued to be monitored in 2006 by the Accreditation Review Group (ARG) established by the Minister and chaired by the Secretary General. The Department of Finance and the Office of the Revenue Commissioners are represented on the ARG. During 2006, the ARG ensured that the recommendations of the Certifying Body for the previous year were implemented and that all EU audit findings were given appropriate follow-up.

AUDITS

Internal Audit

The Internal Audit Unit completed a substantial body of audit work during 2006. This included the implementation of both internal audit and scrutiny audit programmes. Seventeen internal audit reports and forty four scrutiny audit reports were completed and issued during the year. All regulatory requirements on audit and control were completed in accordance with the prescribed timescales as set out in the EU Scrutiny and Structural Fund Regulations. The IT audit group, assisted by specialist external consultants, completed a comprehensive amount of audit coverage. A comprehensive training programme was again put in place under which 172 training days were provided to staff of the Unit.

Audit Committee

The Department's Audit Committee was established in 1994. The Committee is chaired by Mr Michael Downes, Group Internal Auditor of CIE. The other Committee members are Professor Niamh Brennan, University College Dublin; Ms Claire O'Connor, West LB Ireland PLC; Mr Eamon O'Connor, Revenue Commissioners; Mr Aidan O'Driscoll, Department of



Audit Committee presentation of Annual Report to Minister Mary Coughlan T.D. by Mr. John Donnelly outgoing chairperson, June 2006. Also pictured Mr. Tom Moran, Secretary General.

Agriculture and Food; Ms Helen Nolan, Bank of Ireland and Mr John Thompson, Department of Finance. Mr John Donnelly, who had served seven years as Chairman, retired from the Audit Committee during the year.

The Audit Committee has three main roles namely;

- To advise on the operation of the internal audit function within the Department;
- To monitor the application of Council Regulation (EEC) No. 4045/89, which deals with the scrutiny by Member States of transactions funded under various market support schemes funded by the EAGGF Guarantee Fund;
- To advise on best practice for risk management.

The Committee presents an annual report to the Minister in accordance with its Charter. The Committee met four times in 2006 and received presentations on many aspects of the Department's operations. It also held one of its meetings in the Portlaoise offices of the Department. The Chairman of the Audit Committee also meets regularly with the Minister and the Secretary General.

In the Audit Committees Annual Report for 2005, issued in March 2006, the Chairman reported "The role of the Audit Committee is to advise the Minister, the Secretary General and the officials of the Department on the effectiveness of the systems and controls operated within the Department. The number of schemes and programmes within the Department are many and diverse. I am satisfied that the Audit Committee discharges its obligations in respect of that role." The Chairman stated that "once more I have every reassurance in expressing my satisfaction with, and respect for, the financial management of the demanding and complex programmes operated by the Department of Agriculture and Food".

EU AUDIT PROGRAMME

European Commission

During 2006 there were five EU Commission audit visits as follows:

- Audit of Bovine and Ovine Premia sectors: 17 – 19 January 2006;
- Audit of Area Aids: 19 – 22 June 2006;
- Audit of Dairy Premium and Additional Payment: 21 – 25 August 2006;
- Audit of Export Refunds and Sugar CMO: 20 – 24 November 2006;
- Audit on application of Reg. 4045/89: (Department and Customs): 27 November – 1 December 2006.

European Court of Auditors

During 2006 there were six European Court of Auditors visits, as follows:

- Statement of Assurance Audit 2005 (Audit of Guarantee Expenditure)

3rd Audit mission: 2 visits:

- 1) 9 – 13 January 2006, concerning Export Refunds (Milk and Butter) Extensification, Special Beef
- 2) Forestry Audit: 6 – 7 March 2006;
 - Audit of the establishment and administration of payment entitlements under the Single Payment Scheme: 2 visits:
 - 1) 30 May – 1 June 2006
 - 2) 2 – 16 June;
 - Statement of Assurance Audit 2006. EAGGF 2005 – Evaluation of the work of the Certifying Body 26 – 30 June 2006;
 - Statement of Assurance Audit 2006 (Audit of Guarantee Expenditure) - 1st Audit mission, 11 – 15 December 2006, concerning Export Refunds (Milk & Milk Products), Single Payment Scheme.

Risk Management

The overall objective of the Risk Management Programme (RMP), as set out in the Department's Statement of Strategy, is to identify and assess the key risks (strategic, operational, financial, reputational) facing the Department in achieving its objectives and to outline measures at Departmental and Divisional level for addressing those risks.

A Risk Management Team (RMT), consisting of representatives of the Administrative, Veterinary and Agricultural Inspectorate streams, reports to the Risk Management Committee (RMC), which is chaired by the Secretary General. The RMC consists of senior officials of the Department and has responsibility for overseeing the Risk Management programme. The RMC met on four occasions during 2006.

Regular progress reports are provided to the Department Audit Committee and a quarterly synopsis of risks discussed, and decisions taken, by the RMC is produced for the Minister.


Management Information Framework (MIF)

The Department had been one of the first Departments to select and install a MIF compliant Financial Management System. There are now in excess of 1,000 staff across the Department with appropriate access to the SAP system.

The biggest single benefit of the system is the fact that up to date financial information is available to all relevant staff on an 'online' basis.

SAP-based Accounts System

The Department's upgraded SAP R/3 System, which provides the functionality to issue payments, fully account for all income and expenditure and provide for purchasing and asset tracking throughout the Department, continued to operate successfully during 2006. The upgrade, which was fully completed at the start of the year, has ensured that this high-quality, secure system will run on the latest version of the software and will be supported for a number of years into the future. The system continues to produce valuable management information and fully satisfies the Department's significant National and EU accounting and reporting require-



ments. It also provides functionality to support the purchase, storage, sale and inventory control of intervention products. The SAP R/3 System also contributes to the Department's retention of accredited EU Paying Agency status and contributes significantly to the implementation of the Department's Management Information Framework (MIF). During 2006, almost 700,000 payments were processed through the system with a total value of some €2.8bn.

Goal 5: Operational Capabilities and The Modernisation Agenda

Develop our human and physical resources, our operational capabilities and ensure the delivery of quality service to our customers, both internal and external while implementing Government policy on decentralisation and public service modernisation

Business Planning

Business planning became more embedded in the day-to-day operations of the Department and this item was periodically included on the MAC agenda.

Following the Heads of Division Seminar in March, a questionnaire issued to all business heads to ascertain whether they found the overall process satisfactory and whether changes were required to the process/templates. Over 92% of respondents felt that the process was useful and a large number of constructive suggestions were made on how the Business planning or PMDS templates might be improved. The majority of the suggested changes were implemented and feedback was given to all respondents.

In 2006, the business planning process was more closely integrated with the Management Information Framework (MIF) in that the key performance targets for each division provided the basis for the MIF management reports which came into operation from June onwards.

Civil Service Performance Verification Group

In 2006, the Department prepared a new Action Plan, which identified actions to progress the modernisation agenda over the duration of the public service pay agreement under *Towards 2016*. The Department submitted its Action Plan, through the Partnership Committee, to the Civil Service Performance Verification Group (CSPVG) in October 2006.

A comprehensive progress report, which was approved by the Partnership Committee, was submitted to the CSPVG in November. The Group acknowledged that good progress had been made during the first reporting phase and subsequently awarded the Department the pay increase available under *Towards 2016*.

HUMAN RESOURCES

Redeployment of Staff

The Department continued the redeployment of staff at Local Office level, which became necessary in light of the introduction of the Single Payment Scheme and the changing nature of work at Local Office level. Since the process of redeployment has started, over 300 staff have been transferred out of this Department's Local Office network.

The transfer of staff has been carried out in a proactive and inclusive manner. The Department continues to release local office staff to Departments with networks of existing offices, particularly Revenue, Social and Family Affairs and Justice, Equality and Law Reform.

In July 2006, the Garda Information Services Centre (GISC), which performs some of the administrative functions for An

Garda Siochana, was formally established in Michael Davitt House in Castlebar. A total of 96 Department staff transferred to the GISC during 2006.



Family Friendly Schemes

The provision of worksharing schemes to staff remains an issue to which the Department attaches continued importance in the context of the promotion of Family-Friendly policies and work/life balance.

As at the end of 31 December 2006, there were 607 staff members or 13% of total staff numbers participating in the worksharing scheme. 331 (55%) are based in Headquarters' locations, 216 (36%) based in Local Offices with the balance in factories, RVL's etc. The majority of worksharers in the Department are from the administrative grades with only approximately 9% of worksharers from non-administrative grades.

This Department operates nine different types of work-sharing patterns.

A work-sharing pattern of 9am to 3pm was introduced as a new Family Friendly policy, on a pilot basis in Agriculture House. Consideration is currently being given to extend this pattern to other areas of the Department.

Partnership

Partnership structures within the Department engage management, unions and staff at all levels in developing and implementing programmes to progress the modernisation agenda and as a means of involving staff in the ongoing business of the Department. These structures also aim to identify and address organisational and work-related issues and challenges generally.

During the year, the Central Steering Committee met seven times to discuss issues of interest including Decentralisation,

Health and Safety, PMDS, progress reports to the CSPVG and the new national partnership agreement *Towards 2016*. Some Local Partnership Committees also met regularly. Also in 2006, a sub-committee began work on reviewing the structure of Partnership within the Department.

Performance Management and Development System (PMDS)

In 2005 the integration of PMDS with Human Resource (HR) policies and processes was agreed for the Civil Service. From 2007, PMDS will be used to assess jobholders for increments, higher scales and promotion. This will reinforce the relevance of PMDS and the new five point rating scale for all grades will enable clearer differentiation in performance levels to be recorded. In 2006 the revised PMDS model was introduced for training and familiarisation purposes. During the year, preparations for integration in the Department included:

- Negotiations and agreement on implementation at the PMDS Committee of Partnership;
- Nationwide presentations at the staff seminars;
- Revision and simplification of the PMDS forms;
- An extensive update of the resources available to staff on the intranet;
- The issue of regular updates to staff throughout the year.

The PMDS Committee met regularly during 2006. The Department was also actively involved in the Department-wide PMDS Network regarding implementation of the integrated system. In 2006 Personnel Division also completed a review of PMDS within the Department.

Training and Development

In May 2006 the Department's Medium-Term Training Strategy 2006-2008 was officially launched. Implementation of the Strategy is ongoing with good progress made in 2006. The Department completed its ECDL programme with 1,668 staff having passed all seven modules. In line with aspirations of the Training Strategy, there was an increase in the number of courses delivered to Department staff directly by the Department's own training officers. These included, presentation skills, grade-specific development programmes, induction training and interview preparation. Specially tailored computer application workshops were also designed for delivery to staff with similar duties.

The Department's Training and Development Unit provided and arranged a range of management, communication, interpersonal, legal and financial skills training. Key staff also received media skills and project management training. Pre-retirement courses were also delivered, which were attended by retiring staff with their spouse, partner or friend. These courses were arranged in appreciation of the enormous contribution to the work of the Department made by those

staff over many years.

Specialist training was provided to Veterinary, Scientific and Technical staff. The following details just some of the training provided;

Veterinary Staff

- Public Health Training;
- HACCP Audit Training;
- Disease Risk Assessment;
- Pathology;
- Animal Breeding;
- Avian Influenza.

Scientific and Inspectorate Staff

- Lab Audit and Lab Statistics;
- Toxicology;
- HACCP.

Technical Staff

- Meat Hygiene;
- Development Courses.

The Department's IT Skilling Unit provided specialist training for Information Systems staff, to ensure staff are continuously up-skilled in a rapidly changing technological environment.

The Department also held 21 Staff Seminars throughout the country in 2006, which were attended by 3,017 staff. These informational seminars provided staff with an overview of the main issues facing the Agriculture, Food and Forestry sectors and the Department itself.

As the decentralisation process accelerated, there was an increased requirement for Induction Training. All Divisions of the Department based in Dublin have also been provided with knowledge management resource materials, in order to decrease the potential for corporate knowledge loss.

143 staff were given financial support to complete relevant third level courses in 2006. Staff pursued a range of courses including Public Management and Administration, IT, Training and Education, Business, Management, Law as well as specialist scientific qualifications. In 2006 the Department provided a total of 16,552 formal training days at a cost of €5.9m. In addition, in 2006, the Department also provided a considerable amount of on-the-job training for existing, and newly recruited staff.

DECENTRALISATION

The Government decision on the decentralisation of the Department is that:

- The headquarters will move to Portlaoise, involving some 600 staff;
- The local office in Cork city will move to Fermoy, involving up to 100 staff;
- The laboratories in Cork and Limerick will move to Macroom, involving up to 100 staff.

The Department is aware that decentralisation must be achieved while maintaining the coherence, efficiency and effectiveness of its operations and while continuing to provide quality services to our clients. During 2006, the Department's internal Decentralisation Implementation Committee met regularly to direct and review progress of the overall programme. The Decentralisation Liaison Committee, a committee formed to bring together local stakeholders, also met on a number of occasions in Portlaoise. The Department keeps staff informed of progress on decentralisation via staff seminars, circulars and the Department's intranet, while also consulting with staff and with staff unions and associations via Partnership and Departmental Council. During 2006, decentralisation was a standing item on the agenda of the fortnightly meeting of the Management Advisory Committee (MAC) of the Department, and this ensures that senior management are kept up to date on progress. Also in 2006, the Department continued to work with the Department of Finance and the Decentralisation Implementation Group regarding general and specific issues that are arising from the decentralisation process.

Portlaoise – Progress in 2006

The Department's Decentralisation Implementation Plan allows for a phased movement to Portlaoise, i.e. the transfer of functions and posts over a number of years. The 2005 and 2006 phases of decentralisation to Portlaoise are now complete. Over 100 posts have moved to Portlaoise from Dublin across a range of Divisions, i.e. Accommodation Division, Corporate Affairs, Information Systems Division, Management Services Division, Meat Hygiene and Animal By-Products, Meat Policy, Personnel Division (including the Training and Development Unit and the Decentralisation Unit). Some staff from Inspectorate Divisions have also moved, i.e. Livestock, Beef and Sheepmeat and Integrated Controls. In addition, to facilitate the decision to decentralise to Portlaoise, all new activity within the Department, particularly work relating to the Single Payment Scheme (SPS), is being focused in Portlaoise and there has also been a significant increase in the number of posts there. In total there has been an increase of some 180 full-time posts in Portlaoise since 2004.

To cater for the increase in staff numbers, the Department has taken temporary accommodation in Grattan Business Centre, Portlaoise and this is now fully occupied. The site for the location of the Department's new offices in Portlaoise was approved in 2005 and will provide for the development of a complex to accommodate up to 850 staff, to include the existing staff in Portlaoise. During 2006, the Office of Public Works (OPW) sought applications from developers, which are

currently being considered, and their latest estimate is that construction will begin in 2007 and will be completed in 2009.

Fermoy and Macroom – Progress in 2006

Implementation plans for Fermoy and Macroom are in place and the Department is liaising with the OPW regarding specifications for the offices and identification of sites. During 2006, the recruitment process for Fermoy began.

ACCOMMODATION

During 2006 a temporary office was opened in Drumshanbo, Co. Leitrim. Discussions continued during the year with OPW about the provision of new offices in Navan and Killarney. Work started on new offices in Backweston, Co. Kildare and refurbishment work was carried out in the offices in Cork, Raphoe, Sligo and Galway.

Energy Efficiency

The Building Management Systems, which are set up to avail of off peak/low rate electricity, were extended to a number of Department offices by OPW during the year.

Health and Safety

Some 338 staff received health and safety training during the year mainly in the areas of First Aid, Line Management, Manual Handling, Safe Pass, and Safety Representative. Work is ongoing on updating the Department's Safety Statements in respect of all places of work.

The Dangerous Goods Safety Advisor (DGSA) continued work during the year on behalf of the Department, mainly in respect of diagnostic samples for the Laboratories of the Department.

Fourteen accidents mainly slips, trips and falls were reported to the Health & Safety Authority during the year. There were two dangerous occurrences reported in the same period.

New Laboratory Complex at Backweston and Longtown Farm, Co. Kildare

The following laboratories are now located at Backweston - the Department's Central Veterinary Research Laboratory, Dublin Regional Veterinary Laboratory, Central Meat Control Laboratory, Seed Testing Laboratory, Pesticides Control Laboratory and Dairy Science Laboratory.

Following the granting of planning permission for Longtown Farm (to replace Abbotstown Farm) in September 2005, the Department have been in close consultation with the Office of Public Works and it is expected that the tendering process for the fit-out of the farm will commence early in 2007.

LEGAL SERVICES

The Legal Services Division was involved in many consultations with and the provision of detailed and



Department's Laboratory Complex at Backweston.

specialist drafting advice to line divisions in relation to some 93 Statutory Instruments made by the Minister during the year; most of these were drafted or settled by the division. Advice and drafting assistance was also given in respect of two proposed Bills. Many other drafting contributions to line Divisions were also provided.

The Division continues to be proactive in implementing the principles of the **Better Regulation Programme**. All statutory instruments referred to the Division are drafted in a simple and clear manner. There is also ongoing liaison with the Statute Law Reform Section of the Office of the Attorney General in relation to the repeal of obsolete legislation from the Statute Book.

Regulatory Impact Analysis (RIA) has been introduced and is applied to all new policy initiatives within the Department. A screening RIA is being applied to the proposed Forestry Bill, which is replacing the 1946 Act. The annuity buy-out scheme, as provided for in the Land Act 2005 was successfully operated in 10 months and other provisions in the Act reflected reduced costs and increased efficiency in completing transfers of agricultural land.

A significant number of legal opinions, general advices, draft and engrossed agreements, legal documents and other communications were provided in 2006 by Legal Services Division to line Divisions. There was greater involvement and input by Legal Services Division in litigation matters affecting the Department including the preparation and provision of detailed case papers to the Attorney General and the Chief State Solicitors Office. This involved attendance and contribution at many consultations and court hearings.

DEVELOPING IT CAPACITY

The Department has continued to pursue its strategy of using Information Technology (IT) to facilitate strategic change, to improve internal efficiency, to improve controls and to

further improve its customer service, including the provision of further online services.

Single Payment Scheme (SPS)

Following on from last year's successful implementation of the Single Payment Scheme, the system was further enhanced to allow for trading of entitlements and National Reserve allocations. In addition the system was expanded to cater for additional Statutory Management Regulations (SMRs) in regard to Cross Compliance. An online Internet service was provided, allowing farmers to view the application and payment details online.

Facilities were put in place to allow for an advance of 50% to be paid on 16 October 2006 and a balancing payment on 1 December 2006. By the end of the year some €1.17 billion had been paid out to just under 122,000 farmers for the 2006 SPS Scheme. Development commenced on facilities to allow farmers apply online in 2007.

IFORIS (Integrated Forestry Information System)

IFORIS, the Integrated Forestry Information computer system is a map-based application which incorporates three key areas for the Forest Service: (a) grant and premium payments, (b) forest planning and approval and (c) forest mapping.

The system provides functionality to streamline the payment of forestry grants thereby improving the service to Forest Service customers. The system went live in March 2006 in time to process the 2006 Forestry Premium payments. Some €90m in grant and premium payments was processed through the system during its first financial year of operation. A project to implement facilities for online grant and premium applications is planned to commence during 2007 for implementation in 2008.

FIMS (Forest Industry Mapping System)

FIMS, which was implemented to coincide with the launch of IFORIS, allows Foresters approved by the Department to map online new plantations for the Aforestation Scheme to

support pre-approval applications for planting. Foresters can also map online Forestry areas that have been planted for the Afforestation Scheme to support grant applications after planting. Colour ortho-photography for the entire country can also be viewed to assist with Forestry applications. In addition, FIMS provides access for Approved Foresters to Environmental Statutory Designations and other relevant datasets to assist with the application process. This access provides a graphic representation of environmentally or silviculturally sensitive areas such as Special Areas of Conservation, acid sensitive zones and fisheries sensitive zones as well as National Parks and National Monuments. This greatly aids the decision making process for potential applicants as approval for the planting of forests may be prohibited or more difficult to obtain in these areas. Using FIMS the Approved Forester can identify less contentious areas and move their proposed plantation boundaries accordingly prior to submitting their application. This ensures a faster approval process for the applicant and an increased probability of approval.

Business Intelligence/Data Warehousing

Following on from the pilot project aimed at examining the feasibility of developing an enterprise-wide Data Warehouse for the Department, further planning, scoping and preparatory work on Business Intelligence was undertaken during 2006. This technology, when fully implemented, will allow the Department to exploit the considerable data repositories it possesses within its operational computer systems in an integrated manner to support the tasks of policy planning, impact analysis and risk analysis.

Records and Information Management

In 2006, work commenced on the Department's integrated records and information management strategy. The objective is the development of a capability whereby the Department can, over the coming years, exploit technology-based systems to assist in the management of an ever-increasing volume of documentary records that the Department holds, and to make optimum use of the knowledge stored throughout the Department. The initial phase of this work involved the completion of a range of interim preparatory tasks, that are essential building blocks in the development of an enterprise-level IT-based system.

