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SUBSIDIES

New and Full Notification Pursuant to Article XVI:1 of the GATT 1994 and Article 25 of the Agreement on Subsidies and Countervailing Measures

EUROPEAN UNION

Addendum

The following addendum to the notification of the European Union relates to subsidy programmes of **Ireland.**

IRELAND

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I. AGRICULTURE

A. 2009

1. Assistance for the Non-Thoroughbred Horse Industry

1. <u>Period under review</u>

2009.

2. Policy objective of the subsidy

To promote and develop the Sport Horse Industry.

3. Background and authority for the subsidy

After the wind up of Bord na gCapall (a state sponsored body responsible for the Sport Horse Industry and the Sport Horse Studbook) the Irish Horse Board (IHB) (a co-operative body) was established to carry out this role. Since its inception the Department of Agriculture and Food has paid an annual grant to the IHB to assist it in meeting its functions. The Irish Horse Board has now been integrated into Horse Sport Ireland (HSI) and these monies are now paid to HSI.

4. <u>Form of the subsidy</u>

Direct payment to the HIS.

5. <u>How the subsidy is provided</u>

National Exchequer.

6. Total amount of subsidy

€1.512m.

7. <u>Duration of the subsidy</u>

Ongoing.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

2. Bioenergy Scheme

1. <u>Period under review</u>

2009.

2. Policy objective of the subsidy

The Scheme provides aid to farmers to grow miscanthus and willow for use in the Bioenergy market. The objectives of the Scheme are to increase production of these crops, encourage alternative land use options and provide opportunities for farm diversification.

3. Background and authority for the subsidy

The legal basis is Article 56(4) and 90a of Council Regulation (EC) No 1782/2003, as amended, establishing common rules for direct support schemes under the common agricultural policy and establishing certain support schemes for farmers.

4. Form of the subsidy

The Scheme is nationally funded under the National Development Plan 2007 – 2013.

5. How the subsidy is provided

Farmers receive a grant to cover 50% of establishment costs. Aid is paid in two instalments – 75% on establishment and 25% in the year following establishment.

6. <u>Total amount of subsidy</u>

The maximum aid is €1,450 per hectare.

7. Duration of the subsidy

Two years.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

3. Capital Grant Scheme for Animal Carcase Disposal (NDP 2000-2006)

1. <u>Period under review</u>

2009.

2. Policy objective of the subsidy

The specific objectives of the Scheme are to: -

- Help provide a safe means of disposal of animal carcases
- Protect lands, watercourses and water tables from possible contamination
- Minimise disease risk and assist animal traceability.

3. Background and authority for the subsidy

This Scheme is a sub-measure under the Regional Operational Programme for the Border, Midlands and Western Region and the Southern and Eastern Region and is funded by the Irish Government under the National Development Plan 2000-2006.

4. Form of the subsidy

Direct payments to Category 2 Intermediate Plant owners.

5. How the subsidy is provided

Payments of grants, up to a maximum of €3,487 in the Border, Midlands and Western Region and €50,790 in the Southern and Eastern Region, to pre-approved Category 2 Intermediate Plant owners.

6. Total amount of subsidy

2009: €0.063m.

7. <u>Duration of the subsidy</u>

Once-off payment.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

4. Depopulation Grant

1. <u>Period under review</u>

2009.

2. Policy objective of the subsidy

A farmer whose herd is depopulated (totally or partially) in the interest of the control of TB or Brucellosis may qualify for Depopulation Grants.

3. Background and authority for the subsidy

The Scheme is implemented by the Department of Agriculture, Fisheries and Food. Depopulation Grants are paid for each animal removed under the depopulation measure and for those removed as reactors since the holding was restricted.

4. Form of the subsidy

The Depopulation Grant Rates applying are as follows:

	Stable		
	TB	Brucellosis	
Animal	Rate (€)	Standard rate (€)	Standard rate plus (€)
(i) Dairy Cows / In-Calf Heifers / Pedigree Bulls > 12 months	228.52	126.97	228.55
(ii) Other Cows / In-Calf Heifers	126.96	126.97	126.97
(iii) Other Animals	76.16	38.09	76.18

5. <u>How the subsidy is provided</u>

The subsidy is paid by the Department direct to eligible farmers as a headage payment in respect of reactor animals removed under the TB and Brucellosis Eradication Schemes.

6. <u>Total amount of subsidy</u>

€428,015.

7. Duration of the subsidy

The subsidy is payable from 1 January to 31 December but applies only during periods of restriction.

8. Assessment of the trade effect of subsidy

The subsidy is designed to compensate farmers for lost income arising from the depopulation of their herds as a result of disease and does not have any impact on trade.

Note: Bovine Disease Levies – In 2009, Farmers contributed €5.241m to the cost of the compensation paid under the TB and Brucellosis eradication schemes through the Disease Levies which are collected on cattle slaughterings/live exports and milk deliveries to creameries.

5. The Dioxin Cull Scheme

The Minister for Agriculture, Fisheries and Food introduced the destruction scheme to provide for the removal and slaughter of both pigs and cattle which were contaminated by dioxins from the affected holdings and for the subsequent rendering and destruction of carcases and product from the animals concerned under the direction and control of the Minister.

1. <u>Period under review</u>

2009.

2. <u>Policy objective of the subsidy</u>

To effect the rapid and secure slaughter and disposal of pigs and cattle that had been exposed to or were suspected of being disposed to contaminated animal feed, in order to enable normal pig meat processing operations to resume and bring stability to the pigmeat sector.