Corporate Customer System

The Corporate Customer System (CCS) is the single, central repository of customer information for the Department. It is the customer hub around which the Department's newer systems are built. All external customers of the Department are registered once only on this system and the information is kept up to date by staff in the local offices. The Department uses the Personal Public Service (PPS) number as the unique identifier for individual customers, which is in keeping with the Government's REACH initiative. The unique identifier used for companies and traders is the company's VAT number or Companies Registration Office (CRO) number.

The system brings huge benefits to staff and customers of

the Department alike. When customer information changes, it is necessary to amend that data only once and the change is visible instantly to all staff of the Department regardless of the computer system being used. The benefit to the customer is that s/he is communicated with using the same and most up-to-date information. As the system is available on every desktop, a better service can now be provided. The system includes search facilities and has very strict in-built controls in relation to the amendment of customer information. The CCS underpins the Department's agfood online services facility which is accessible through the website and verifies the online registration of customers for that service.

The CCS system has been continually expanded since it was first implemented. During 2006, the system was further developed to link to more of the Department's newer systems. CCS now provides customer information to twenty two systems including the Single Payment Scheme (SPS) System, the Animal Health Computer System (AHCS), the Animal Identification and Movement (AIM) System, the Forestry System (IFORIS) and the Department's Financial System (SAP). CCS was further developed to allow advisors/consultants register with the Department as Agriculture Agents in order to submit SPS applications online for their client group with effect from the 2007 SPS application year.

Animal Health Computer System (AHCS)

The Animal Health Computer System (AHCS) was developed to meet the Department's current and future needs in relation to its many and varied animal health and welfare programmes. The AHCS replaced the standalone cattle disease testing system, while at the same time providing a greater range of functionality by taking advantage of the latest information and communication technologies. The new system is a modern, fully networked facility, which allows staff to access information in respect of all herds and animals throughout the country. The AHCS is an internet-based system, developed on the java J2EE platform, utilizing three-tier architecture with an Oracle database at root and is available to over 4,000 staff and over 900 private veterinary practitioners (PVPs) throughout the country.

The AHCS is fully integrated with the Corporate Customer System (CCS). It also integrates with the Department's Financial System (SAP) thus generating payments to Farmers and PVPs in a standard, timely and secure manner, and provides for a choice of customer payment methods (cheque or EFT). It also builds on the financial management information available and is in keeping with the Department's Management Information Framework (MIF) objectives.

The system also augments and shares data with other computer systems developed by the Department in recent years particularly those relating to cattle traceability such as the Cattle Movement Monitoring System (CMMS), the Animal Identification and Movement System (AIM) and the Bovine Tagging and Registration System (BTR) to give a fully comprehensive picture of an animal's history from birth to death,

thus providing further assurance regarding the safety and quality of Irish produce.

A major feature of the AHCS is that PVPs, who carry out testing under the disease eradication schemes, are able to access the system across the Internet. This gives them access to tests that are scheduled to them and allows them to input data online and to upload and download data, thus facilitating the direct electronic capture of test results. Virtually all Private Veterinary Practices are now using the system with over 95% of all tests nationally being handled online (100% in a number of counties). This has speeded up the testing process for the Department, the PVPs and farmers. The recording of test results for all animals (and not just reactors as in the past) allied to integration with CMMS, helps to identify anomalies in herd profiles and overall means faster verification of animal health status, freeing the farmers' animals for sale more quickly.

Enhancements to the system, including the development of a new module to enable top-up payments to PVPs to be paid through the AHCS, were delivered in a modular fashion throughout the year in accordance with business priorities.

The success of the project and the benefits that the system entails were underlined when the Department was presented with a Public Service Excellence Award by An Taoiseach at a Showcase and Awards ceremony in Dublin Castle in March 2006 for the development of the system.

Rural Environment Protection Scheme (REPS)

During the year, system upgrades and enhancements were implemented that benefited the operation of the Rural Environment Protection Scheme. Further development work was carried out on the three On-Farm Investment Systems.

Work began on developing systems to cater for the new REPS4 and On-Farm Investments Schemes.

eGovernment Initiatives

The Department's programme of eGovernment initiatives has continued to provide improved services to our external customers and agents. The harnessing of new technologies, particularly in the areas of web-based services, SMS and WAP, as well as self-service kiosks, has benefited the Department through wider and easier access to its client base. In doing so, this has allowed the Department to advance the wider Information Society agenda.

The Department's website provides an extensive database of information relating to the various roles and responsibilities of the Department. This includes details of all schemes and measures. There is also a facility to download all forms and scheme guides.

In tandem with these provisions, the online service facility, to be re-branded as **agfood.ie** in 2007, has been extended to provide our customers with access to an increasing number of facilities over the internet.

The Department has implemented additional Video conferencing units for staff in remote areas. The Department initiated a move to video conferencing over the Department's own network. This solution will reduce costs, increase reliability, and allow users conduct conferences from their desktops as well as meeting rooms.

Mobile technology solutions, including the use of Mobile Connect cards on laptops and the rollout of Blackberry and mobile handsets have provided 24 hour access to email where required. These technologies have facilitated better information flow and increased productivity.

During the year the Department continued to work closely with the Information Society Policy Unit at the Department of the Taoiseach and other cross-departmental agencies such as REACH.

Security measures for the Department's eGovernment services continued to be enhanced and subjected to ongoing third party scrutiny and evaluation.

REACHservices and the Public Service Broker

The Department continued to work with the Reach Agency throughout the year. The underlying infrastructure that enables full connectivity between the Department's own technical architecture and the Public Service Broker (PSB) was successfully upgraded during the year.

The system, that allows exporters to transfer documents through the PSB via Revenue and Reach in a secure electronic format, continues to operate successfully and is being used increasingly by traders. Plans for upgrading this system in 2007 are in hand.

Online Services and the Department's Website



The homepage of the Department's website www.agriculture.gov.ie continues to provide users with access to online services. Upon registration, clients are issued with a PAC (Personal Access Code) and password for secure interaction with existing and future services. During the course of 2006, this facility was expanded to include access to the Forest Industry Management System (FIMS).

The Department now has the following online services available to clients:

Single Payment System (SPS)

Online access is provided by the Department to individual SPS application information, scanned images of correspondence and colour mapping of land parcels. From 2007 onwards the website will be re-branded and enhanced to allow farmers or agents acting on behalf of farmers to make online applications for SPS payments.

Animal Identification and Movement System (AIM)

CMMS and a number of other animal identification systems are being redeveloped under the Animal Identification and Movement (AIM) system project. The system is being developed using Internet based technology. A number of online facilities have already been provided to farmers which enable them to view their bovine herd profiles, register the birth of a calf and apply for a Certificate of CMMS Compliance for certain animal movements. AIM also manages the ordering and distribution of ear tags for bovine, ovine, porcine and caprine animals.

During 2006:

- an application was introduced that allows farmers to view their herd profile, register a calf birth and apply for a Certificate of CMMS Compliance using their mobile phones;
- significant progress was made in the projects to bring Livestock Marts online and to update the facilities for reporting exports of cattle;
- facilities were introduced to allow the recording of Animal Census details for the annual census of Sheep and Goats;
- change of role from Herd Owner to Herd Keeper for the conduct of business with the Department; and
- changes were implemented to cater for the different tag formats in place in the UK following the lifting of the UK BSE Ban.

The AIM system is being introduced on a phased basis and it will also be extended to slaughter plants and all locations that notify animal movements to the tracing system.

Other Developments

The Department has also developed a facility to allow consumers to access details of potato growers in the state. This system was released from February 2006 and has proved very successful to date.

PROVIDING QUALITY CUSTOMER SERVICE

Customer Service Action Plan and Charter

The Department's third Customer Service Action Plan (CSAP) covering the period 2005 to 2007 was launched in February 2005 in line with the Government's Quality Customer Service Initiative. The CSAP sets out the standard of excellence for service delivery to all the Department's customers. The first Customer Service Charter was also launched. This was a significant development in setting out the specific detail of the level of services to be provided by the Department. The Quality Service Unit in the Department monitors the delivery of service standards on an ongoing basis through regular contact with the Divisions of the Department and with customers. Customer Comment Cards are in place in all Department offices.



Minister of State, Mary Wallace T.D. and Latvian Minister for Agriculture Martins Roze visit Keelings Soft Fruit Farm, Co. Dublin, July 2006.

Charter of Rights for Farmers

The Charter of Rights for Farmers was launched in December 2005 and replaces the Protocol on Direct Payments to Farmers, which was established in 2000.

The Charter builds on the progress already achieved under the Protocol and sets out service delivery standards and targets for the main schemes under which farmers can expect to receive payment. Forestry is now included in the Charter and ERAD and the other animal health compensatory payment areas have also been brought within its remit.

A schedule setting out the actual performance achieved by the Department in meeting the targets of the Charter is included at Appendix 2.

The Agriculture Appeals Office

The Agriculture Appeals Office provides an appeals service to farmers who are dissatisfied with decisions of the Department of Agriculture and Food regarding their entitlements under certain schemes. The operation of the Office is governed by the Agriculture Appeals Act 2001 and the Agriculture Appeals Regulations 2002.

The mission of the Office is to provide an independent,

accessible, fair and timely appeals service for Department of Agriculture and Food scheme applicants, and to deliver that service in a courteous and efficient manner.

In 2006 the Agriculture Appeals Office:

- Published its fourth Annual Report, in English and in Irish, available on the Office's own website, www.agriappeals.gov.ie
- In addition to the customary functions of the office, the Single Payment Appeals Committee, continued to examine appeals in relation to the various facets of the Single Payment Scheme. In 2006 the Single Payment Appeals Committee held 13 meetings and concluded the consideration of 1,108 cases.

In 2006, the Office received 427 appeals, of which 290 were closed at the year-end. A summary of the outcomes of the cases closed is set out below:

Summary	%
Appeals Allowed, Partially Allowed or Revised by the Department	41
Appeals Withdrawn, Not Valid or Out of Time	17
Appeals Disallowed	42

Forest Service Appeals

Appeals in relation to forestry schemes are processed by an administrative unit of the Forest Service. The Appeals Committee is comprised of a Senior Inspector and an Assistant Principal Officer. Each case appealed is re-examined including an on-site inspection if necessary. Inspections and adjudications are carried out by senior staff not previously involved to ensure independence and decision quality.

In 2006, 167 appeals were received by the Unit of which 30 were outstanding at the end of the year. 43.33% of the decided appeals were successful; 5.83% were partly successful or revised and 50.83% were unsuccessful.

Consumer Liaison Panel

The Consumer Liaison Panel was established in January 2002 to strengthen communication between the consumer and the Department. Its Terms of Reference are to liaise on general consumer and client issues in relation to the activities of the Department and to comment on the flow of information both to and from the public.

The Panel consists of representatives of the Consumers Association of Ireland, Irish Congress of Trade Unions, Irish Countrywomen's Association, Voluntary and Community Sector Platform and nominees of major food retail outlets.

Some of the issues reviewed during 2006 were food prices, Avian Influenza, illegal use of pesticides on mushrooms, the Food Institutional Research Measure of the National

Development Plan and Genetically Modified Organisms.

There is a commitment in the Agri Vision 2015 Action Plan to strengthen and review the operation of the Consumer Liaison Panel to ensure that an up-to-date consumer viewpoint is available on Department activities.

ISO 9001: 2000 Projects Management

The ISO (International Organisation for Standardisation) is a worldwide federation of national standards bodies. Obtaining certification to the ISO 9001: 2000 Standard gives independent verification of the quality of our services. The Department is committed to providing quality assurance of services and to the enhancement of customer satisfaction through ISO certification.

In August 2006, the QMS in Livestock Breeding Section, Cavan achieved certification to the ISO 9001: 2000 Standard from the National Standards Authority of Ireland (NSAI). The Animal Remedies Licensing Scheme (Veterinary Medicines Section, Maynooth) and the Beef Export Refunds Payments System (Export Refunds Division, Wexford) also continue to be successfully certified to ISO 9001:2000.

During 2006, Input Section, Accounts Division, Cavan commenced the introduction of a Quality Management System (QMS) to the ISO 9001:2000 Standard. It is expected that this QMS will be recommended for certification and registration under ISO 9001:2000, following audit by the NSAI, in 2007.

The Department plans to further roll out the introduction of the ISO Quality Management System to a number of payment divisions where practical and appropriate.

Freedom of Information



Department Staff

The Freedom of Information (FOI) Act 1997 came into effect in April 1998. The Act is intended to enable members of the public to gain access, to the greatest extent possible, consistent with the public interest and the right to privacy, to information in the possession of public bodies. The Act also enables members of the public to have personal information about themselves corrected if it is factually incorrect and in certain circumstances to be given reasons for decisions

affecting them. Accordingly, the FOI Act provides for a right of access to records held by public bodies, for necessary exceptions to that right of access and for assistance to be given to members of the public to enable them to exercise that right. It also provides for the independent review by the Office of the Information Commissioner of FOI decisions by public bodies.

In 2006, a total of 219 FOI requests were received covering all aspects of the Department's operations. Of these, 53% were requests for personal information, with the remainder covering requests from a variety of sources, including the media, Oireachtas members and business/interest groups. A total of 23 of these have proceeded to internal review, with 6 being appealed to the Office of the Information Commissioner.

Since the commencement of the FOI Act until 31 December 2006, a total of 2,684 FOI requests have been received in the Department, of which 314 have proceeded to internal review and 141 have been appealed to the Office of the Information Commissioner.

On 31 May 2006 the Freedom of Information Act was extended to two more State Bodies under the aegis of the Department: the Veterinary Council of Ireland and the Irish Horse Board. These bodies are now regarded as "public bodies" for the purposes of the Freedom of Information Act 1997. It had already applied, since 1 November 2002, to An Bord Bia, Teagasc, The Irish National Stud Company Ltd. and the National Milk Agency.

There are no up-front charges in respect of Freedom of Information requests for access to personal records. However, an up-front fee of €15 must accompany a request for non-personal information (€10 in the case of medical card holders and their dependents). An up-front charge of €75 (€25 in the case of medical card holders and their dependents) applies to an appeal for an internal review of a decision on such a request. Should a person be dissatisfied following the outcome of an internal review an application can be made to the Information Commissioner for an independent review of the public body's decision. A fee of €150 (or €50 for medical card holders and their dependents, or for a third party) must accompany such an application.

Office of the Ombudsman

A total of 73 complaints relating to the Department were received from the Office of the Ombudsman in 2006. The Department met the statutory deadlines for reply to the Ombudsman in all cases.

Complaints Procedure

A formalised complaints procedure was introduced in the Department in July 1998. The facility to have complaints independently investigated has been publicised through direct communication with both individual customers and representative organisations. An explanatory leaflet on the procedure is available at all public offices and has been distributed and explained at farmer meetings and at major

agricultural events.

Complaints are investigated by a dedicated Quality Service Unit in the Department and are settled in accordance with the Ombudsman's guidelines using the principles of good practice in public administration. In 2006, the majority of complaints came from individual persons involved in farming and related to the topics detailed below:

Complaint Category 2006	
Delay in response to queries	5
Difficulty in contacting Single Payment Unit	2
Lack of courtesy	1
Other	6
Total	14

Staff Seminars

A series of seminars were held around the country for all staff during the periods January to May 2006 and September to December 2006. Each seminar consisted of an opening address, given by either the Secretary General or a MAC member of the Department, which provided information on a broad range of relevant topics including the future of agriculture, implementation of Agri-Vision 2015 Action Plan, strategic/business planning, social partnership agreement, decentralisation and staffing, the Single Payment Scheme and cross compliance, WTO, Rural Development and Nitrates Directive. This was followed by three presentations on various work areas of the Department and current topics of interest to staff. One of the key topics addressed at these seminars was the "Integration of PMDS with HR Policies and Processes". Further seminars will be held in 2007 to continue to keep staff informed of developments in the Department.



Appendices



Appendix 1- Performance Indicators

GOAL 1 – AGRI-FOOD DEVELOPMENT AND TRADE IN A NATIONAL AND INTERNATIONAL FRAMEWORK

Develop an internationally competitive consumer-focused agri-food sector and support and facilitate trade in agriculture and food products

The future development of the agri-food sector will be crucially dependent on its ability to be both innovative and competitive. Consumers are increasingly demanding in terms of the nutritional value, safety, quality and price of food, and the future of the Irish agri-food industry will be determined primarily by its ability to meet these requirements with innovative products at competitive prices. The future of the sector will also be significantly influenced by the quality of leadership provided by the Department and by its ability to achieve a favourable policy framework in the EU, and in the WTO and other international regulatory bodies.

High Level Performance Indicators

- a) Outcome of EU/WTO negotiations for Irish agriculture and forestry.
See 1.1 and 1.2 below
- b) Value/volume of agri-food exports.
See 1.4 below

- c) Degree of implementation of Agri Vision 2015 Plan of Action.
See 1.3 below
- d) Value of outputs/exports of prepared consumer food products
See 1.4 below

Strategy	Performance Indicators	Progress
1.1 Actively promote and defend the interests of the agri-food sector at EU level	Outcome of EU negotiations on the Irish agri-food sector	<p>The new sugar regime came into effect on 1 July 2006. A compensation package in excess of €312m was negotiated for Ireland including a special allocation of €44m for diversification.</p> <p>The new Guidelines for State aid in the Agriculture and Forestry sector were agreed for 2007-2013, which were published in December 2006, took account of Irish concerns.</p>
1.2 Promote the interests of the agri-food sector and other national policy objectives at WTO and other international fora such as OECD, Codex, OIE, FAO, etc	Outcome for Irish agri-food sector of negotiations at WTO and other fora	<p>At the sixth Ministerial Conference in Hong Kong in December 2005, a deadline of end July 2006 was set for the conclusion of Doha Development Round of WTO negotiations. Despite further intensive efforts in the first part of 2006, no agreement was reached by the expiry of the deadline. Negotiations were suspended and following a period of inactivity they resumed in a low-key manner in December 2006. The Department participated fully in all discussions at EU level and attended all WTO negotiations and Ireland's interests continued to be reflected in the EU's negotiating mandate.</p> <p>EU position on food aid represented effectively at various fora.</p> <p>Successful participation in various FAO meetings for example: Committee on World Food Security and Council.</p> <p>As Codex Contact Point for Ireland, co-ordinated Irish involvement in Codex Alimentarius, including operating the Irish Codex Advisory Committee (ICAC) which comprises representatives of relevant Government Bodies, academia, the food industry and consumers. During 2006 the ICAC met on 4 occasions and contributed to the formulation of the Irish position at the 13 Codex sessions at which Ireland was represented.</p> <p>Participated at the successful First Meeting of the Governing Body of the International Treaty on Plant Genetic Resources.</p>

Strategy	Performance Indicators	Progress
<p>1.3 Implement Plan of Action for 2015 Agri Vision Report</p>	<p>Degree of implementation of Agri Vision 2015 Plan of Action</p> <p>Implementation of Food Industry Development Programme</p>	<p>Agri Vision 2015 Action Plan published, reports on actions received and first progress report drafted.</p> <p>Progress on implementation of the food specific measures in the NDP was satisfactory in 2006. Strong response to FIRM (i) call for proposals with 129 applications received, 53% evaluated A/B+ (50% previously) and more Institutes of Technology participating and (ii) Strategic initiatives in Graduate Development, Network & Team Building, and Strategic Equipment.</p> <p>Project completions increased. €11m spent in 2006 (€7m in previous years).</p> <p>Targeted call in the grain sector was oversubscribed. Expenditure on capital investment amounted to €5.96 m.</p> <p>An Bord Bia carried out a full range of promotion activities on the export and domestic markets and expanded EU beef promotions and Asian initiatives. The 2006 International Speciality Foods Event and activities associated with the Ryder Cup resulted in new business opportunities. The Food Dude programme to encourage consumption of fruit and vegetables among primary school children continued during 2006.</p>
<p>1.4 Develop national policies and programmes that promote and underpin competitiveness, efficiency, quality assurance and development of the agri-food sector</p>	<p>GVA of agriculture, horticulture, forestry and food industry</p> <p>Value /volume of agri-food trade</p>	<p>The estimated GVA of the agri-food sector was approx €12 billion in 2006 or 8.1% of GDP at factor cost.</p> <p>The agri-food sector accounted for approximately 9.8% of total merchandise exports in 2006.</p> <p>Food and drink exports grew by €756m or 10% to €8.1 billion approximately in 2006 despite competition, less favourable sterling: euro exchange rates and retail price deflation. Beef exports to continental EU markets grew by 20%, the 5th year of successive growth. Dairy exports grew by 6% while beverage exports were up by 26%.</p>
<p>1.5 Support market orientation, productivity and innovation in agriculture, forestry and food</p>	<p>Number of research projects funded under Irish and EU research programmes.</p>	<p>Under the Food Institutional Research Measure, up to the end of 2006, 187 projects have been awarded funding of €93m. Under the Research Stimulus Fund, up to the end of 2006, 75 projects have been awarded funding of €26.5m.</p> <p>Open Calls were held under both the Food Institutional Research Measure (FIRM) and the Research Stimulus Fund (RSF) with nearly €49m (31 + 18) awarded to 93 (58 + 35) projects. In addition, new call initiatives in Graduate Development, Strategic Equipment and Network/Team Building were held under FIRM and a new publication '<i>Quality Food Founded on Science</i>' was launched. Funding of €2.9m was awarded under the Strategic Equipment Fund.</p> <p>53 R & D projects funded by COFORD.</p>

Strategy	Performance Indicators	Progress
	Level and quality of participation in international collaborations	<p>34 projects were awarded funding under the Call for Proposals relating to Forestry Promotion and Downstream Development in 2006 at a total cost to the Department of over €1m.</p> <p>In addition, Teagasc conducted its own independent forestry research.</p> <p>Acted as National Delegate and National Contact Point (NCP) for the EU Framework Research Programme in Food Quality and Safety FP6. Promoted FP6 in Ireland, attended all EU and Irish meetings and provided assistance and support to Irish researchers. Irish Researchers achieved 20 partnerships in 11 EU funded research projects with funding value of €3.5m. Provided ongoing input to the drafting of the new EU Framework Programme FP7. The new Programme reflects Irish interests.</p>
1.6 Operate necessary schemes and legislative controls to ensure primary inputs to ensure agriculture meet statutory requirements	Extent of compliance with statutory requirements	<p>800 inspections of cattle abattoirs to ensure compliance with dressing requirements and the classification of beef carcasses.</p> <p>1,355 feedingstuffs samples were tested in 2006 for the presence of prohibited animal proteins. The sampling programme also monitored levels of other undesirable substances in feedingstuffs and assessed compliance with statutory requirements on nutrient composition. 217 minor infringements were detected and warning letters issued in relevant cases. Two consignments were impounded and re-exported following detection of traces of fishbone. The one District Court prosecution taken by DAF was successful.</p> <p>328 samples of fertilisers were taken in 2006. From these samples 759 nutrient contents and solubilities were analysed or derived of which 39 or 5.1% were found to be non compliant. Companies with non-compliant products were notified in all cases. Of the 65 ground limestone samples analysed in 2006, 12 (18.5%) were found to be non-compliant for fineness (passing a 0.15mm screen). Companies with non-compliant products were notified in all cases.</p> <p>2,265 seed lots of certified cereal, grass and pulse seed were sampled in post control tests in 2006. Of these 26 samples (1.15%) failed to meet the statutory standard. Warning letters issued in each of these cases.</p> <p>98 lots of certified seed potatoes were grown and assessed for compliance with seed certification standards.</p> <p>9 potato varieties from a total of 24 tested positive for wart disease and 4,211 virus tests were carried out on seed potato leaves and microplants.</p> <p>403 Varieties of grass, clover, barley, wheat, oats, forage maize, oilseed rape and potatoes were evaluated in National and Recommended List trials in 2006.</p> <p>The Register of Plant Variety Rights (PVR) and the National Catalogue of Agricultural Plant Varieties (NCAPV) were maintained and published.</p> <p>Some 255 applications for registration of plant protection products were received. Risk assessments were completed and regulatory</p>

Strategy	Performance Indicators	Progress
		<p>decisions made for some 235 products.</p> <p>Some 539 notifications for biocidal products were processed.</p> <p>Monographs for 3 active substances were prepared and submitted to the European Commission on schedule.</p> <p>Some 497 inspections of wholesale and retail outlets for plant protection and biocidal products were conducted during the year. Five serious infringements were detected – 1 consignment was returned to country of origin and 4 consignments were seized and destroyed at owner's expense by an approved waste disposal company.</p> <p>A formal warning was issued to a grower following detection of illegal use of carbendazim in strawberries. Allegations of illegal use of plant protection products in mushrooms and in oats were investigated.</p> <p>Inspections carried out by the Forestry inspectorate to ensure compliance with the conditions of the various schemes. All applications for first afforestation now subject to full EIA screening. Felling licences with strict environmental controls issued by Forest Service.</p>
<p>1.7 Support the agri-food industry in its efforts to retain and expand export markets</p>	<p>Effect of actions taken to open, maintain and secure markets</p>	<p>The value of agri-food exports in 2006 was approximately €8.1 billion (Bord Bia Trade Statistics).</p>
<p>1.8 Support relevant State agencies in the discharge of their statutory functions and ensure effective implementation of their work programmes</p>	<p>Verification of compliance with statutory and corporate governance requirements</p>	<p>Compliance with statutory and corporate governance requirements verified.</p>
<p>1.9 Actively promote North South cooperation in the context of the NSMC, implement the agreed work programme in agriculture and forestry and otherwise promote North/South cooperation in these sectors</p>	<p>Number and extent of North/South policy initiatives implemented</p>	<p>In July 2006, Minister Coughlan met with David Cairns MP, Under Secretary of State NI in Dublin during which both Ministers acknowledged the strong co-operation between officials both north and south.</p> <p>Despite the suspension of the NSMC, co-operation on the development of an all-island animal health and welfare strategy has continued.</p> <p>The North South Pesticide Steering Group has produced reports on pesticide usage surveys.</p> <p>North-South Cooperation in relation to Plant Health continued with further agreement being made on an all island approach to maintain protected zones especially for the bacteria <i>Erwinia amylovora</i> and on other quarantine organisms such as Ring Rot and Brown Rot of Potatoes.</p> <p>There was continued development in the programme for crop variety evaluation.</p>

Strategy	Performance Indicators	Progress
		<p>Continued co-operation and bilaterals have also taken place in the following areas:</p> <ul style="list-style-type: none"> ● Animal Feedingstuffs; ● Proposals for the coexistence of GM crops alongside non GM crops.
<p>1.10 Participate in Ireland's development aid efforts through our involvement with FAO, WFP and other fora</p>	<p>Effect of financial contribution to FAO and WFP</p>	<p>€1.57 m to FAO (including extra budgetary funds). Extra-budgetary funding targeted in strategic manner including Avian Flu in Vietnam.</p> <p>€8.5 m to WFP – effectively distributed between various categories of WFP expenditure (Emergency, Relief and Recovery, Special Operations and Development) including €1 million to orphans in Namibia.</p> <p>Acted as NCP for the European Initiative for Agr Research for Development – EIARD. Organised EIARD 2006 Annual Meeting in Dublin.</p>

Goal 2 - Food Safety, Animal Health and Welfare, Plant Health

Ensure the highest standards of food safety and consumer protection, animal health and welfare and plant health

The maintenance of high standards in these areas is essential for public health and to ensure that we continue to have an effective base from which to further develop a successful agri-food industry. The production of safe food must be underpinned by effective control systems. Maintaining a high standard of animal health and welfare is an important issue in its own right and is also a critical requirement for the development of trade. Ireland also has a high plant health status, which we support through a programme of controls and inspections.

High Level Performance Indicators

- | | | | |
|----|--|----|--|
| a) | Status of food safety, animal health and welfare, feed safety as indicated by verification reports of external agencies e.g. FSAI, FVO;
<i>Satisfactory overall</i> | c) | Plant health status as evidenced by external verification reports e.g. FVO;
<i>There were no FVO inspections in 2006. National inspections, controls and surveys resulted in the Standing Committee on Plant Health deciding on an extension of Irelands Protected Zone status for all pests previously listed.</i> |
| b) | Enhanced animal health as evidenced by changes in disease incidence
<i>See 2.5 below</i> | d) | Level of adherence with regulatory control systems including cross-compliance measures
<i>See 2.1 below and 3.3 (Goal 3)</i> |

Strategy	Performance Indicators	Progress
2.1 Maintain and develop effective food safety monitoring, inspection and control programmes at primary producer, processing levels as well as other commercial entities across all the Department's areas of operation.	Level of food borne pathogens	1,722 samples were taken for salmonella testing in the eggs and poultry sector in 2006 of which 94% were found to be negative.
	Speed of response to food safety incidents	A total of 2,626 samples were processed as part of an EU wide scheme to establish baseline levels of Salmonella in broilers, turkeys and pigs in EU Member States.
	Level of surveillance undertaken and infringements detected	Under Commission Decision No 2005/636/EC a baseline study on the prevalence of Salmonella spp. in broiler flocks of Gallus gallus was carried out between 1st October 2005 to 30th September 2006. Reports of the 362 flocks sampled were sent to the Commission within the regulatory time frame.
	Number of prosecutions undertaken	20 Food Safety Hazard notifications were issued by the Dairy Inspectorate, on foot of Microbiological analysis of Dairy Products and 74 Process Hygiene Criteria non-conformances were issued by the Dairy Inspectorate, on foot of Microbiological analysis of Dairy Products.
	Customer satisfaction as measured by audit and other outcomes.	172 Inspections of dairy product processing plants were carried out as part of the public health protection regime. The 2006 monitoring programme for pesticide residues in food was agreed between DAF and the FSAI. In total 1,369 samples were analysed for up to 148 different pesticide residues and the results showed no unexpected trends. MRL exceedances were detected in 38 samples analysed none of which were considered to pose an unacceptable risk to consumers. Warning letters were issued and in the case of Irish producers, inspections were carried out to ensure that the MRL exceedance would not be repeated. Follow-up investigations were conducted following the finding of lindane residues in pork and the finding of chlorpropham and diazinon residues in oats.

Strategy	Performance Indicators	Progress
		<p>During 2006, there was significant progress in developing and implementing an integrated database covering all stages of potato production. Further progress was made in implementing a cost recovery programme for the Department's seed potato certification services.</p> <p>The Microscopy Laboratory of the Seed Testing Station analysed 84 samples for (processed animal products) PAP in 2006. In total there were 0 infringements of the levels of PAP allowable in Feedstuffs. In addition 15 samples were analysed for the presence of ergot. 6 ring test samples were tested for PAP. 2 feed samples were tested for the presence of plastic.</p> <p>Under variety evaluation, those cereal varieties most susceptible to Fusarium were identified and rejected.</p> <p>430 Animal Remedy Merchants licences, 76 Animal Remedy Wholesale licences and 67 licences to manufacture Medicated Feeding Stuff issued following inspection by the veterinary inspectorate.</p> <p>Under the national residue Plan, in the region of 30,000 samples were taken and tested for a range of banned substances, residues of veterinary medicines and environmental. During 2006, arising from enforcement work, 6 persons were convicted of offences with fines in excess of €19,500 imposed, and 1 person received the Probation Act, while 2 persons received suspended sentences.</p> <p>Of the 185 applications received by the Department under the EU Hygiene Package, inspections were carried out, and full or conditional approvals issued in respect of 101 establishments, representing some 55%. This was carried out in addition to the regular monitoring of all establishments, which was maintained throughout the year.</p> <p>Under the self-monitoring residue testing programme, 94 approved plans in the bovine, ovine, porcine, poultry and milk sectors in operation during 2006.</p> <p>5,000 inspections carried out on Fruit and Vegetables as required by EU and National legislation, which revealed a high level of quality standard compliance.</p>

Strategy	Performance Indicators	Progress
<p>2.2 Participate in and influence the development of new food safety, animal health and welfare and plant health legislation at national, EU and international level</p>	<p>Degree to which legislation reflects Irish interests.</p>	<p>S.I. 910 of 2005, (which transposed the EU Hygiene Package) was amended by S.I. 387 of 2006, in order to give legal effect to EU Regulations 178/2002 (general principles and requirements of food law), 2073/2005, 2074/2005, 2075/2005 and 2076/2005 (overall food and feed safety legislation covering, inter alia, animal feed, microbiological criteria, controls for Trichinella and transitional arrangements for the introduction of aspects of food and feed hygiene legislation).</p> <p>Contributed to EPPO, EU, CPM, UN, EFSA and EUPHRESKO discussions and formulation of legislation with regard to Plant Health.</p> <p>Forest Service represented Ireland's interests at the Standing Committee on Plant Health</p>
<p>2.3 Promotion and enforcement of enhanced animal/product identification and trace-back systems to support of food safety and animal health and welfare</p>	<p>Level of traceability achieved based on internal / external audit and evaluation systems</p>	<p>Online herd profiles for farmers, successfully introduced through the AIM system.</p> <p>Aspects of the National Sheep Identification System were reviewed and made more user friendly. Revised flock registers and dispatch documents were issued to all flock keepers.</p>
<p>2.4 Support for and promotion of research into food safety, animal health and zoonoses</p>	<p>Number/scale of food safety projects under FIRM</p> <p>Number of collaborative programmes with FSAI and FSPB</p>	<p>56 Projects awarded under Food Safety Theme.</p> <p>The Department collaborated with FSPB in a project to assess the occurrence of salmonella on pork on the island of Ireland and an assessment of the risk factors contributing to its transmission.</p> <p>The Department was represented on a number of committees and working groups in the FSAI. These include:</p> <p>Scientific Committee The Scientific Committee; The Additives, Contaminants and Residues Scientific Subcommittee; The BSE Sub committee;The Microbiological Subcommittee.</p> <p>Working Groups Zoonoses; Labelling of meat;Artisan Forum; Cross Agency Hygiene Package Implementation.</p> <p>Meetings There were meetings held on many specific aspects relating to food safety; High level DAF / FSAI Steering Group; Liaison meetings with Divisions; Regional meetings and Cross Agency meeting.</p> <p>The Department co-funded with FSAI on a study into the safety and nutritional quality of the diets of Irish children and adolescents.</p> <p>Collaborated with FSAI for study of dioxins in milk and butter.</p>

Strategy	Performance Indicators	Progress
	Impact of research on implementation of animal health and zoonoses controls	<p>During 2006 information seminars on Johne's disease were organised for interested private veterinary practitioners, Teagasc Advisors and farmers. In addition a small number of herds participated in a project on the on farm control of the disease.</p> <p>Development of procedures by Central Veterinary Laboratory for approval, monitoring and auditing private laboratories testing for food-borne pathogens for DAF.</p> <p>Projects developed on research into animal health, food safety and zoonoses.</p>
<p>2.5 Develop, promote and implement the most appropriate animal health initiatives including surveillance, control and eradication in support of food safety, animal health and sustainable livestock production</p>	<p>Changes in animal health measurement parameters</p> <p>Levels of surveillance</p> <p>No. of bio-security initiatives at farm level</p>	<p>Animal Health Computer System (AHCS) successfully upgraded during the year.</p> <p>95 % of all TB and BR tests now captured electronically. 118,925 of the 122,392 cattle herds tested in 2006. This is in line with recent years.</p> <p>The number of Brucellosis reactors fell by approximately 7% on 2005. The number of TB reactors fell by approximately 6.6% on 2005. The decline in the incidence of brucellosis reflects the enhanced measures introduced over the past number of years.</p> <p>The total of 41 BSE cases in 2006 represents a decrease of almost 41% compared with the previous year's total of 69.</p> <p>Some 95,000 cattle from 3,000 herds were tested for enzootic bovine leucosis.</p> <p>An extensive EIA serological survey of 6,925 horses was undertaken following the diagnosis of the disease in Irish horses.</p> <p>A total of (32) flocks were restricted and partially depopulated during 2006.</p> <p>In 2006 under the scrapie surveillance programme 41,677 animals were rapid tested at factories and 13,677 at knackeries.</p> <p>Under the 2006 National Genotype Programme a total of 16,250 sheep were genotyped.</p> <p>All samples, collected from goats for the CAEV control programme were tested.</p> <p>Surveillance of wild birds for Avian Influenza has been increased and targeted and surveillance in poultry is ongoing in accordance with EU plan. All results have been negative.</p> <p>Storage plants, petfood plants, intermediate plants and processing plants continued to be monitored and approved under the animal by-products legislation in 2006.</p> <p>The Department continues to develop arrangements and initiatives aimed at improving herd health and quality farm production.</p>

Strategy	Performance Indicators	Progress
	<p>Scope and range of diagnostic services provided</p> <p>Roll out of stakeholder information systems using IT</p>	<p>7,217 samples of milk and milk products and 250 samples of water tested in accordance with the microbiological requirements of hygiene package implemented under SI 910/2005.</p> <p>Another 4,002 samples of milk and milk product were tested in accordance with the microbiological requirements of other schemes and services.</p> <p>Passive surveillance for serious diseases of livestock and scanning for listed diseases by Veterinary Laboratory Service is on-going using a broad range of tests.</p> <p>Some 37,000 samples from horses, cattle, pigs, sheep, and goats; and 4,870 samples from poultry were examined by Virology Laboratory. Also porcine and equine sera were tested for export purposes.</p> <p>Strategies for active surveillance for animal diseases have been piloted by the Veterinary Research Laboratory.</p> <p>Progress is ongoing on developing acceptable SOPs for procedures for all regional veterinary laboratories.</p> <p>Monthly reports from the Veterinary Laboratory Service published in Veterinary Press.</p> <p>The Regional Veterinary Laboratory Surveillance Report for 2005 produced.</p> <p>A Web Site for Virology Laboratory was produced and published, and speakers provided for meetings to advise on herd health programmes.</p>
<p>2.9 Operate an efficient and effective plant health service including implementation of the Plant Health Annual Inspection Plan.</p>	<p>Level of control of quarantine pests</p>	<p>All inspection and reporting obligations were met. Every interception was dealt with, without the relevant pests becoming established here. Surveys to support protected zone status were completed</p>
<p>2.10 Maintain health of National Forestry Estate.</p>	<p>Incidence of disease in National Forestry Estate</p>	<p>Full health survey of national forest estate in 2006. No quarantine pests or diseases detected on any tree species. <i>Phytophthora ramorum</i> identified in three forest areas on wild Rhododendron. Wood and wood packaging imports also inspected for compliance under the EU Plant Health Directive. Special monitoring exercise undertaken of wood packaging material imports from non-EU countries.</p>

GOAL 3 – RURAL ECONOMY AND ENVIROMENT

Promote the development of the rural economy and of environmentally friendly and sustainable systems of agriculture, forestry and food production and assist structural change

Maintenance of the maximum number of farm households, the protection of the environment and supporting sustainable agricultural systems are vital parts of our work. The rural economy and environment is significantly shaped by agricultural and forestry systems, and we have a responsibility to ensure that agriculture and forestry provide a solid basis for economic and social progress and that these systems are developed in an environmentally sustainable manner.

High Level Performance Indicators

- a) Participation rates in environmentally friendly and sustainable farming schemes
See 3.6 below
- b) Outcome of negotiations on EU Rural Development support framework 2007-2013
The new EU rural development regulation no. 1698/2005 provides a satisfactory framework for future support measures for the period 2007-2013;

- c) Level of adherence with cross-compliance measures
See 3.3 below
- d) Number of farm households and income levels
See 3.1 below
- e) Contribution of the forestry sector to rural economy
See 3.7 below

Strategy	Performance Indicators	Progress										
3.1 Develop and implement policies, schemes and services that help a) sustain the rural economy, b) maximise the number of farm households, c) facilitate structural change	Number and income levels of farm households Average farm size Consolidation of holdings	In 2005 there were 131,200 family farms. The National Farm Survey 2005 indicate an average family farm income of €40,483 on full-time farms and €11,372 on part-time farms. In 2005 the average farm size was 33.2 hectares. Stamp Duty Relief for farm consolidation was introduced for a two year period from 1 July 2005.										
3.2 Contribute to the implementation of the National Anti Poverty Strategy in co-operation with the other participants in the Strategy	Performance against poverty targets for rural households	The Department directly supports farm income through various direct payment schemes, which totalled over €1.8 billion in 2006. Data from the EU-SILC indicates that 2.8% of farm households were experiencing consistent poverty compared with 6.2% of other rural households and 7.6% of urban households. (Farm household are based on a small sample size and a broad definition including all households with an income from farming was applied to the sample).										
3.3 Implement cross-compliance measures through the Single Payment Scheme.	Level of adherence to cross-compliance measures	In 2006, 7,514 farmers had their holdings selected for on-the-spot inspections. Sanction levels were as follows; <table> <tr> <td>Inspections</td> <td>7,514</td> </tr> <tr> <td>1% Sanction</td> <td>7.5%</td> </tr> <tr> <td>3% Sanction</td> <td>3.8%</td> </tr> <tr> <td>5% Sanction</td> <td>5.9%</td> </tr> <tr> <td>>5% Sanction</td> <td>3.5%</td> </tr> </table>	Inspections	7,514	1% Sanction	7.5%	3% Sanction	3.8%	5% Sanction	5.9%	>5% Sanction	3.5%
Inspections	7,514											
1% Sanction	7.5%											
3% Sanction	3.8%											
5% Sanction	5.9%											
>5% Sanction	3.5%											
3.4 Support the delivery of commitments in the agricultural and forestry sectors to the Climate Change Strategy (Kyoto), the Gothenburg Protocol and other relevant policies	Progress on delivery of commitments agreed by Government of relevance to this Department	In its analysis of the Luxembourg CAP reform agreement, FAPRI-Ireland has projected that the agriculture sector will come close to meeting its target for reducing greenhouse gas emissions. The agriculture sector is already close to meeting its current 2010 target for reducing ammonia emissions. Kyoto eligible forests will sequester, on average, 2.1 million tonnes of CO ₂ per annum during the first Kyoto accounting period (2008-2012).										

Strategy	Performance Indicators	Progress
<p>3.5 Effective liaison with Teagasc, COFORD and other agencies to encourage and develop training and research programmes which will help to underpin sustainable agriculture and forestry production, develop and protect the rural economy and environment</p>	<p>Level of participation by rural families in</p> <ul style="list-style-type: none"> -Training programmes -Educational programmes -Diversification programmes 	<p>A total of 9,717 adults participated in Teagasc's adult training, education and diversification type programmes in 2006. The training programmes include 80 and 100 hour courses delivered by e-learning along with REPS and environmental courses and courses on forestry and alternative enterprises. A total of 409 students enrolled in 2006 in further training programmes while the total overall number participating in these programmes was 3,076. A total of 198 students enrolled in 2006 in higher level training programmes while the total overall number participating in these programmes was 622.</p> <p>Research on quarantine plant pathogens and horticulture facilitated. Ongoing liaison with Teagasc for forestry promotion and training programme: Ongoing support for COFORD in their R& D programme including collaboration with Bord na Mona, Teagasc, SEI, EPA, Western River Basin District, Coillte and NSAI.</p>
<p>3.6 Implement measures supporting environmentally friendly farming, conservation and bio-diversity</p>	<p>Participation rates in</p> <ul style="list-style-type: none"> -REPS -Farm Nutrient Management schemes -Organic farming 	<p>Participation levels in REPS rose to over 59,000 in 2006.</p> <p>8,900 participants (payees) in the Farm Waste Management Scheme at the end of 2006.</p> <p>In 2006 there were 1,270 organic operators registered with the Department, 1107 producers and 163 processor</p>
<p>3.7 Enhance the development of a sustainable forestry sector through forest grants/premium schemes and other measures</p>	<p>Extent planting targets achieved</p> <p>Contribution of the forestry sector to rural economy</p> <p>Progress achieved in marketing forest products</p> <p>Increase in species diversity</p>	<p>8 000 hectares of new planting in 2006.</p> <p>Economic contribution of forestry now estimated at €1.6bn.</p> <p>Good progress was made during 2006 in promoting the use of forest products as a renewable source of energy.</p> <p>Target of 30% broadleaf planting achieved. Increases in both planting grants and premiums secured.</p>
<p>3.8 Implementation of Advisory Group Report on Women in Agriculture</p>	<p>Level of implementation effected</p>	<p>Implementation completed as far as practicable.</p>

GOAL 4 – SCHEMES DELIVERY AND FINANCIAL MANAGEMENT

Operate all our schemes and programmes in an efficient and effective manner, and ensure the highest standards of corporate and financial management and accountability in all our activities

The Department is conscious of the importance of providing a speedy and efficient payment service for customers and we are committed to meeting the high standards of our Customer Service Action Plan. We are equally aware of our obligation to prevent any misuse of public funds and to ensure accountability while maintaining full transparency and effective controls. To achieve this we have developed robust systems of financial management ranging from the production of internal financial procedures incorporating best practice standards to the installation of a MIF compliant accounts system, a MIF training programme, an enterprise risk management programme and comprehensive internal and external audit programmes.

High Level Performance Indicators

a) Degree to which payment and service target dates specified in CSAP and Protocol are achieved;
See 4.1 below

b) Maintenance of high standard of financial management and controls as verified by external monitoring agencies e.g. audit reports, C&AG, etc.
See 4.2 below

Strategy	Performance Indicators	Progress
4.1 Ensure the effective delivery of CAP, national schemes and measures under the National Development Plan in accordance with the principles and targets set out in the Customer Service Action Plan	Meeting of established deadlines, procedures and protocols including the Protocol on Direct Payments to Farmers and the targets in the Customer Service Action Plan	See Appendix 2
4.2 Operate to the highest standards of financial management, including procurement and revenue collection, to ensure full compliance with EU and national financial, audit and control requirements	Outcome of audit reports by Internal Audit Unit, C& AG, FEOGA certifying body, European Commission and the EU Court of Auditors	<p>Quarterly and annual audit progress reports were submitted to MAC and to Audit Committee.</p> <p>5% compliance controls of Structural Funds were effected.</p> <p>Seventeen internal audit reports and forty four scrutiny audit reports were completed and issued during the year.</p> <p>A systematic follow-up process is in place to monitor implementation of all significant audit findings.</p> <p>Audit Committee's Annual Report issued in March 2006.</p> <p>Prompt follow up on EU audit findings. No major findings by the Certifying Body.</p> <p>Department's EU Accreditation status retained.</p> <p>For the ten years 1996-2005 inclusive, Ireland had the third lowest disallowances as a percentage of expenditure of the EU-15.</p>
4.3 Continue to identify the key risks facing the Department through the operation of a comprehensive enterprise risk management programme	Quality of risk programme as evidenced by reports of internal Risk Management Committee and the external Audit Committee	<p>The Risk Management System, as revised in 2005, continued to function satisfactorily in 2006.</p> <p>Quarterly reports were provided for Risk Management Committee, with a synopsis of the Committee's decisions being produced for the Minister.</p>

Strategy	Performance Indicators	Progress
4.4 Implement fully the Management Information Framework	<p>MIF implemented in accordance with MIF Plan</p> <p>Quality and use of management reports produced and effect on resource decisions</p>	<p>Upgraded SAP R/3 successfully operational.</p> <p>Management reports comprising financial and non-financial information available on intranet.</p>
4.5 Undertake regular evaluations of key spending areas through the expenditure review programme	<p>Share of spending evaluated</p> <p>Actions taken on expenditure review</p>	<p>During 2006 two completed reviews i.e. Compensatory Allowances and BSE Eradication, were made available on the Department of Agriculture and Food Website.</p> <p>Work commenced on a further five reviews under the 2006 to 2008 programme of reviews.</p> <p>Complete reviews in line with Department of Finance VFM timetable</p>
4.6 Progress process change as identified in Operational Strategy to ensure efficient use of resources	<p>Redesign completed on key operational processes identified.</p> <p>Effect of process changes on operations</p>	<p>Following on from the modelling in 2005 of a generic process for field inspections and tests, it was planned to trial the process for veterinary inspections in one District Veterinary Office (DVO), so as to prove its viability and value. During 2006, a system known as AFIT (Agriculture Field Inspection and Testing) was built to underpin this trial. This was implemented in Kildare, with a view to rolling the system out nationwide in 2007. Work also began in expanding the system to cater for Cross Compliance inspections for the Single Payment Scheme (SPS).</p> <p>During 2006 the Department continued research into a number of new technologies for remote access and data capture, with a view to their potential to improve our field processes. These technologies will be trialled in conjunction with the AFIT system in 2007.</p> <p>The IFORIS computer system went into production in early 2006. The system facilitates the processing of Forestry pre-approval, grant and annual premium applications. The annual premium and 2nd Grant application process has been streamlined and from 2007 all Form 4 and Form 3 application forms will be pre-printed with barcodes. The new process will reduce the processing time and speed up payments. The spatial digitising of forestry contracts will provide valuable management information for future policymaking. IFORIS also includes a web portal (FIMS) for the Forestry Industry providing direct access to the Department's spatial database. This facility will identify spatially, areas where forest cannot be planted and thereby reduces the number of invalid applications that will be submitted to the Department. In addition, the IFORIS system has provided a platform with significant added benefit for both the customers and management in the range of information available on the system.</p> <p>In 2006, the Animal Health Computer System (AHCS), which was originally designed as a multi-species system but had been primarily used for Bovine TB and Brucellosis purposes, was utilised (without any major change to the system code base) to record details of bird flock owners throughout the country. This data is of vital importance, in the event of an Avian Flu outbreak.</p>

Strategy	Performance Indicators	Progress
		<p>During 2006, a formal project structure was put in place for the Data Warehousing and Business Intelligence Project with the completion of a Data and Statistics Strategy (DSS) also being incorporated into the overall process. A requirements gathering exercise was undertaken with a number of business units to establish their specific data needs and research work on the most appropriate toolset to implement such a project was also advanced. This will be further progressed in 2007.</p>
<p>4.7 Use emerging technologies to efficiently identify risks on schemes we deliver and exercise control accordingly</p>	<p>Degree to which new technological opportunities are exploited for greater efficiency and control</p> <p>Degree of exploitation of existing data for risk management</p>	<p>During 2006 the revised version of the Risk Management system provided improved ranking of risks and allowed for greater focus on those most important to the Department at any particular time.</p> <p>The revised system also allowed for more effective exploitation of data contained within the DAF database, thereby freeing-up Risk Management Committee time for the assessment of risks reported by individual areas within the Department.</p>

GOAL 5 – OPERATIONAL CAPABILITIES AND THE MODERNISATION AGENDA

Develop our human and physical resources, our operational capabilities and ensure the delivery of quality service to our customers, both internal and external while implementing Government policy on decentralisation and public service modernisation

The Department is committed to developing the modernisation agenda to ensure that a quality service is provided to all customers. We continue to review and improve the organisational structure of the Department, the work processes, systems and support services used, the information and communications strategy adopted and the mechanisms required to develop our human and physical resources. This ensures that we achieve our goals and objectives efficiently and effectively. It also requires the Department to take a strategic approach to managing resources in the light of staffing and organisational changes arising from the decentralisation programme and other cross cutting issues.

High Level Performance Indicators

- | | |
|---|---|
| <p>a) Implementation of relevant elements of the Programme for Government and Sustaining Progress;
<i>See 5.1 below</i></p> <p>b) Implementation of decentralisation action plan;
<i>See 5.2 below</i></p> <p>c) Satisfactory reports from the Civil Service Performance Verification Group;
<i>See 5.1 below</i></p> | <p>d) Implementation of corporate governance agenda, e.g. CSAP, HR Strategy, ICT Strategy, Training Strategy, Business Planning guidelines, etc;
<i>See 5.7, 5.5, 5.10, 5.6, and 5.4 below</i></p> <p>e) Management of programme of change and cross cutting issues.
<i>2015 Agri Vision Report published in March 2006 and progress made in implementing recommendations. Review of the District Veterinary Operations and Forest Service completed. Local office staff continued to be released/redeployed. Review of the organisational structures of the Department commenced in November 2006.</i></p> |
|---|---|

Strategy	Performance Indicators	Progress
5.1 Implementation and monitoring of the Programme for Government and commitments in Sustaining Progress	Extent of delivery on commitments Satisfactory reports from CSPVG	All commitments in the PfG and Sustaining Progress have been met or are ongoing commitments which are being met. Action Plan under <i>Towards 2016</i> submitted to the Civil Service Performance Verification Group (CSPVG) and progress is being made in relation to the commitments in the plan. Favourable decision received from the CSPVG in relation to the Department's first progress report submitted under <i>Towards 2016</i> .
5.2 Implement Department's Decentralisation Action Plan	Progress on Department's decentralisation implementation plan Effect of decentralisation on delivery of service and corporate strategies	180 full time posts decentralised. No adverse effects.
5.3 Examine structures and processes of Department in the light of decentralisation, Single Payment and other changes	Reviews undertaken and main changes effected	Review of District Veterinary Operations Division was completed in March 2006. Review of the Forestry Service (Administrative Division) was completed in September 2006. Review of Export Refunds Division was completed in September 2006. Review of On-Farm Investments, Subsidies and Storage Division commenced in October 2006 and is due for completion by end March 2007.

Strategy	Performance Indicators	Progress
	Procedures manuals reviewed for all Divisions by end 2005	<p>Review of Agricultural Structures Division commenced in October 2006 and is due for completion by end March 2007.</p> <p>Review of Organisational Structures of the Department of Agriculture and Food commenced in November 2006 and a draft report is due for completion by end March 2007.</p> <p>Provisional procedures manuals reviewed for most Divisions.</p>
5.4 Enhance the development of strategic planning within Divisions and the Department	<p>Annual Business Plans completed and reviewed within target dates</p> <p>PMDS processes completed within target dates</p> <p>Number of strategic policy documents produced</p> <p>Procedures manuals reviewed for all Divisions by end 2005</p>	<p>94% of Business Plans were completed in 2006 with 89% of these agreed with senior management by end February.</p> <p>Over 81% of staff completed their Role Profile in 2006.</p> <p>3 Strategic Policy documents completed by the Economic and Planning Division - Annual Review and Outlook, the Agri Vision Action Plan and the agriculture commitments of Towards 2016.</p> <p>Provisional procedures manuals reviewed for most Divisions.</p>
5.5 Implement the Human Resource Strategy and review processes in the light of legislative and other changes	<p>Extent priority HR policies are implemented</p> <p>HR policy/processes reviewed to take account of new legislation and necessary changes implemented</p>	<p>Priority HR policies being implemented satisfactorily.</p> <p>Personnel Division are implementing new initiatives arising out of new Civil Service Regulation (Amendment Act).</p>
5.6 Finalise and implement new Training Strategy	<p>Training Strategy implemented</p> <p>Level of participation and satisfaction of management and participants with training programmes</p>	<p>The Strategy was published in May 2006 and is being implemented currently.</p> <p>Participation rates are satisfactory (16,552 training days in 2006), and course satisfaction scores of participants are high. Department is to design an assessment and evaluation template to assess effectiveness of learning. Aim to complete by 2008.</p>
5.7 Provide an enhanced quality service to the internal and external customer	<p>Extent targets/deadlines (including FOI and Ombudsman queries) in Customer Service Action Plan are met</p> <p>Outcome of CSAP monitoring programme</p>	<p>All targets / deadlines complied with.</p> <p>CSAP monitoring is being carried out at Divisional level in line with Business Plans.</p>
5.8 Continue to develop internal and external communications to improve awareness of activities and schemes carried out by the Department	<p>Number and range of publications/briefings</p> <p>Feedback from internal /external customers</p>	<p>29 Publications, 258 Press Releases.</p> <p>The most recent customer survey completed in September 2006 indicates a satisfaction level of over 90%</p>

Strategy	Performance Indicators	Progress
5.9 Provide legal services to all Divisions in the Department and to manage the prosecution and defence of litigation involving the Department, in co-operation with other Divisions and State legal agencies	Degree to which primary/secondary legislation is progressed Timely and effective completion of litigation involving the Department	The Legal Services Division was involved in the preparation of some 93 Statutory Instruments and two proposed Bills. A significant number of legal opinions, general advices, draft and engrossed agreements, legal documents and other communications were provided in 2006 by Legal Services Division to line Divisions. There was greater involvement and input by Legal Services Division in litigation matters affecting the Department including the preparation and provision of detailed case papers to the AG and CSSO. This involved attendance and contribution at many consultations and court hearings.
5.10 Maintain and deliver high quality stable and secure ICT systems and infrastructure to support our core business	Adequate ICT facilities, including effective helpdesk, available to all staff Minimal downtime ICT systems delivered to specifications	IFORIS implemented in March 2006. Provides full support for business operations of the Forest Service. SPS: - system enhanced to cater for new cross compliance requirements. System supported delivery of advanced/balancing payments. System supported Trading/National Reserve. REPS: - beneficial upgrades and enhancements were implemented On-Farm Investments: - substantial development work carried out Lotus Notes Systems: - continues to operate successfully. Crop Plant Health System (CROPHS) delivered. Achieved Achieved
5.11 Pursue eGovernment strategy to ensure that all significant services that are suitable for provision through electronic channels are made available to customers	Number of services provided through echannels Number of processes integrated with client systems	FIMS made available to approved foresters and forestry companies for online viewing and submission of forestry maps. See above.
5.12 Provide a high quality service to the Minister and Ministers of State including appropriate briefing, advice, material for PQ answers and speeches	Level of service provided Feedback given to senior management	2,413 P.Q.s replied to and all speech/briefing requests met. Senior management notified where delays occur in providing information.
5.13 Develop and maintain consultative and coordination mechanisms to ensure effective cross-departmental decisions	Effective co-ordination of cross-departmental policies	The Department participated in a wide range of cross-Departmental policy groups.
5.14 Implement corporate governance regulation and directions	Satisfactory reports from CSPVG and C & AG	Regulations and directions on Corporate Governance implemented.



Appendix 2 – Customer Service Targets

Payment or Decision Targets

IMPORTANT NOTE:

Target Delivery Times Are Subject To All Documentation And Other Requirements Being Correct At Time Of Application.

Scheme of Direct Payments to Farmers

Service	Target Delivery Time	2006 Performance
Single Payment Scheme 2006 Scheme	EU Regulations provide that payments shall be made once a year within the period 1 December to 30 June of the following year. However, EU agreement was obtained which allowed for 50% advance payments from 16/10/2006. Balancing payments commenced on 1/12/2006.	Advance payments commenced on 16/10/2006 and balancing payments commenced on 1/12/2006. By the end of December €1.171 billion had been paid to 95% of applicants.
Disadvantaged Area Compensatory Allowances 2006 Scheme	Agreement was reached with the farming organisations that payments in all eligible cases would commence on 21 September.	Payments commenced on 21 September 2006 as agreed and nearly €251 million (which included €18.4 million of Modulated Funds) was paid to 97% of applicants by 31 December 2006.
Early Retirement Scheme #	Processing of valid application to scheduling for payment stage:- <ul style="list-style-type: none"> ● Applications not selected for pre-payment inspection within 9 weeks* ● Application selected for pre-payment inspection within 11 weeks* ● Issue of payment following approval within 6 weeks* ● Payments monthly thereafter for duration of pension period. 	97% within target.
Rural Environment Protection Scheme (REPS) <ul style="list-style-type: none"> ■ Application for admission to scheme# ■ Application for annual payment○ 	Processing of valid application to scheduling for payment:- <ul style="list-style-type: none"> ● Applications not selected for pre-payment inspection within 10 weeks* ● Applications selected for pre-payment inspection within 12 weeks* ● Issuing of payment following approval within 1 month ● Processing of valid application to scheduling for payment within 8 weeks ● Issue of payment following approval within 1 month 	91% 74% 100% 85% 100%

Service	Target Delivery Time	2006 Performance
Farm Waste Management Scheme #	<ul style="list-style-type: none"> ● Issue of approval following receipt of valid application within 3 months* ● Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months* ● Issue of payment following approval for payment within 6 weeks* 	99%
Dairy Hygiene Scheme #	<ul style="list-style-type: none"> ● Issue of approval following receipt of valid application within 3 months* ● Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months* ● Issue of payment following approval for payment within 6 weeks* 	99%
Alternative Enterprise Scheme #	<ul style="list-style-type: none"> ● Issue of approval following receipt of valid application within 3 months* ● Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months* ● Issue of payment following approval for payment within 6 weeks* 	100%
<p>Installation Aid #</p> <p># In the case of schemes the applicant will be notified when his/her application has been approved for payment and of the amount due.</p> <p>○ All REPS participants receive advance payments. In the case of annual payments, payments will not be delayed pending inspections. Where an inspection takes place after the annual payment has been made, in the event of a penalty arising the penalty will be recovered from the following year's annual payment. Where the inspection takes place in the final year any money to be recovered will be deducted from payments due to the participant under other schemes.</p>	<p>Processing of valid application to scheduling for payment stage:-</p> <ul style="list-style-type: none"> ● Applications not selected for pre-payment inspection within 10 weeks* ● Applications selected for pre-payment inspection within 12 weeks* ● Issue of payment following approval within 6 weeks* <p>* To apply from commencement of new schemes</p>	100%

Service	Target Delivery Time	2006 Performance
Improvement in Animal Welfare Standards (Sow Housing)	<ul style="list-style-type: none"> ● Issue of approval following receipt of valid application within 3 months ● Approval for payment following receipt of notice of completion of works and valid supporting documents within 3 months ● Issue of payment following approval for payment within 6 months. 	100%
Afforestation Programme Grant Schemes	<ul style="list-style-type: none"> ● Approvals within 10 weeks of application except where public consultation is required under statute. ● 40% inspection level within 4 weeks of receipt of application. ● Payment within 6 weeks for non inspection cases or 10 weeks where inspection is required. 	<p>Approvals No. of applications received: 2,169 covering an area of 18,687 ha. No. approved : 1,679 covering an area of 15,010 ha.</p> <p>Payments Applications received: 955 covering an area of 5,691 ha. Applications paid* : €22.73m paid in respect of 1,036 applications covering an area of 8,014 ha</p> <p>Premiums Paid Annual Premium Run:** €51.47m Subsequent Runs: €8.55m Total Expenditure: €60.02m</p> <p>* 30% paid within Charter target of 10 weeks. In the balance of cases paid beyond target, a significant proportion required a referral to the applicant. The extent of the resulting delay is not at present captured.</p> <p>** 82% of existing premium commitments were paid before end April compared with the charter target of 90%.</p>
Forestry Premium Scheme	Annual bulk run carried out during March but payments will continue throughout the year.	

DISEASE ERADICATION SCHEMES/DISEASE CONTROL

SERVICE	TARGET DELIVERY TIME	2006 Performance
Compensation – Bovine TB and Brucellosis Eradication Schemes 2006	TB and Brucellosis compensation will be paid within 3 weeks of the date of receipt of the required correct documentation or of eligibility as per terms and conditions.	<p>Reactor Grant, Valuation compensation payments made in 2006 indicates that 93% of payments were made within 3 weeks of receipt of all the required documentation and 99% were made within 8 weeks.</p> <p>Income Supplement, Depopulation and Hardship Grant payments made in 2006 indicates that almost 91% were paid within 3 weeks of receipt of the required documentation and over 97% were made within 8 weeks.</p>

Service	Target Delivery Time	2006 Performance
BSE Compensation	BSE compensation to be paid within 21 days of receipt of completed documentation.	<p>BSE herds – Compensation of €2,832,228 was paid in 2006. 95% were paid in 21 days and 89% were paid within 14 days.</p> <p>BSE Cohorts and Progeny – Compensation of €514,532.50 was paid in 2006. 91% were paid within 21 days and 55% paid within 14 days.</p> <p>UK and NI Imports – Compensation of €5,600 was paid by end of December 2006. 100% paid within 21 days(33% paid within 14 days).</p>
Scrapie Compensation and Income Loss Payments (Income loss payments applicable only to flocks depopulated during the period 2001 –April 2003)	<p>Compensation paid within 14 days of receipt of the last document, i.e. receipt of confirmation of slaughter.</p> <p>Income loss payments processed immediately following inspection and on receipt of the relevant inspection report form.</p>	All compensation payments and income loss payments processed and paid within the required period.

INTERVENTION SCHEMES

Schemes	Target Delivery Time	2006 Performance
Purchase of Butter into Intervention	45 days	100%
Purchase of SMP into Intervention	120 days	N/A
Purchase of Barley into Intervention	30 days	N/A
Purchase of Sugar into Intervention	120 days	N/A

EXPORT REFUNDS

Schemes	Target Delivery Time	2006 Performance
Export refunds for milk and milk products	60 days	100%
Beef export refunds payments	60 days	100%
Export refunds for processed products	60 days	90%
Export refunds for pigmeat, poultry, eggs and cereals	60 days	98%
Issue of import/export licences	Immediate/5days	All target delivery times met

MILK SUBSIDIES CUSTOMER SERVICE TARGETS

Schemes	Target Delivery Time	2006 Performance
Subsidy on Butter and Cream used in Pastry and Icecream	1 Month	88%
Subsidy on Butter supplied to Hospitals	1 Month	100%
Subsidy on Skim Milk Powder used in compound feed	1 Month	100%
School Milk	1 Month from receipt of claim	99%
Aid for Casein	1 Month	100%
Aid for Private Storage (APS) of butter and cream	Contracts to be agreed within 30 days	100%
Aid for Private Storage (APS) of emmenthal cheese	Contracts to be agreed within 30 days	100%

APPENDIX 3 - Programme for Government Commitments

Progress is outlined below in relation to the commitments contained under the Agreed Programme for Government 2002-2007.

All commitments contained in the programme have been met or are ongoing commitments that are being met.

NO.	COMMITMENT	PROGRESS TO DATE
1	<p>We will maintain the Government and diplomatic offensive to improve world access and the opening of markets.</p>	<p>We are continuing with the top-level campaign to improve and expand world market access. This involves regular consultation with the industry through a high level group, which includes representatives of IBEC, IMA, Bord Bia, Department of Foreign Affairs and the Department of Agriculture and Food.</p> <p>In relation to beef, the initiative to regain international access has been very successful. Progress has been made on a number of non-EU markets. Russia and Algeria are open and trade is taking place. There have been positive developments too on the Egyptian market following intensive efforts over a prolonged period. A new Protocol on trade in beef with Egypt was agreed in August 2005 and trade has commenced. Approaches have been made to nine other countries over recent months. Positive initial responses have been received from some and a delegation arrived from the UAE on 26 April 2006 for a four-day visit.</p> <p>In 2005-2006 Bord Bia received additional funding to engage in market intelligence, research and to build a presence in China and India in line with the target in the Government's Asian strategy of doubling food and drink exports between 2004 and 2007. A veterinary team from China completed inspection of four Irish pigment processing plants in April 2006, following that a Trade Protocol has been agreed and exports can now commence.</p>
2	<p>We will broaden the scope of agricultural education, anticipating that in some cases, farming may be combined with other occupations</p> <p><i>and</i></p> <p>We will ensure that courses are delivered in a flexible manner suited to potential participants involving increased use of approaches such as night courses and distance learning.</p>	<p>Teagasc's Education and Training Programme underwent a major review in 2004/2005 which will be implemented over the next two years. Major changes are envisaged with the incorporation of home farm placement in all major agricultural training programmes. These changes are designed to meet the needs of prospective part-time farmers. Teagasc has now established an e-college with four full-time staff. In the current academic year 400 students are participating in the 180 hour training programme on-line through e-college. With the appointment of the new Development Officers the range of training programmes delivered online has been extended to include food training, horticulture and online discussion groups. The Vocational Certificate in Agriculture for part-time farmers is now being run at 14 different centres including the six agricultural colleges.</p> <p>Teagasc and private colleges are used extensively by the Teagasc Advisory and Research Services, other outside agencies and local community groups. The following are examples of how the colleges are being used:</p> <ul style="list-style-type: none"> ● Open Days for farmers on Farm Safety, Machinery Demonstrations, Crop Walks, etc.; ● Visits by farmer discussion groups; ● Used for research and demonstration purposes and variety trials by Teagasc research staff and the Department of Agriculture and

NO.	COMMITMENT	PROGRESS TO DATE
	<p><i>and</i></p> <p>We will seek to develop the agricultural colleges as wider rural development resources.</p>	<p>Food;</p> <ul style="list-style-type: none"> ● Used for computer training programmes organised by Teagasc and other outside agencies; ● Visits by school groups to increase the appreciation of agriculture/horticulture; ● Use of computer rooms for computer training organised by Teagasc and other agencies; ● Use of sports facilities and meeting rooms by local groups; ● The Cavan-Monaghan Rural Development Leader Agency is based at Ballyhaise Agricultural College; ● Used for Summer Schools, Pony Club Camps, Scout Camps, Equestrian Events etc.
3	<p>We will provide through Teagasc a dedicated service which will help part-time and transitional farmers use their capabilities and time to better advantage and efficiency and, where necessary, to diversify their income through appropriate training through an Opportunities Programme.</p>	<p>The Opportunities Programme was re-launched in January 2004 as the 'Planning Post Fischler' Programme and is now known as the Options for Farm Families Programme. The programme is focused on assisting farmers adjust their farm and family situation post-decoupling. It allows farmers and their families to look objectively at their situation, analyse the options available for the farmer and his or her spouse and provides independent advice and guidance on the best way forward. To date over 13,000 farm families have participated in the programme with an overall target of 20,000 by the end of 2006. It is planned to put 7,000 families through the programme in 2006. Teagasc is now running night and weekend courses to facilitate the work patterns of part-time farmers. Over 10,000 adult farmers participate in Teagasc adult farmer training programmes each year with the majority of courses held at night. Teagasc has committed to developing an Advisory service for the artisan sector. The first full-time adviser commenced development work in September 2006 with producer and farmers market interests.</p>
4	<p>We will implement the recommendations of the Advisory Group on the role of Women in Agriculture.</p>	<p>In 2004 the Department compiled a comprehensive progress report on all of the recommendations in the Report of the Advisory Committee on the Role of Women in Agriculture. This indicated that they had been fully taken into account by all the relevant Government Departments and agencies. Substantial progress was achieved across the broad range of issues raised by the Advisory Committee. The Department has actively engaged in working with other Departments on drafting the National Women's Strategy, under the guidance of the Department of Justice, Equality and Law Reform. Work was almost completed by end 2006.</p>

NO.	COMMITMENT	PROGRESS TO DATE
5	<p>We will work to protect the fundamental principles of the CAP in the EU enlargement negotiations. As necessary, we will also support measures such as adequate EU finances, in order to ensure the smooth integration of the agriculture of the application countries of Central and Eastern Europe joining the European Union, while preparing to take advantage of new market opportunities.</p>	<p>The accession of 10 new Member States took place on 1 May 2004 and negotiations on the accession of Bulgaria and Romania were concluded in June 2004 without any adjustment to the fundamental principles of the CAP. The Department was satisfied with the funding provided for the period to 2006. Funding for the period 2007 to 2013 was decided in the context of the Financial Perspective agreed at the European Council in December 2005. The Department's aim was to ensure that the outcome of any further review of the CAP took effect outside the 2007-2103 period, to protect the benefits of CAP Pillar 1 (direct payments), to maximise Ireland's share of CAP Pillar 11 (rural development) and to ensure no further modulation was introduced. These priority interests were substantially protected by the outcome of December 2005 Summit, which represents a good outcome for Irish Agriculture.</p> <p>Agreement was reached in August 2004 on the framework for a new WTO agreement and the negotiations on the new round intensified at the WTO Ministerial Conference in Hong Kong. Ireland's objective is to influence these talks to ensure that any new agreement on trade liberalisation can be accommodated without the need for further reform of the CAP. However, as the Commission negotiates in the WTO on the basis of a mandate agreed by the Council, Ireland's ability to influence the final outcome is necessarily limited. Due to lack of progress, the WTO talks were suspended in July 2006 and it is difficult to evaluate when they will resume.</p>
6	<p>We will continue to promote the highest standards of food safety and foster a culture of innovation, quality and excellence in the food industry.</p>	<p>To ensure that food at all stages in the food chain is produced to the highest possible standards of safety, an extensive monitoring, surveillance and inspection programme is in place. All food safety processes are being updated and reviewed as part of the implementation process required under the Hygiene Regulations.</p> <p>We established a Food Labelling Group to address consumer concerns on labelling and origin of foodstuffs and are ensuring, as far as possible, that its recommendations are implemented. Nineteen of the twenty one recommendations, many of which were beyond the remit of this Department, have been addressed. The remaining two recommendations, which relate to origin labeling, are also being addressed.</p> <p>The Irish food, drink and horticulture sectors operate in a very competitive environment. The pace and scale of change generates huge challenges and opportunities. To facilitate the effective development of the agri-food industry in this rapidly changing environment, the Department developed the AgriVision 2015 Action Plan. This plan which was published in March 2006 is the Government response to the Report of the AgriVision Committee. The Action Plan highlights three key drivers for success, i.e. -Competitiveness, Innovation and Consumer Focus and sets out 167 actions which will be taken by either the State, State Agencies or the private sector to ensure that the agri-food industry is capable of successfully meeting the challenges it will face up to 2015. The inter-agency operational fora to drive this Action Plan have been established. It is intended to publish the first progress report on the implementation of the Action Plan in March/April 2007.</p> <p>In the Agri-Vision 2015 Action Plan the Department is committed to a close working relationship with Bord Bia and the food industry. Bord Bia has carried out a strategic review to equip it to continue to deliver increased business for its stakeholders. Its marketing and</p>

NO.	COMMITMENT	PROGRESS TO DATE
6		<p>promotion programmes have assisted food exporters, manufacturers of new, convenience and value-added foods and small specialist producers in developing business. The Department will support Bord Bia in strengthening its strategic market intelligence capability and in developing promotion and market development services to assist individual sectors to meet emerging market challenges. Bord Bia will continue to develop its very successful brand forum programme and will also establish a specialised unit for small business development.</p> <p>Agencies have actively promoted the “Market Led New Product Development for the Food and Drinks Industry”, guide to bringing innovative and new food products to market.</p> <p>Regional Food Forums combining food companies and development agencies have been held since November 2005 in the North-West (Killybegs), North-East (Carrickmacross), Midlands (Portlaoise) and South-East (Kilkenny) covering 18 counties. The West and South-West Fora will be held in Q1 2007. Focused on the theme of “Market Focus for Small Food Enterprises” these fora highlight the importance of small food enterprise and provide guidance on best practice in regional food marketing.</p> <p>A series of actions has begun to advance the implementation of the Prospectus recommendations, the strategic report for the development of the Dairy Industry. In 2006 a €300million capital investment programme was initiated for the dairy processing sector to improve its competitiveness and its long term viability.</p> <p>We have placed increased emphasis on the necessity for a more competitive agri-food sector. For this purpose, three reports were commissioned:</p> <p>Productivity of Irish Agriculture - Newman & Matthews (2003); Competitiveness of Irish Agriculture - 1998/99 (Boyle, 2002); Indicators of Cost Competitiveness-1996/2000 (Thorne, 2004);</p> <p>The Department prepared and launched the R & D sectoral strategy for agriculture and food as part of the overall SSTI 2006-2013 launched earlier this year by Government.</p> <p>Public good research grants of €7.5m were approved under a targeted call issued in 2005 bringing cumulative NDP approvals to €63m. Projects are independently evaluated on a competitive basis. The FIRM programme has produced both high quality research outputs and a cadre of research staff available to the food industry. In 2005 the Department and Enterprise Ireland built on the collaborative ties established in 2004 to promote commercialisation of food research.</p> <p>Following consultation with industry and research institutions the Department issued a general call in February 2006 and €31 million has been awarded over 3 years for 58 projects from the research institutions on the themes:</p> <ul style="list-style-type: none"> ● Food and Health, including functional foods and product reformulation for enhanced health; ● Food quality and manufacturing including new innovative products, novel technologies ;

NO.	COMMITMENT	PROGRESS TO DATE
6	We will continue to promote the highest standards of food safety and foster a culture of innovation, quality and excellence in the food industry.	<ul style="list-style-type: none"> ● Food safety and security of the food chain; ● Food, the consumer and the food supply chain; ● New uses for food and drink by-products; <p>DAF has well-established partnerships with the Food Safety Authority of Ireland (FSAI) and the Food Safety Promotion Board (FSPB). In November 2006 DAF partnered with agencies in the Health, Energy and Environment areas to submit strategic cross-Departmental research funding proposals under the €40 million special fund set up under the new Government Science Strategy.</p>
7	We will continue to pursue actions through the EU to ensure that the same high standards apply to imported foods as to domestic products.	Current EU requirements on food imports are that such imports must reach standards equivalent to those in the EU. Vigilance is maintained to ensure that this position is maintained where amendments to regulations are proposed.
8	We will seek to improve the level of information available to consumers about the origins of the food on sale in this country through initiatives such as the introduction of a distinct green label for Irish food.	<p>The continued growth in the membership of quality assured schemes is being promoted by Bord Bia. This commitment is given ongoing attention under the AgriVison 2015 Action Plan and the Agriculture provisions of Towards 2016.</p> <p>The Department will provide the Bord with a special contribution of €1.9m in 2006 to help encourage increased participation in the new Quality Assurance Scheme for Beef to the EN45011 Standard. The ambitious programme to achieve 14,000 independent EN45011 checks in 2006 is on target.</p> <p>The Bord's Quality Assurance Scheme logo with the country of origin symbol has been extended to horticultural produce. Considerable progress has been made in implementing the recommendations of the Food Labelling Group. In relation to the two central recommendations of the Group the position is that enforcement of the food labelling legislation has been centralised in the FSAI and new regulations on origin have been introduced for poultry meat.</p> <p>In April 2006, primary legislation was enacted to enable the Minister for Health and Children make regulations which require the restaurant and catering sectors to provide consumers with information on the 'country of origin' on the beef served on their premises. Regulations came into effect on 3 July 2006. This Department is currently drafting regulations to require similar information be provided on pigmeat, sheepmeat and poultry. These will require EU approval before implementation.</p>
9	We will encourage the food industry to build long-term relationships in premium export markets with a strong emphasis on growth in value-added products	An Bord Bia embarked in 2005 on the second phase of its strategy to build sales of Irish beef in European supermarkets, and to establish firm awareness of Irish Beef in the minds of consumers. The campaign involved on-pack promotions in 8,000 European stores, frequented by some 40 million shoppers every week and was concentrated in the period of our peak supply from September to November. Bord Bia has been supported by Ministerial presence on delegations to Italy, Germany and the Netherlands and the initial response from continental retailers and consumers is very promising. The International Speciality Forum held in Kilmainham in May 2005 has already resulted in €1 million new business. As one of the sponsors of the Ryder Cup 2006, held in the K Club, Bord Bia succeeded in introducing a new food dimension to the event enabling Irish food, drink and horticulture to be showcased world-wide and to international buyers visiting Ireland for the event.

NO.	COMMITMENT	PROGRESS TO DATE
	<p><i>And,</i></p> <p>We will encourage the Irish beef industry, in particular, to make the development of sustainable EU markets its over-riding priority with the twin objectives of gaining greater stability and closing the gap between Irish and European prices. The key to making this happen is the building of an integrated supply chain through partnership arrangements between producers, processors and retailers, underpinned by the National Beef Assurance Scheme and industry quality schemes in product promotions.</p>	<p>Total exports of food and drink amounted to € 7.5 billion in 2005, despite sterling depreciation and price deflation which suppressed returns by up to 4% in the UK, the industry's largest market. The EU remains the main destination for Irish Agri-food exports, in 2005 these were valued at €5.8 billion, accounting for 77% of the total. Drinks exports to the US increased, Bord Bia explored potential in Asia.</p> <p>The shift in beef exports to continental EU markets continued in 2005, with volumes rising by 11%. Exports to non-EU markets now account for less than 8 % of the total compared with over 50 % some five years ago. Exports of beef to EU markets in 2006 reached 490,000 tonnes building on record levels of 450,000 tonnes in 2005.</p> <p>Strong beef prices were achieved in 2005; the average price in 2005 was 5% above that paid in 2004. In 2006, cattle prices at end October were 12% higher than those received in 2005.</p> <p>The prepared consumer foods sector has shown remarkable growth in sales and exports in the past decade with total sales of €1.5 billion in 2005. This sector is subject to trade fluctuations due to currency changes.</p>
10	<p>We will promote the preservation of the environment through good farming practice supported by grants and special tax incentives to assist on-farm investment and careful waste management. We will seek to ensure that supports are available to all farmers.</p>	<p>A revised Farm Waste Management Scheme was introduced in March 2006 in order to assist farmers meet the requirements of the Nitrates Directive. The Scheme was opened up to all low-income farmers.</p> <p>Since its introduction in 2001, expenditure on the Farm Waste Management Scheme has amounted to €87.2m. Expenditure on the Dairy Hygiene Scheme over the same period totaled €20.6m.</p> <p>The accelerated rate of capital allowances for investment in necessary pollution control facilities has been renewed for a further three years until 31 December 2006 and the maximum 'floating' allowance available in any one year was increased from € 31,750 to € 50,000.</p>
11	<p>We will foster a clean and attractive countryside with a high quality of life that can be enjoyed and appreciated by all. As part of this policy we will seek to make the REPS scheme more attractive</p>	<p>A revised REPS was introduced on 1 June 2004 and provided for increased rates of payment as agreed under Sustaining Progress. Under this enhanced Scheme, farmers receive an average increase of 28% in payments. Take-up of the revised Scheme in 2005 reached an all time record of in excess of 48,000. A provision of €271m was made in the 2005 Estimates but this amount had to be increased to €283m to meet the increased demand. The provision in the 2006 vote is €323m, to date in 2006 participation rates are 54,000.</p> <p>Proposals for a new REP Scheme as part of the CAP Rural Development Plan 2007-2013 have been agreed with increased payments of 17%.</p>
12	<p>We will enhance cooperation with the Northern Ireland authorities on keeping the island of Ireland disease-free.</p>	<p>Regular meetings continue to be held at Ministerial and official levels to progress alignment of policies and protection arrangements in relation to disease control generally.</p> <p>On the specific issue of avian influenza, officials for the relevant Departments, North and South are in regular contact with one another in relation to a wide range of avian 'flu-related issues of mutual concern. The two Departments have been working particularly closely in relation to contingency planning. Both Departments enjoy a very close working relationship and the co-operation will continue in the face of the threat posed by the continuing spread of avian 'flu'.</p>

NO.	COMMITMENT	PROGRESS TO DATE
13	<p>We will enhance the contribution of horticulture, by supporting the production of product in an environmentally friendly manner and marketed to uniformly high standards.</p>	<p>In the negotiations on the reform of the EU Fruit and Vegetable regime the interests of producers and consumers will be protected. The strengthening of the role of Producer Organisations in the supply of fruit and vegetables to a market dominated by the multiple retailers will be a key factor.</p> <p>The implementation of the recommendations of the Mushroom Task Force (published May 2004) is leading to a more competitive mushroom industry with the capacity to meet the challenges in the UK market. The fall off in grower numbers continues but this is compensated to some extent through larger scale operations and more efficient production systems.</p> <p>To provide full traceability from 'farm to fork' for potatoes, the Register of Potato Growers and Potato Packers is now available on the Departments website. The development of a strong commercially focused seed potato industry continues to be an important priority. Measures which have been introduced to facilitate this include a grant aid scheme for seed producers, privatisation of pre-basic seed production, improved plant health controls, the development of an integrated data-base and charging for inspections under the seed certification scheme.</p> <p>The NDP Capital Grant Aid Scheme for producers continues to be the catalyst for development of the horticulture and potato sectors. For 2006 over €7m in grant aid has been awarded in capital investment which leveraged overall investment of some €20m for the 174 growers involved. Grant aid of €1.5m is being provided for the development of the seed potato sector bringing to €2.5m the support provided since 2005.</p> <p>Bord Bia is continuing its full programme of activities for development of the horticulture sector, viz Quality Programme, promotion programmes for both trade and consumer, market intelligence, Business Support Scheme, industrial development, amenity horticulture and buyer programmes for exports of nursery stock. Bord Bia has identified good growth potential in the prepared vegetable sector.</p>
14	<p>We will further develop the organic sector through an increase at production level and the development of a single national label to take advantage both of 'clean green' image of Irish agriculture and the added appeal of organic food.</p>	<p>The Organic Development Committee, representing major stakeholders both within and outside the organic sector, issued its report in 2002. Most of its key recommendations have been implemented. A National Steering Group for the Organic Sector meets four times a year. The Steering Group has recommended that work on developing a single national label should be deferred pending the outcome of similar efforts at European level.</p> <p>In spite of growing demand for organic food, and a great deal of encouragement and financial support through the Rural Environment Protection Scheme (REPS) and a dedicated investment Scheme, the Irish organic production and processing sectors remain small. However, there are signs that it may be expanding. There were 1,090 registered organic operators by the end of 2005 which represented an increase of 8.6% over 2004 figures. The amount of land in organic production also grew by about 15% in 2005. The main financial support for organic farmers is through REPS. In 2005, organic farmers received in excess of €5m from REPS and the sector has received a total of €31m since the REPS scheme started in 1994. The decoupling of direct payments from production allows farmers to be more flexible in their response to the market and conventional farmers are being urged to consider organic production.</p>

NO.	COMMITMENT	PROGRESS TO DATE
15	<p>We will set the quality of service, including the efficient and timely delivery of payments, as an integral part of all operational priorities.</p>	<p>Our record in relation to the timely delivery of direct payments under the old regime of "coupled payments" was comparable to the best in other EU Member States. Under the new "decoupled" Single Payment Scheme (SPS), the major service delivery challenge facing the Department in 2005, was the disbursement of the Single Payment Scheme to all eligible applicants. To date, over €1193 billion under the SPS were paid to over 120,000 farmers. There is general consensus that the number of payments made by the Department in its first year of operation is significant and compares very favourably with the situation in all other M.S.</p> <p>In 2006, a 50% advance payment of SPS was approved and paid from 16 October. Some €563million has been paid to 118,000 farmers, about 93% of eligible applicants.</p> <p>Following an extensive consultative process on a new Customer Service Action Plan 2005-2007, both the Plan and the Department's first Customer Charter were launched in February 2005.</p>
16	<p>We will give urgent consideration to the potential for tax incentives for long-term leasing of land as a means of increasing the supply of land available to young farmers.</p>	<p>A person over 40 years can receive an income tax exemption on rental income received from the long-term lease of farmland. Budget 2006 increased the exemption threshold to cover income from entitlements leased with the land, as follow:</p> <ul style="list-style-type: none"> ● €10,000 to €15,000 for leases of 7 years or more; and from ● €7,500 to €12,000 for leases of five to seven years. <p>This amendment will help improve land mobility, facilitating better long-term planning and ensure that land is farmed in accordance with good agricultural and environmental condition.</p> <p>Stamp duty relief for exchange of farmland between two farmers for the purposes of consolidating each farmer's holding was also introduced in Budget 2005 for a two year period with effect from 1 July 2005.</p>
17	<p>We will agree a series of proposals with farming organisations designed to tackle red tape and argue strongly for their adoption at EU level.</p>	<p>Much progress has been achieved in this area with the greater use of IT, see Commitments 24-26 following. Also, the introduction of decoupling and the single payments system (SPS) has greatly facilitated the simplification of application and processing procedures and the number of on-farm inspections fell from over 18,000 in 2004 to 9,000 in 2005.</p>
18	<p>We will examine, in conjunction with the Commission, the possibility of extending the disadvantaged areas classification to the whole BMW Region.</p>	<p>Following informal discussions, in late 2004 this Department submitted a case to the EU Commission for classifying all of Co. Monaghan as More Severely Handicapped. The Commission has agreed this and Monaghan is so classified in its entirety from 2005 on.</p> <p>In mid-2004 the EU Commission published a Draft Regulation on Rural Development, which included new criteria for designating Disadvantaged Areas. Agreement on these criteria, however, proved impossible. Accordingly, the Council of Agriculture Ministers agreed on 20 June 2005 a new framework for rural development for the period 2007 to 2013 which provided for the maintenance of the existing arrangements for the Less Favoured Areas until 2010. In the meantime, the Commission will present a report and proposals to the Council concerning the future payment system and designation of Less Favoured Areas. Any changes to the Less Favoured Areas scheme will be considered in the context of this review of the scheme.</p>

NO.	COMMITMENT	PROGRESS TO DATE
19	<p>We will work to increase forestry planting levels to 20,00 hectares per annum.</p>	<p>Despite allocation of funds and the strongest package of incentives ever assembled, planting levels in 2005 were only marginally up on 2004, with payment made for just over 10,000 hectares of new forestry. Indications for 2006 are that we there will be no major increase this year either. It had been anticipated that with the possibility of stacking entitlements and this being the last year of the current very attractive package, we would have seen a major increase in demand for forestry. However, this has not happened. The long-term commitment involved, combined with high land prices, makes it uneconomic for many farmers to invest in forestry at this time, especially given the current rate of premium and competing agricultural returns.</p> <p>Substantial progress is being made on a number of other fronts, however, eg:</p> <ul style="list-style-type: none"> ● A relatively favourable outcome to the RDR negotiations last year, against the odds; ● Successful implementation of IFORIS, the new forestry computer system; ● National inventory nearing completion; ● Legislative Review well advanced; ● Increases secured in the planting grant; ● New schemes on the way for biomass and wood-energy, stimulating new markets; ● Very successful Call for Proposals for innovation in the sector; ● New training programme, designed and delivered in conjunction with the sector; ● New promotional campaign, again designed and delivered in conjunction with the sector; ● High Level review of strategy nearing completion. <p>These combine to make forestry as attractive as possible, in the circumstances.</p>
20	<p>We will run a proactive and efficient Presidency in 2004</p> <p><i>[Section 1: Working for Peace]</i></p>	<p>The Department delivered a successful Presidency in terms of planning, preparation and organisation (over 100 meetings of the Council, Special Committee for Agriculture, Chief Veterinary Officers and Working Groups as well as Informal meetings in Ireland) and achieved major progress in advancing policy issues. Final agreement was secured on 20 legislative proposals, including the reform of Mediterranean product regimes representing a further major step in the reform process based on the principles of market orientation and sustainability. Among the achievements in the food safety area were agreement on controls on food and animal feed and the finalisation of the "Hygiene Package" which consolidates and up-dates EU legislation on food hygiene.</p>

NO.	COMMITMENT	PROGRESS TO DATE
21	<p>We will implement the revised National Anti-Poverty Strategy with its ambitious targets across a broad range of issues.</p> <p><i>[Section 4: Building a caring society]</i></p>	<p>In 2006, over €1.8 billion in direct payments were paid to farmers. In addition to direct payment agricultural incomes are also supported through other market support measures, on-farm investment grants, forestry supports and by public expenditure on research and development, training and advisory services.</p> <p>Data from the EU-SILC 2005 indicate that farm households have an average disposable income of approximately 90% of the state average and generally have lower rates of consistent poverty than other household groups (based on a broad definition of farm households).</p> <p>The Farm Assist Scheme, operated by the Department of Social and Family Affairs (DSFA), provides income support for low-income farm families. At the end of 2006, there were 7,500 low-income farm families receiving farm assist payments from DSFA, a decrease from 4% on 2005. Total expenditure by DSFA on the Farm Assist Scheme in 2006 was €71.1 million.</p>
22	<p>We will fully implement the National Climate Change Strategy and we will report on progress on an annual basis</p> <p><i>[Section 3: Ensuring balanced regional development]</i></p>	<p>Following the publication of the National Climate Change Strategy in November 2000, a cross-Departmental climate change team and a number of sub-groups were established to oversee implementation of the Strategy. The Department of Agriculture and Food is represented on all the Groups. A Climate Change Group within this Department coordinates the Department's actions on foot of the Strategy. We will continue to participate in the cross-Departmental climate change team and to coordinate the Department's own actions on foot of the Strategy through the Climate Change Group within the Department.</p>
23	<p>We will build a greater culture of review of public spending by publishing regular evaluations of key spending programmes. As part of this, each Department will publish key indicators for each major programme against which progress will be assessed.</p> <p><i>[Section 5 Supporting civic life]</i></p>	<p>Since 2002, 12 Expenditure Reviews have been completed in key expenditure areas in the Department. A 13th is nearing completion, and the evaluation of 2 other key spending programmes which commenced in 2005 is currently underway. The public expenditure reviews carried out by the Department provide a detailed assessment of the efficiency and effectiveness of resource allocation on specific schemes and services.</p>
24	<p>We will implement an ambitious e-Government agenda aimed at ensuring that the public will be able to access most key Government services electronically</p> <p><i>[Section 2: sustaining a strong economy]</i></p>	<p><i>(Material relates to the 3 interrelated commitments 24/25/26)</i></p> <p>The Department continues to improve its IT services for both internal and external customers.</p> <p>A new ICT Strategy was published in March 2004, which followed on from the 2000 IT Strategy. Its purpose was to build on the changes already implemented and to both complement and support the changing environment brought about by MTR, Decentralisation and the addition of the Forest Service.</p> <p>The focus of the ICT Strategy is to support the Department's near term obligations and to use IT to facilitate strategic change.</p> <p>Key current projects are the:</p> <ul style="list-style-type: none"> ● Work began in late 2004 on Phase 2 of the Single Payment Scheme (SPS) system to enable the Department to meet its next significant undertaking of processing over 140,000 Single Payment Scheme applications from April 2005. SPS enabled the Department to
25	<p>We will put in place a programme to implement a major expansion in the range and quality of on-line Government services</p> <p><i>[Section 5: Supporting Civic Life]</i></p>	

NO.	COMMITMENT	PROGRESS TO DATE
26	<p>We will ensure that all public services capable of electronic delivery are available through a single point of contact</p> <p><i>[Section 5: Supporting Civic Life]</i></p>	<p>achieve it's target delivery by issuing over €1.18 billion in Single Payment Scheme payments from December 1st 2005 in respect of 2005 applications. Permission was also sought and granted to allow us to pay 50% advances in respect of 2006 clear applications. In this way the Department's target delivery has been exceeded through successfully making advance payments for 2006 applications. These advance payments totalling in excess of €0.55 billion started from this October, with the corresponding 50% balancing payment due to be paid in December;</p> <ul style="list-style-type: none"> ● Development of the Animal Identification and Movement (AIM) system to provide full traceability for the national bovine herd thus giving assurances to consumers and buyers of Irish beef and beef products; ● Development of an Integrated Forest Information Computer System, known as IFORIS. It is a map based system which incorporates forest planting approvals, grant and premium payments and cross-compliance checking. The system went live in March 2006. <p>In relation to external customers, the Department has embarked on major developments in the IT area and all key business processes are supported by IT systems. These include:</p> <ul style="list-style-type: none"> ● The Department's Electronic Services portal (eServices), incorporating the SPS (Single Payment Scheme) and AIM (Animal Identification and Movement) systems and FIMS (Forestry Industry Mapping System); ● The Single Payment System allows registered customers access to their SPS claim details. It is planned to allow SPS applicants submit their 2007 claims online. Clients will also be allowed the option to nominate agents to handle their online SPS transactions with the Department; ● AIM allows herdowners to view their bovine herd profile, register the births of calves and to apply for compliance certificates over the Internet. Mobile phone services provided by the Department allow a herdowner to view a list of the animals in their herd, register a calf birth or apply for a certificate of compliance. AIM facilities for Export Locations and Livestock Marts are in development. It is planned to commence implementation of these facilities in the first quarter of 2007; ● FIMS is a web based application which supports the Department of Agriculture and Food's IFORIS computer system by providing a facility for Forest Service customers to create and submit maps online in support of their planting approval and forestry grant applications; ● Nationwide rollout of the Animal Health Computer System (AHCS) was completed in February 2005. The system has been extremely successful with almost 100% take-up by private veterinary practitioners, resulting in significant staff reductions and other administrative savings; ● Ongoing promotion, particularly to farmers, of the facility to allow payment through direct credits to customers' bank accounts.
24/25 & 26	Progress to date continued opposite.	<p>E-Government Developments:</p> <p>Electronic links with many of our agents (marts, meat plants, export lairages, private veterinary practices, tag vendors and those involved</p>

NO.	COMMITMENT	PROGRESS TO DATE
		<p>in the collection of bovine registration and movement data) have been implemented already.</p> <p>The Department continues to assist the Reach Agency in the deployment of applications and information through the Public Services Broker. The DAF/Revenue Export Refunds system has been completed and utilises the infrastructure already in place to allow data transfer between Government Agencies.</p> <p>The Department is actively participating with the Department of the Taoiseach in the area of E-Government.</p> <p>In line with Government policy on e-Inclusion, the Department:</p> <ul style="list-style-type: none"> ● In cooperation with Teagasc, is providing e-Learning courses; ● Has installed Kiosks in certain Department offices that allow free Internet access to Government and EU sites; ● Is using pervasive technologies such as SMS both internally and as an alternative method of communicating with our customers.

Appendix 4 - National Development Plan 2000-2006 – Agriculture and Rural Development

Expenditure 2000 – 2006 and in 2006

Programme	Sub-Programme/Measure/Sub-Measure	Expenditure €m 2006	Expenditure €m 2006
1. Guarantee Funded Rural Development Programme	REPS	329.233	1525.711
	Compensatory Allowances	257.542	1434.085
	Early Retirement	54.68	526.773
	Forestry	93.893	725.602
	Total CAP Rural Development Plan	735.348	4212.171
2. Productive Sector Operational Programme	Teagasc Research	8.747	57.584
	Research Stimulus Fund	0.411	4.348
	Total Research (Agriculture)	9.158	61.932
3. Employment and Human Resources Development Operational Programme	Teagasc Training	12.01	84.72
	International Equine Institute	0.289	1.677
	Total Training (Agriculture)	12.299	86.397

Programme	Sub-Programme/Measure/Sub-Measure	Expenditure €m			
		2006	BMW 2000- 2006	S&E 2006	2000- 2006
	<u>Sub-Programme on Agriculture and Rural Development</u>				
	<u>Measure 1: General Structural</u>	12.838	57.043	24.177	95.072
	Installation Aid for Young Farmers	1.841	9.053	3.865	20.329
	Farm Waste Management	8.39	40.017	12.92	47.183
	Improvement of Dairy Hygiene Standards	1.974	6.389	5.019	14.25
	Improvement of Animal Welfare Standards (Pigs Only)	0.469	0.469	0	0
	Animal Carcase Disposal	0.164	0.596	0	0
	Development of Grain Storage Facilities On Farm	0	0.519	0	1.904
	Improvement of Cattle Breeding Infrastructure	0	0	1.298	5.628
	Improvement of Equine Breeding Infrastructure	0	0	1.075	5.778
1.Border, Midland and Western (BMW) Regional Operational Programme	<u>Measure 2: Alternative Enterprises</u>	1.834	8.42	4.597	18.236
	Development of the Horticulture Sector	0.878	4.708	3.527	12.315
	Development of the Potato Sector	0.384	0.783	0.532	1.595
	Development of the Organic Sector	0.115	0.816	0.081	0.931
	Improvement in Equine Quality	0.165	0.883	0.131	1.601
and	Housing/Handling Facilities for Alternative Enterprises	0.292	1.23	0.326	1.794
	<u>Measure 4: Services for Agricultural Development</u>	5.73	37.828	4.688	30.928
2. Southern & Eastern (S&E) Regional Operational Programme	Teagasc Advisory Services	5.73	37.828	4.688	30.928
	<u>Sub-Programme: Local Enterprise Development</u>				
	<u>Measures: Forestry</u>	5.775	35.205	6.305	30.036
	Harvesting	0	1.385	0	0.736
	Woodland Improvement	2.167	18.713	1.945	10.151
	Forestry Development	0.679	5.964	1.183	9.408
	Forestry Roads	2.929	9.143	3.177	9.741
	Total Agriculture & Rural Development (Regional OPs)	26.177	138.496	39.767	174.272
	Total Structural and Guarantee Measures for Agriculture/Rural Development		Expenditure €m 2006	Expenditure €m 2000-2006	
			822.749	4673.269	

Appendix 5 - Vote 31: Expenditure on Agriculture and Food for 2006

Administration		281.241 (€m)
A1	Salaries Wages and Allowances	214.273
A2	Travel and Subsistence	13.518
A3	Incidental Expenses	7.872
A4	Postal and Telecommunications	6.428
A5	Office Machinery	13.828
A6	Office Premises Expenses	6.682
A7	Consultancy Services	11.553
A8	Supplementary Measures to protect the Financial Interests of the EU	0.425
A9	Laboratory Equipment	6.662
A10	Information Society	0.000
Other Services		
Education Research & Advisory Services		153.347
B	Research and Testing	31.329
J	TEAGASC Grant-in-aid for General Expenses (inclusive of Pay)	122.018
Livestock Improvement & Eradication of Disease		110.176
C	Bovine Tuberculosis and Brucellosis Eradication	45.702
C	General Disease Control and Eradication	54.733
C	National Beef Assurance Scheme	8.853
B	Cattle Breeding Authority	0.888
Development Aid		23.419
K	BORD BIA for general expenses inclusive of pay	22.403
M	Non-thoroughbred Horse Industry	1.016
Pension Payment etc.		2.217
M	Pension payments etc. (Pay) /Dairy Disposal Co Ltd.	1.677
M	Life Annuities and Premiums (EU Dir No. 72/160)	0.540
Schemes Operated in Implementation of EU Guarantee Regulations		773.303
D	Financing of the CAP.	13.354
D	Market Intervention Losses by Deficiency, Accident, etc	3.695
D	IACS - LPIS	4.453
F	Rural Environment Protection Scheme	329.233
G	Early Retirement	54.656
I	Forestry	110.304
E	Compensatory Allowances	257.542
M	Rural Development Technical Assistance	0.066
Schemes Operated in Implementation of EU Structural Regulations and National Development Plan		49.796
G	Installation Aid – NDP Scheme	5.736
H	On Farm Investment – Pre NDP	0.054
H	NDP Agricultural Development	38.044
H	Grants for Marketing and Processing	5.962
Miscellaneous		43.599

C	Control of Horses	1.664 (em)
C	Temporary Veterinary Inspectors	24.821
D	School Milk Scheme	1.214
L	Food Aid Convention	8.506
M	International Co-operation	2.056
M	General Legal Expenses	2.642
M	Miscellaneous services	2.696
Total Gross Expenditure		1,437.098
Appropriations in Aid		-497.770
Administration A in A's		-22.885
O1	Recoupment of Salaries	0.000
O2	Forfeited deposits and securities under EC intervention, export refunds etc. arrangements	-0.958
O3	Refunds from fees for veterinary inspections services at poultry plants and meat inspection fees	-15.400
O4	Receipts from veterinary inspection fees for live exports	-1.658
O5	Receipts from fees for dairy premises inspection services	-4.869
Other Services		-24.885
O6	Receipts from sale of vaccines, livestock, farm produce etc	-0.752
O7	Receipts from seed testing fees, certification fees, Licensing fees, pesticides registration etc.	-2.177
O8	Receipts from licences and from sale and leasing of livestock etc. (Subhead C1)	-0.037
O9	Receipts from farmer contributions towards the cost of eradicating Bovine Disease (Subhead C2)	-10.495
O10	Land Commission receipts (Subhead A3)	-11.145
O11	Other Receipts	-0.279
EU Services		-450.000
O12	Market Intervention expenses and financing costs for other FEOGA (Guarantee) section measures (Subhead D)	-9.613
O13	Receipts for Intervention Stock Losses	0.000
O14	National Development Plan - Guarantee Receipts (Subhead E, F, G, I)	-398.672
O15	BSE Receipts (Subhead C)	-9.587
O16	Veterinary Fund (Subhead C)	-3.455
O17	Other Guarantee Receipts	-0.756
O18	NDP - Structural Receipts	-27.917
Net Expenditure		939.328

Appendix 6 - FEOGA/ EAGGF Guarantee Expenditure 2006

Detailed breakdown of Claims submitted to the EAGGF in the calendar year 2006

	€
Arable Crops	
Export Refunds	78,700
Production Aids	13,326
Intervention Costs (Cereals)	48,442
Dehydrated Fodder	101,647
Arable Crops -Area Aid	418,442
Total	660,557
Sugar	
Export Refunds	5,304,827
Intervention Costs (Sugar)	287,075
Reimbursement for Storage	0
Refunds for Sugar used in Chemical Industry	153,756
Total	5,745,657
Fruit and Vegetables & Other Sectors	
Aid for Grass Seed Production	0
Producer Organisations	3,386,077
Total	3,386,077
Dairy Products	
Export Refunds (including Food Aid)	46,589,152
Aid for Skim Milk Powder for Animal Feed	0
Aid for Liquid Skim Milk for Animal Feed	256,484
Aid for Casein	7,453,378
Additional Payment to Milk Producers	17,029
Intervention Costs (Skim Milk Powder and Butter)	(93,324)
Private Storage	3,697,453
Measures to Reduce Butter Fat Surplus	330,299
Compensatory Aid	0
Milk Co-Responsibility Levy	0
Milk Super Levy	(2,330)
Reimbursement of Super Levy	0
Aid for Supply of School Milk	713,306
Total	58,961,446.68
Beef and Veal	
Export Refunds	19,677,274
Live Animal Export Refunds	(174)
Private Storage	0
Intervention Costs	0
Suckler Cow Premium	850,074
Special Premium	1,959,217
Deseasonalisation Premium	43
Extensification Premium	1,274,384
Promotion Measures	0
Slaughter Premium	594,013
BSE & Slaughter Compensation Measures	112,909
Total	24,467,742
Sheepmeat	
Ewe Premium	186,299
Total	186,299
Pigmeat	
Export Refunds	1,810
Total	1,810

Poultry and Eggs	€
Export Refunds	195
Egg Promotion measures	0
Total	195
Processed Products	
Export Refunds	24,743,802
Total	24,743,802
Other Measures	
Plant Promotion	96,894
Bee Keeping Programme	36,914
Agri- Monetary measures	3,359
Total	137,167
Direct Aids	
Single Farm Payment	1,308,948,021
Total	1,308,948,021
CAP Rural Development Programme 2000-2006	
Accompanying measures (Rural Environment Protection Scheme (REPS), Early Retirement and Forestry) and Compensatory Allowances	356,045,964
Total	356,045,964
Other	
Recoveries	(803,826)
Clearance of Accounts by EU	(2,707,321)
Total	(3,511,147)
Grand Total	1,779,773,591
The EU co-funding contribution towards the CAP Rural Development measures varies from 50% to 85% of eligible expenditure, subject to overall financial ceilings.	

Appendix 7 -

Prompt Payments of Accounts Act 1997 and European Communities (Late Payments in Commercial Transactions) Regulations 2002

It is the policy of the Department of Agriculture and Food to fully comply with the terms of the Prompt Payment of Accounts Act 1997 and with the terms of the Regulations on combating late payment in commercial transactions (European Communities-Late payment in Commercial Transactions –Regulations 2002). The Act and the 2002 regulations have been brought to the attention of all staff, procedures are in place to meet their requirements and there is ongoing monitoring to ensure compliance with their provisions.

In 2006 a total of 155 invoices valued in excess of €317.44 incurred late payment penalties (this is the threshold as prescribed in the guidelines to Public Bodies by the Department of Enterprise, Trade and Employment for reporting purposes). The value of all invoices that were paid late amounted to €1,925,287.63. This represents 1.29% of €149,089,776.88, the total payments falling within the terms of the regulations. The total interest paid during 2006 resulting from late payments amounted to €4,032.24. The average number of days invoices were paid late in 2006 under the Late Payment in Commercial Transactions –Regulations 2002 was 10.5.

Appendix 8 - Orders and Regulations

The following Orders and Regulations were made during 2006

Title	S.I. No.	Description
European Communities (Avian Influenza) (Control on imports of Feathers from Certain Third Countries) Regulations, 2006.	11	This Order gives effect to Commission Decision 2006/7/EC concerning certain measures in relation to the import of feathers from certain third countries bordering Turkey.
European Communities (Recovery of Amounts) (Amendment) Regulations 2006.	13	This Statutory Instrument amends the European Communities (Recovery of amounts) Regulations, No. 463 of 2003 to reduce the interest rate applicable to the recovery of amounts pursuant to the EU Commission Regulations specified therein and to extend the scope of the Regulations to direct support schemes for farmers under the common agricultural policy, provided for under Council Regulation 1782/2003.
European Communities (Identification and Registration of Bovine Animals) (Amendment) Regulations, 2006.	18	These Regulations provide for amendments to the design of animal passports in respect of animals registered from 23 January 2006 and also extend the list of breed codes eligible to be registered in the animal registration database.
European Communities (Avian Influenza) (Control on Imports from Croatia) (Amendment) Regulations, 2006.	48	This Order amends S.I No 691 of 2005 and gives effect to Commission Decision 2006/11/EC which amended Commission Decision 2005/708/EC concerning certain protective measures with regard to live birds, fresh meat of wild feathered game, meat preparations and meat products consisting of or containing meat derived from wild feathered game, raw pet food and unprocessed feed material containing any parts of wild feathered game, untreated game trophies from any birds and unprocessed feathers and parts of feathers imported from parts of Croatia.
Bovine Tuberculosis (Attestation of the State and General Provisions) (Amendment) Order, 2006.	63	These regulations provide for amendment to the design of cattle identity cards of older animals.
Agriculture Appeals Act 2001 (Amendment of Schedule) Regulations 2006.	65	These Regulations, amend the Schedule to the Agriculture Appeals Act 2001. The Schedule to the Act specifies the Schemes that are covered by the Act. It is now necessary to amend the Schedule to the Act to include new schemes being administered by the Department.
European Communities (Avian Influenza) (Control on Imports from Romania) Regulations 2006.	71	This Order gives effect to Commission Decision 2005/710/EC as amended by Commission Decision 2006/23/EC and Commission 2006/24/EC concerning certain protective measures introduced because of Avian Influenza affecting live poultry and poultry products imported from Romania.
Diseases of Animals Act 1966 (Goat Identification) Order 2006.	79	This Order provides for the identification by ear-tag of goats.
European Communities (Avian Influenza) (Control on imports of Avian Products from Italy) Regulations 2006.	80	This Order gives effect to Commission Decision 2005/926/EC of 21 December 2005 concerning certain protective measures with regard to avian products imported from Italy and repeals the European Communities (Avian Influenza) (Control of Avian Products from Italy) Regulations 2004 S.I. No. 691 of 2004.

Title	S.I. No.	Description
European Communities (Avian Influenza) (Control on imports from Russia) (Amendment) Regulations 2006.	81	This Order amends S.I No 669 of 2005 and gives effect to Commission Decision 2005/933/EC of 21 December 2005 concerning certain protective measures in relation to avian influenza in Russia.
European Communities (Control of Organisms Harmful to Plants and Plant Products) (Amendment) Regulations 2006.	86	These Regulations are amended by the following: Commission Directive 2005/77/EC of 11 November 2005 and Commission Directive 2006/14/EC amends the Annexes to Council Directive 2000/29/EC on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community.
An Bord Bia (Amendment) Act 2004 (Commencement) Order 2006.	105	This Order provides for public access to the Register of Potato Growers and Potato Packers.
European Communities (Pesticide Residues) (Foodstuffs of Animal Origin) (Amendment) Regulations 2006.	106	These Regulations include the maximum pesticide level for picoxystrobin as listed in Part A of Annex II and replacing the maximum residue levels for propiconazole as set out in Part B of Annex II to Commission Directive 86/363/EEC.
European Communities (Pesticide Residues) (Products of Plant Origin including Fruit and Vegetables) (Amendment) Regulations 2006.	107	These Regulations amend existing regulations by including mesotrione, silthiofam, picoxystrobin, flufenacet, iodosulfuron-methyl-sodium, fosthiazate and molinate in the maximum residue levels listed in Annex II and amending the maximum residue levels for propiconazole and iprodione as set out in Annex VI of this Directive.
European Communities (Pesticide Residues) (Cereals) (Amendment) Regulations 2006.	108	These Regulations amend regulations on the fixing of maximum residue levels for pesticides in and on cereals by adding maximum pesticide residue levels for mesotrione, silthiofam, picoxystrobin, flufenacet, iodosulfuron-methyl-sodium, fosthiazate and molinate as set out in Annex I and the maximum residue levels for propiconazole and iprodione are amended by Annex II of Commission Directive 2005/48/EC.
European Communities (Avian Influenza) (Precautionary Measures) Regulations 2006.	121	These Regulations transpose the measures set down in Commission Decision 2005/734/EC as amended and provide for the establishment of an area as a high risk area and the biosecurity measures to be applied therein.
European Communities (Protection Measures in relation to Avian Influenza in Poultry) Regulations 2006.	123	These Regulations transpose the measures set down in Commission Decision 2006/135/EC and provide for the measures to be applied in the event of a suspect or confirmed outbreak of H5N1 Avian Influenza in poultry in Ireland.
European Communities (Seed Potatoes) (Amendment) Regulations 2006.	124	These Regulations provide for the allocation of alternative official registration numbers to growers, the appointment of authorised officers and updated penalties for offences.
European Communities (Protection Measures in relation to Avian Influenza in Wild Birds) Regulations 2006.	125	These Regulations transpose the measures set down in Commission Decision 2006/115/EC and provide for the establishment of protection and surveillance zones and the measures to be applied therein in the event of a suspect or confirmed incidence of H5N1 Avian Influenza in wild birds in Ireland.
European Communities (Avian Influenza) (Control on Imports of Feathers from Certain Third Countries)(Amendment) Regulations 2006.	126	This Order amends S.I No 11 of 2006 and gives effect to Commission Decision 2006/183/EC of 28 February 2006 which extends the list of third countries from which the import of unprocessed feathers is prohibited.

Title	S.I. No.	Description
European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) (Amendment) Regulations 2006.	128	These Regulations give effect to Commission Directive 2005/53/EC of 16 September 2005 and Commission Directive 2005/54/EC of 19 September 2005 amending Council Directive 91/414/EEC to include chlorothalonil, chlorotoluron, cypermethrin, daminozide, thiophanate-methyl and tribenuron as active substances.
European Communities (Plastics and other materials) (Contact with food) Regulations 2006.	139	This Order gives effect to Council Directive No. 78/142/EEC of 30 January 1978, Commission Directive No. 80/766/EEC of 8 July 1980 and Commission Directive No. 81/432/EEC of 29 April 1981, Council Directive No. 84/500/EEC of 15 October 2004 as amended by Commission Directive No. 2005/31/EC of 29 April 2005, Commission Directive No. 93/10/EEC of 15 March 1993 as amended by Commission Directive 93/111/EC of 10 December 1993 and Commission Directive No. 2004/14/EC of 29 January 2004, Commission Directive No. 93/11/EEC of 5 March 1993, Council Directive 2002/72/EC of 6 August 2002 as amended by Commission Directive 2004/1/EC of 6 January 2004, Commission Directive No. 2004/19/EC of 1 March 2004 and, from 19 November 2006, Commission Directive 2005/79/EC of 18 November 2005 and full effect to Regulation (EC) No. 1935/2004 of the European Parliament and of the Council of 27 October 2004 and Commission Regulation (EC) No. 1895/2005 of 18 November 2005 relating to plastic materials and articles intended to come into contact with foodstuffs. Parliament and of the Council of 27 October 2004 and Commission Regulation (EC) No. 1895/2005 of 18 November 2005 relating to plastic materials and articles intended to come into contact with foodstuffs.
European Communities (Environmental Impact Assessment) (Forestry Consent System) (Amendment) Regulations 2006.	168	These Regulations give effect to Directive No. 2003/35/EC of the European Parliament and of the Council of 26 May 2003, in so far as the Directive relates to the forest consent system.
European Communities (Milk Quota) (Amendment) Regulations 2006.	189	These Regulations further amend the European Communities (Milk Quota) Regulations 2000, by increasing the off-farm income thresholds for partners in Milk Production Partnerships, and by amending provisions in relation to family transfers of quota without land.
European Communities (Control on Imports of Products of Animal Origin from Madagascar) Regulations 2006.	190	This Order gives effect to Commission Decision 2006/241/EC concerning certain protective measures with regard to importation of certain products of animal origin, excluding fishery products, originating in Madagascar.
European Communities (Avian Influenza) (Control on Imports from Croatia) (Amendment) Regulations (No. 2) 2006.	191	This Order amends S.I No 691 of 2005 and gives effect to Commission Decision 2006/256/EC which amended Commission Decision 2005/758/EC concerning certain protective measures regarding Avian Influenza in parts of Croatia.
European Communities (Pesticide Residues) (Fruit and Vegetables) (Amendment) Regulations 2006.	192	These Regulations amend existing regulations on the fixing of maximum levels for pesticide residues in and on fruit and vegetables.
European Communities (Avian Influenza) (Control on Imports from Israel) Regulations 2006.	216	This Order gives effect to Commission Decision 2006/266/EC concerning certain protective measures introduced because of Avian Influenza affecting live poultry and poultry products imported from Israel.
European Communities (Avian Influenza) (Control on Imports from Bulgaria) Regulations 2006.	217	This Order gives effect to Commission Decision 2006/247/EC concerning certain protective measures introduced because of Avian Influenza affecting live poultry, ratites, farmed wild feathered game and wild game products imported from Bulgaria.

Title	S.I. No.	Description
European Communities (Newcastle Disease) (Control on Imports from Romania) Regulations 2006.	225	This Order gives effect to Commission Decision 2006/264/EC concerning certain protective measures introduced because of Newcastle Disease affecting poultry, ratites and farmed and wild feathered game and avian products of these species imported from Romania.
European Communities (Avian Influenza) (Control on Imports from Switzerland) Regulations 2006.	228	This Order gives effect to Commission Decision 2006/265/EC concerning certain protective measures introduced because of Avian Influenza affecting wild feathered game and wild feathered game products imported from Switzerland.
European Communities (Animal By-products) (Amendment) Regulations 2006.	250	The main provisions of these regulations include, inter alia, the lifting of the ban on imports into the State from the United Kingdom of certain bovine animals, meat or other product derived from a bovine animals and the updating of provisions in relation to specified risk material and animal by-products.
European Communities (Avian Influenza) (Amendment of Regulations) Regulations 2006.	257	These Regulations give effect to Commission Decision 2006/321/EC of 28 April 2006 concerning an extension of the period of application of protective measures in relation to avian influenza in Romania, Turkey and Croatia and amends the European Communities (Avian Influenza) (Control on Imports from Romania) Regulations 2005 (S.I No. 670 of 2005), the European Communities (Avian Influenza) (Control on Imports from Turkey) Regulations 2005 (S.I No. 679 of 2005) and the European Communities (Avian Influenza) (Control on Imports from Croatia) Regulations 2005 (S.I No. 691 of 2005).
European Communities (Safeguard Decisions) (Miscellaneous Revocations) Regulations 2006.	258	This Order removes certain restrictions imposed as result of EU Commission Safeguard Decisions, which have lapsed.
European Communities (Pesticide Residues) (Foodstuffs of Animal Origin) (Amendment) (No. 2) Regulations 2006.	259	These Regulations amend existing regulations on the fixing of maximum residue levels for pesticides. Commission Directive 2005/70/EC includes the maximum pesticide levels for bromoxynil, chlorpropham, ioxinyl, pyraclostrobin, quinoxyfen, trimethyl-sulfonium cation and glyphosate. Commission Directive 2006/30/EC amends the maximum pesticide levels for the benomyl group. bifenthrin, metalaxyl and azoxystrobin. Commission Directive 2006/4/EC amends the levels for carbofuran. Commission Directive 2006/30/EC amends the levels for the benomyl group.
European Communities (Pesticide Residues) (Cereals) (Amendment) (No. 2) Regulations 2006.	260	These Regulations amend existing regulations on the fixing of maximum residue levels for pesticides in and on cereals. Commission Directive 2005/70/EC amends the levels of bromoxynil, chlorpropham, dimethenamid-P, flazasulfuron, flurtamone, ioxinyl, mepanipyrim, propoxycarbazone, pyraclostrobin, quinoxyfen, trimethylsulfonium cation, zoxamide and glyphosate. Commission Directive 2005/76/EC amends the levels of kresoxim-methyl, cyromazine, bifenthrin, metalaxyl and azoxystrobin. Commission Directive 2006/4/EC amends the levels for carbofuran. Commission Directive 2006/30/EC amends the levels for the benomyl group.
European Communities (Newcastle Disease) (Control on Imports of Avian Products from certain districts of Bulgaria) (Amendment) Regulations 2006.	262	This Order amends S.I No 632 of 2005 and gives effect to Commission Decision 2006/263/EC concerning certain protective measures with regard to avian products being imported from certain administrative districts of Bulgaria where there have been outbreaks of Newcastle Disease.

Title	S.I. No.	Description
European Communities (Pesticide Residues) (Products of Plant Origin including Fruit and Vegetables) (Amendment) (No. 2) Regulations 2006.	266	Commission Directive 2005/70/EC amends Annex II to Council Directive 90/642/EEC by adding lines for bromoxynil, chlorpropham, dimethenamid-P, flazasulfuron, flurtamone, ioxynil, mepanipyrim, propoxycarbazon, pyraclostrobin, quinoxyfen, trimethylsulfonium cation and zoxamide. Commission Directive 2005/74/EC includes papaya and Cassava to Annex I to Council Directive 90/642/EEC. It also amends the maximum levels of pesticide residues listed in Annex II to Directive 90/642/EEC for ethofumesate, lambda-cyhalothrin, methomyl, pymetrozine and thiabendazole. Commission Directive 2005/76/EC amends the maximum residue levels of kresoxim-methyl, cyromazine, bifenthrin, metalaxyl and azoxystrobin. Commission Directive 2006/4/EC amends the maximum residue levels for carbofuran. Commission Directive 2006/9/EC amends the maximum residue levels of diquat. Commission Directive 2006/30/EC amends the maximum residue levels for the benomyl group.
European Communities (Protection of Animals During Transport) Regulations 2006.	267	These Regulations lay down the standards to be applied in relation to the protection of animals during transport. The Regulations make general provisions for the welfare of animals, including rest periods and stipulations for feeding and watering, during transport by road, rail, sea or air and requires that a person who is entrusted to transport live animals possesses the necessary knowledge to care for the animals.
European Communities (Control of Organisms Harmful to Plants and Plant Products) (Amendment) (No. 2) Regulations 2006.	277	These Regulations amend Annexes I to IV to Council Directive 2000/29/EC on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community.
European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) (Amendment) (No. 2) Regulations 2006.	283	These Regulations amend Council Directive 91/414/EEC to include MCPA, MCPB, chlorpyrifos, chlorpyrifos-methyl, mancozeb, maneb, metiram, warfarin, tolylfluanid, forchlorfenuron, indoxacarb, oxamyl, 1-methylcyclopropene, clodinafop, pirimicarb, rimsulfuron, tolclofos-methyl and triticonazole as active substances.
European Communities (Milk Quota) (Amendment) (No. 2) Regulations 2006.	284	These Regulations further amend the European Communities (Milk Quota) Regulations 2000, in respect of the off-farm income thresholds for partners in Milk Production Partnerships.
European Communities (Potato Ring Rot) (Amendment) Regulations 2006.	285	These Regulations provide for the appointment of inspectors under the European Communities (Potato Ring Rot) Regulations 1993 and update the penalties for offences.
European Communities (Newcastle Disease) (Control on Imports of Avian Products from certain districts of Bulgaria) (Amendment) Regulations (No. 2) 2006.	298	This Order amends S.I No 632 of 2005 and gives effect to Commission Decision 2006/354/EC concerning certain protective measures with regard to avian products being imported from certain administrative districts of Bulgaria where there have been outbreaks of Newcastle Disease.
Agriculture and Food (Delegation of Ministerial Functions) Order 2006.	299	This Order delegates to Mary Wallace, T.D., Minister of State at the Department of Agriculture and Food the powers and duties of the Minister for Agriculture and Food under the Acts and Instruments specified in the Order.
European Communities (Avian Influenza) (Control on Imports of Avian Products from Romania) (Amendment) Regulations 2006.	313	This Order amends S.I No 71 of 2006 and gives effect to Commission Decision 2006/396/EC of 2 June 2006 concerning certain protective measures with regard to highly pathogenic avian influenza poultry in Romania.

Title	S.I. No.	Description
European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) (Amendment) (No. 3) Regulations 2006.	319	These Regulations amend Council Directive 91/414/EEC as regards the specification of the active substance propoxycarbazone.
Land Purchase Annuities Redemption Scheme (Amendment) Regulations 2006	352	These Regulations provide for an extension to the date of the land purchase annuity scheme provided for in The Land Purchase Annuities Redemption Scheme Regulations 2005.
European Communities (Avian Influenza) (Amendment of Regulations) Regulations (No. 2) 2006.	356	These Regulations give effect to Commission Decision 2006/405/EC of 7 June 2006 and amends and extends the period of application of National Regulations (S.I. No.71 of 2006, S.I. No. 691 of 2005, S.I. No. 708 of 2005, S.I. No. 709 of 2005, S.I. No. 217 of 2006 and S.I. No. 228 of 2006) implementing EU Safeguard Decisions controlling imports as a result of Avian Influenza.
Diseases of Animals Act 1966 (Notification and Control of Animal Diseases) Order 2006.	359	This Order consolidates and modernises existing provisions relating to the notification and control of animal diseases. A number of animal diseases (e.g. bovine tuberculosis, brucellosis, foot and mouth disease) that are subject to comprehensive control rules are not affected.
European Communities (Avian Influenza) (Control on Imports of Avian Products from Romania) (Amendment) Regulations (No. 2) 2006.	379	This Order amends S.I. No 71 of 2006 and gives effect to Commission Decision 2006/435/EC of 23 June 2006 concerning certain protective measures with regard to highly pathogenic avian influenza poultry in Romania.
European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) (Amendment) (No. 4) Regulations, 2006.	381	These Regulations amend the European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) Regulations, 2003 (S.I. No. 83 of 2003). The amendments specify detailed requirements and procedures concerning handling and use of plant protection products by farmers and other professional end-users. The Regulations specify design and operational requirements for end-user storage facilities, and specify the records to be maintained. These Regulations also serve to define certain terms and to update the enforcement provisions of the Regulations.
European Communities (Food and Feed Hygiene) (Amendment) Regulations 2006.	387	These Regulations amend S.I. 910 of 2005 on Food and Feed Hygiene to give legal effect to Regulation 178/2002 (general principles and requirements of food law), to Commission Regulations (EC) No. 2073/2005, 2074/2005, 2075/2005 and 2076/2005. They form part of the overall food and feed safety legislation and cover animal feed, microbiological criteria, specific implementing measures for certain products, controls for Trichinella in food of animal origin and transitional arrangements for the introduction of aspects of food and feed hygiene legislation.
Agriculture (Research Training and Advice) Act, 1988 (Transfer of Property) Order 2006.	392	This Statutory Instrument gives effect to the Minister for Agriculture and Food decision to transfer lands situated at Newford, Athenry, County Galway and registered on Folio 30832F to Teagasc-The Agricultural and Food Development Authority.
European Communities (Authorization, Placing on the Market, Use and Control of Biocidal Products) (Amendment) Regulations 2006.	393	These Regulations amend the European Communities (Authorization, Placing on the Market, Use and Control of Biocidal Products) Regulations, 2001 (S.I. No. 625 of 2001) and give effect to Commission Directive 2006/50/EC of 29 May 2006 amending Annex IVA and IVB of the European Parliament and of the Council concerning the placing of biocidal products on the market. The amendments specify requirements concerning the maintenance of records of use of biocidal products by end-users and amend the data requirements for active substances and biocidal products that are micro-organisms, including viruses and fungi. These Regulations also serve to define certain terms and to update the enforcement provisions of the Regulations.

Title	S.I. No.	Description
European Communities (Newcastle Disease)(Control on Imports from Romania) (Amendment) Regulations 2006.	400	This Order amends S.I No 225 of 2006 and gives effect to Commission Decision 2006/501/EC of 14 July 2006 extending the application of certain protective measures introduced because of Newcastle Disease affecting poultry, ratites and farmed and wild game and avian products of these species imported from certain regions in Romania.
European Communities (Pesticide Residues) (Products of Plant Origin including Fruit and Vegetables) (Amendment) (No. 3) Regulations 2006.	464	Commission Directive 2006/60/EC amends Annex to Council Directive 90/642/EEC as regards the maximum residue levels of trifloxystrobin, thiabendazole, abamectin, benomyl, carbendazim, thiophanate-methyl, myclobutanyl, glyphosate, trimethylsulfonium, fenpropimorph and chloromequat. Commission Directive 2006/61/EC amends the Annex to Council Directive 90/642/EEC as regards the maximum residue levels of atrazine, azinphos-ethyl, cyfluthrin, ethephon, fenthion, methamidophos, methomyl, paraquat and triazophos. Commission Directive 2006/62/EC amends the Annex to Council Directive 90/642/EEC as regards maximum residue levels for desmedipham, phenmedipham and chlorfenvinphos.
National Milk Agency (Conduct of Elections)(Amendment) Regulations 2006.	471	The purpose of these Regulations is to establish constituencies for the election of producer representatives to the National Milk Agency.
National Milk Agency (Election Day) Regulations 2006.	472	The purpose of these Regulations is to fix 31st October 2006 as an election day for producer representatives to the Board of the National Milk Agency.
European Communities (Protection measures in relation to avian influenza in poultry and other captive birds) Regulations 2006.	478	These Regulations transpose the measures set down in Council Directive 2005/94/EC in relation to suspected and confirmed outbreaks of avian influenza in poultry and other captive birds.
European Communities (Protection measures in relation to highly pathogenic avian influenza of subtype H5N1 in wild birds) (No. 2) Regulations 2006.	480	These Regulations transpose the measures set down in Commission Decision 2006/563/EC and provide for the establishment of control and monitoring areas and the measures to be applied therein in the event of a suspect or confirmed case of highly pathogenic avian influenza of subtype H5N1 in wild birds in Ireland.
European Communities (Newcastle Disease) (Control on Imports of Avian Products from certain districts of Bulgaria) (Amendment) (No. 3) Regulations 2006.	488	This Order amends S.I No. 632 of 2005 and gives effect to Commission Decision 2006/571/EC concerning certain protective measures with regard to avian products being imported from certain administrative districts of Bulgaria where there have been outbreaks of Newcastle Disease.
European Communities (Pesticide Residues) (Foodstuffs of Animal Origin) (Amendment) (No. 3) Regulations 2006.	489	Commission Directive 2006/61/EC amends the Annex to Council Directive 86/363/EEC as regards the maximum residue levels of azinphos-ethyl, fenthion and triazophos. Commission Directive 2006/62/EC amends the Annex to Council Directive 86/363/EEC as regards maximum residue levels for phenmedipham and chlorfenvinphos.
European Communities (Control of Organisms Harmful to Plants and Plant Products) (Amendment) (No. 3) Regulations 2006.	490	These Regulations amend Commission Directive 2001/32/EC as regards certain protected zones exposed to particular plant health risks in the Community.
European Communities (Protection measures in relation to highly pathogenic avian influenza of the subtype H5N1 in poultry) (No. 2) Regulations 2006.	491	These Regulations transpose the measures set down in Commission Decision 2006/415/EC and provide for additional measures to be applied in the event of a suspect or confirmed outbreak of H5N1 Avian Influenza in poultry in Ireland.

Title	S.I. No.	Description
European Communities (Pesticide Residues) (Cereals)(Amendment) (No. 3) Regulations 2006.	492	These Regulations amend existing regulations on the fixing of maximum residue levels for pesticides in and on cereals. Commission Directive 2006/61/EC amends the levels of atrazine, azinphos-ethyl, ethephon and triazophos. Commission Directive 2006/62/EC amends the levels of desmedipham, phenmedipham and chlorfenvinphos.
European Communities (Avian Influenza) (Control on Imports of Avian Products from South Africa) Regulations 2006.	498	This Order gives effect to Commission Decision No. 2006/532/EC of 28 July 2006 concerning certain protective measures with regard to avian products imported from South Africa.
European Communities (Milk Quota) (Amendment) (No. 3) Regulations 2006.	508	These Regulations provide for a Milk Quota Trading Scheme.
European Communities (Avian Influenza) (Protection Measures Relating to Third Countries) Regulations 2006.	554	This Order gives effect to Commission Decision 2005/692/EC of 6 October 2005 as amended by Commission Decision 2006/521/EC of 25 July concerning certain protective measures with regard to avian products imported from Thailand, Malaysia, and The Peoples Republic of China.
European Communities (Avian Influenza) (Amendment of Regulations) (No. 3) Regulations 2006.	555	These Regulations give effect to Commission Decisions 2006/521/EC, 2005/522/EC and implement amendments to EU Safeguard Decisions controlling imports.
European Communities (Authorization, Placing on the Market, Use and Control of Plant Protection Products) (Amendment) (No. 5) Regulations 2006.	563	These Regulations amend Council Directive 91/414/EEC as regards the specification of the active substances dichlorprop-P, metconazole, pyrimethanil, triclopyr, dimoxystrobin and chlorothalonil.
European Communities (Agricultural or Forestry Tractors Type Approval) (Amendment) Regulations 2006.	564	These Regulations align Community technical regulations and standards with the corresponding global technical regulations and standards. It also lays down the maximum permissible laden mass and the maximum permissible mass per axle. It brings in changes to the installation of lighting and light-signalling devices and also changes to glazing and coupling of wheeled agricultural or forestry tractors.
Abattoirs (Control of Designated Bovine Offal) (Revocation) Regulations 2006.	565	These Regulations revoke the Abattoirs (Control of Designated Bovine Offal) Regulations 1996.
European Communities (Plastics and Other Materials) (Contact With Food) (Amendment) Regulations 2006.	566	These Regulations amend the European Communities (Plastics and other materials) (Contact with food) Regulations 2006, S.I. No. 139 of 2006.
European Communities (Undesirable Substances in Feedingstuffs) (Amendment) Regulations 2006.	577	These Regulations give effect to the provisions of Commission Directive 2005/86/EC of 5 December 2005; Commission Directive 2005/87/EC of 5 December 2005 and Commission Directive 2006/13/EC of 3 February 2006 which amend Annex I and Annex II to Directive 2002/32/EC of the European Parliament and of the Council on undesirable substances in animal feed.
European Communities (Avian Influenza)(Control on Imports of Avian Products from Romania) (Amendment) (No. 3) Regulations 2006.	583	This Order amends S.I. No. 71 of 2006 and gives effect to Commission Decision 2006/689/EC of 3 October 2006 concerning certain protective measures with regard to highly pathogenic avian influenza poultry in Romania.
Agriculture Appeals Act 2001 (Amendment of Schedule) (No. 2) Regulations 2006.	584	These Regulations, amend the Schedule to the Agriculture Appeals Act 2001. The Schedule to the Act specifies the Schemes that are covered by the Act. It is now necessary to amend the Schedule to the Act to include a new scheme being administered by the by the Department.

Title	S.I. No.	Description
European Communities (Aerial Fertilisation) (Forestry) Regulations 2006.	592	These Regulations provide for the introduction of a statutory licence system by the Minister for Agriculture and Food for the aerial application of fertilisers to forests.
Veterinary Practice Act 2005 (Prescribed Places and Events) Regulations 2006.	611	These Regulations exempt certain places and events from the requirement to hold a certificate of suitability under Section 106 of the Veterinary Practice Act 2005.
European Communities (Transmissible Spongiform Encephalopathies and Animal By-Products) Regulations 2006.	612	The Regulations provide ancillary and supplementary measures necessary for a series of EC Regulations relating to transmissible spongiform encephalopathies and animal by products to have full effect.
Diseases of Animals Act 1966 (Transmissible Spongiform Encephalopathies) (Fertilizers & Soil Improvers) Order 2006.	615	This order regulates the use of organic fertilisers and soil improvers to minimise the risk of transmissible spongiform encephalopathies (TSEs).
European Communities (Pesticide Residues) Regulations 2006	654	These Regulations provide for levels of pesticide residues in certain agricultural products. They also implement the provisions of Commission Directive 2006/53/EC of 7 June 2006, Commission Directive 2006/59/EC of 28 June 2006 and Commission Directive 2006/92/EC of 9 November 2006.
Bovine Diseases (Levies) Regulations 2006.	673	These Regulations, which come into effect on 1 st January 2007 prescribe new rates of disease levies on milk for processing and on bovine animals slaughtered or exported live.
European Communities (Animal Transport and Control Post) Regulations 2006.	675	These Regulations give effect to Council Regulation (EC) 1/2005 and Council Regulation (EC) No 1255/97 and concern the transport of live animals and related operations, insofar as they relate to the Department of Agriculture and Food.
National Beef Assurance Scheme Act, 2000 (Approval) Order 2006.	676	The effect of this Order is to extend the period for participants to apply for approval under the National Beef Assurance Scheme.
European Communities (Protection measures in relation to highly pathogenic avian influenza of subtype H5N1 in wild birds) (No. 3) Regulations 2006	698	These regulations amend S.I. 480 of 2006 which transposes Commission Decision 206/563/EC laying down measures in the event of an outbreak of highly pathogenic avian influenza in wild birds in Ireland.
European Communities (Protection measures in relation to highly pathogenic avian influenza of the subtype H5N1 in poultry) (No. 3) Regulations 2006.	699	These Regulations amend S.I. 491 of 2006 which transposed the measures set down in Commission Decision 2006/415/EC and provide for additional measures to be applied in the event of a suspect or confirmed outbreak of H5N1 Avian Influenza in poultry in Ireland.
European Communities (Avian Influenza) (Precautionary Measures) Amendment Regulations 2006.	700	The Regulations relate to enforcement of measures set down in Commission Decision 2005/734/EC and S.I. No. 121 of 2006.
European Communities (Control of Avian Influenza) Regulations 2006	701	These regulations revoke S.I. 478 of 2006 and transpose the measures set down in Council Directive 2005/94/EC in relation to suspected and confirmed outbreaks of avian influenza in poultry and other captive birds.
European Communities (Bluetongue) (Restriction on Import From Bulgaria) Regulations 2006.	702	These Regulations provide import restrictions due to the incidence of bluetongue in Bulgaria.

European Communities (Bluetongue) (Restriction On Import) Regulations 2006	703	These Regulations provide import restrictions due to the incidence of bluetongue in certain parts of the European Community.
European Communities (Protection of Animals kept for Farming Purposes) Regulations 2006.	705	These Regulations give effect to Council Directive 98/58/EC concerning the protection of animals kept for farming purposes and require owners and keepers to ensure the welfare of their animals.
European Communities (Control of Salmonella in Breeding Flocks of Domestic Fowl) Regulations 2006.	706	These Regulations give effect to European Union legislation on the testing of breeding flocks of domestic fowl for salmonella and on control measures if flocks are infected and provide for the approval of laboratories to conduct tests.

Appendix 9 - The Land Acts in 2006

A discounted annuity Buy-Out Scheme, provided for in the Land Act 2005, operated from January 2006 to 31 October 2006 (extended for 4 months from 1 July 2006). Of the c2150 annuitants with outstanding annuity accounts subject to the Scheme, some 1,659 (77%) accounts were bought out with a total of €10.75 million being collected between capital and arrears. Collection of annuities continued for the remaining 500 annuitants.

Other activities carried on under the Land Acts included the provision of an ongoing service to the public, the legal profession and the Land Registry in respect of queries arising from the activities of the former Land Commission and the provision of copy documentation essential for title conversion. These queries involved research and dispute resolution regarding rights of way, turbary rights, turbary regulations, grazing rights, fishing and sporting reservations and disputes involving boundaries and other title difficulties.

Additionally 127 hectares of land originally acquired by the former Land Commission was disposed of as well as 94 hectares of turbary rights and 2 trust properties. Documentation required for registration of title to former Land Commission land was completed in respect of 150 individuals and 8 Vesting and Partition Orders in respect of commonage division and rearrangement were also finalised. Trustees were replaced in 30 trusts set up under the Land Acts and money assigned to the Public Trustee was managed in accordance with best practice.

Appendix 10 - State Bodies Under the Aegis of the Department in 2006

Teagasc, Agriculture and Food Development Authority

Oak Park, Carlow

Tel. 059 9170200

Website: www.teagasc.ie

Teagasc provides integrated research, advisory and training services for the agricultural and food industry and for rural communities. It was established in September 1988, under the Agricultural (Research, Training and Advice) Act, 1988. Research is carried out at eight dedicated centres. Advisory services are provided from 90 regional and local centres. Training is provided from eight colleges, 45 local training centres and research centres. It is governed by an eleven-member authority. The chair and five ordinary members are appointed by the Minister for Agriculture and Food; remaining members are appointed by the Minister following nominations from designated organisations.

Bord Bia

Clanwilliam Court, Lower Mount Street, Dublin 2

Tel: 01 6685155

Website: www.bordbia.ie

Bord Bia, the Irish Food Board, has responsibility for the market development and promotion of Irish food and horticulture including amenity horticulture at home and abroad and champions the success of the Irish food and horticultural sectors through delivery of effective and innovative market development, promotion and information services to secure new business for clients. It operates quality assurance schemes for beef, pork and bacon, horticultural and egg products. Its trade brand *Ireland the Food Island* is used to support the marketing activities of all sectors and products. Bord Bia has a network of international offices in Amsterdam, Chicago, Frankfurt, London, Madrid, Milan, Moscow Paris and Shanghai.

The Irish National Stud

Tully, Kildare, Co Kildare

Tel 045 521251, 521301, 521377

Website: www.irish-national-stud.ie

The Irish National Stud Company Limited was established in 1946 under the National Stud Act, 1945. Its primary object is the management of a stud farm for thoroughbred horses, and in particular to provide the services of first-class stallions at reasonable prices. It is involved in educational programmes for breeders and students of stud farm management. The Stud and its world famous Gardens, which are open to the public, are among the 20 top tourist attractions in Ireland. The Minister for Agriculture and Food,

after consultation with the Minister for Finance, appoints the chairperson and six board members.

The Minister for Finance holds all the issued share capital. To date the State has purchased shares in the Company to the value of almost €13.8m. The funds have largely been channelled into the purchase of top quality stallions. The acquisition of these stallions has underpinned the success of the Stud.

National Milk Agency

IPC House, Shelbourne Road, Dublin 4

Tel: 01 6603396;

Website: www.nationalmilkagency.ie

The National Milk Agency was established in 1994 under the Milk (Regulation of Supply) Act, 1994.

The Agency is responsible for the regulation of the supply of milk for liquid consumption throughout the State. It is funded by means of a statutory levy on milk used for liquid consumption.

The Agency has a number of statutory responsibilities under the Milk (Regulation of Supply) legislation: the regulation of the milk supply for liquid consumption throughout the state; the registration of producers and processors; the registration of milk supply contracts, and the collection of the levy.

The staff of the Agency includes a small inspectorate which has the function of ensuring that the data furnished in registered contracts is accurate and correct. The Agency produces an Annual Report which includes the Accounts of the Agency and also commissions studies on various aspects of the drinking milk sector from time to time.

The chairman of the Agency is appointed by the Minister for Agriculture and Food. The five members of the Agency representing producers are directly elected by registered producers while the other members – processors (4), distributors (1), retailers (1) and consumers (2) – are appointed by the Minister following nominations from designated organisations.

Coillte Teoranta

The Irish Forestry Board, Newtownmountkennedy, Co Wicklow.

Tel: 01 2011111

Website: www.coillte.ie

Coillte Teoranta is a private limited company, which operates in forestry and related activities on a commercial basis. The company is co-owned by the Minister for Finance and the Minister for Agriculture and Food. The company was established under the Forestry Act, 1988 which sets out its objectives and duties.

Principal Objectives:

- To operate on a commercial basis and in accordance with efficient silvicultural practices;
- To manage the resources available in a manner consistent with the company's objectives;
- To establish woodland industries and participate with others in forestry and related activities to enhance the profitable operation of the company;

COFORD (National Council for Forest Research and Development)

Arena House, Arena Road, Sandyford, Dublin 18.

Tel: 01 2130725,

Website: www.coford.ie

COFORD is a non-statutory agency under the aegis of the Department. COFORD's remit is to fund and co-ordinate research and development projects with the aim of developing the forestry industry through technical innovation and good silvicultural practice.

COFORD's overall objectives are:

- To establish and strengthen links between research competence and industrial needs;
- To determine forest research needs to maintain international competitiveness, provide sustainable employment, encourage innovation and enhance environmental harmony;
- To evaluate research progress and transfer technology to ensure maximum benefit.

Veterinary Council of Ireland

53 Lansdowne Road, Ballsbridge. Dublin 4.

Tel 01 6684402

Website: www.vci.ie

The Veterinary Council of Ireland which regulates the practice of veterinary medicine was established on the 1 January 2006 under Section 11 of the Veterinary Practice Act 2005. The Veterinary Council of Ireland has 19 members which reflects interests such as education, animal welfare, consumers and food safety and a balance as between veterinarians and others.