3. Background and authority for the subsidy

On 6 December 2008, the Food Safety Authority of Ireland (FSAI) recommended that all products from pigs slaughtered in Ireland since 1 September 2008, should be recalled. The recall arose from laboratory analyses that showed the presence of dioxins up to 200 times the legal limit in Irish pork fat samples. The Irish Department of Agriculture, Fisheries and Food determined that the source of contamination was a feed ingredient manufactured at a plant within the State. The authorities recalled all pork product from animals slaughtered between 1 September and 6 December 2008 inclusive in order to reassure consumers that all products made available after that date would be perfectly safe to consume.

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On 11 December 2008, a fund of up to €200m in financial assistance towards the incurred costs of the recall was agreed between the State authorities and the meat industry, of which an estimated €20m was to cover the compensation, slaughter, rendering and destruction of live animals that have been, or may have been, exposed to contaminated feed.

Commission Decisions 643/2008 and NN 44/2009 approved state aid in respect of the recall of pigmeat product in the sum of €170m.

European Commission Regulation 94/2009 of 30 January 2009 adopted a temporary exceptional, co-financed, support measure for the pigs that had been on farms that used contaminated animal feed between 1 September 2008 and 6 December 2008 and cattle that remain on farms where samples from other cattle have tested positive for elevated levels of dioxins and polychlorinated biphenyls (PCBs).

4. Form of the subsidy

The subsidy is made via (a) direct ex-gratia payments to the producers in respect of the slaughtered animals, (b) aid in the form of subsidized services for the slaughtering and rendering of the animals.

5. How the subsidy is provided

The subsidy is provided as (1) a direct ex-gratia payment to pig and cattle farmers in the State in line with a compensation framework reflecting the market value of the affected animals, and (2) payments towards the cost of slaughtering and rendering affected product.

6. Total amount of subsidy

During the year in question (2009) a total expenditure of €7,684,169.88 was paid out.

7. <u>Duration of the subsidy</u>

These schemes were co-financed by the EU up to 31 July 2009.

8. Assessment of the trade effect of subsidy

While the dioxin issue itself had a negative effect on the market for Irish product, the subsidy has a neutral effect concerning as it does the slaughtering and rendering of animals and the payment of ex-gratia payments to the producers.

6. Equine Infrastructures

1. Period under review

2009.

2. Policy objective of the subsidy

To maximise the potential of horse breeding and production, support will be provided to ensure continued improvement in quality through breeding improvement and development actions.

3. <u>Background and authority for the subsidy</u>

This scheme is a sub-Measure under the Enterprise, Science and Innovation Priority, sub-programme Competitiveness of Agriculture & Food and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Grant aid is provided to an equine research institute which carries out research into equine diseases. Grant aid is also provided for technical assistance to Stud Book Operators and for the collection distribution and exchange of equine information within Ireland and internationally.

5. How the subsidy is provided

National Exchequer.

6. <u>Total amount of subsidy</u>

2009: €1.269m.

7. <u>Duration of the subsidy</u>

2007-2013 Annual Payments.

8. Assessment of the trade effect of subsidy

Nil effect.

7. GinA Cattle Breeding

1. Period under review

2009.

2. Policy objective of the subsidy

Since the Irish Cattle Breeding Federation (ICBF) was established, there has been an ongoing transfer of functions (genetic evaluations, A.I. approvals, Central Performance Testing Station – Tully, Pedigree Sheep Breed Improvement Programme and Galway Sheep Breed Improvement Programme) and their associated costs from the Department to ICBF. The subsidy is towards the costs to ICBF of taking over pre-existing major functions from the Department of Agriculture, Fisheries and Food.

3. Background and authority for the subsidy

Government Decision S29854 of 21 May 1997 approved the active participation of this Department in ICBF and the provision of support/grant assistance to that organisation.

4. Form of the subsidy

Direct payment to ICBF.

5. How the subsidy is provided

National Exchequer.

6. Total amount of subsidy

€1,080,000.

7 Duration of the subsidy

Ongoing.

8 Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

8. Hardship Grant Scheme

1. Period under review

2009.

2. Policy objective of the subsidy

The grant is aimed at assisting eligible owners/keepers whose holding is restricted due to a TB or Brucellosis outbreak. It is intended to facilitate the purchase of fodder where animals are retained and fed during periods of restriction between 1 November and 30 April.

3. <u>Background and authority for the subsidy</u>

The Scheme is implemented by the Department of Agriculture, Fisheries and Food. This Scheme is designed to alleviate the costs difficulty of some owner/keepers whose holdings are restricted on foot of a herd re-test for TB or Brucellosis and where animals are retained and fed during periods of restriction. Potentially eligible owner/keepers must meet certain conditions including requirements that they (i) must not have any income from milk sales and (ii) must not have any off-farm income.

4. Form of the subsidy

The subsidy is payable on animals in a restricted herd subject to a maximum payment of up €250.00 per month for a period not exceeding 4 months within the period 1 November to 30 April.

5. How the subsidy is provided

The onus is on eligible owners/keepers to complete and return the relevant Application Form, as entitlement for eligibility can only be determined from the date of receipt of the application. Only one application for this grant can be made during the relevant period November to April. The Hardship grants are paid by the Department directly to eligible farmers.

6. <u>Total amount of subsidy</u>

€669,481.

7. <u>Duration of the subsidy</u>

The Hardship Grant Scheme has been in operation since 1996. The grant is payable in respect of a period not exceeding 4 months for the months 1 November to 30 April.

8. Assessment of the trade effect of subsidy

The subsidy is designed to compensate farmers for the additional costs of feeding cattle and does not have any impact on trade.

9. Human Resources (International Equine Institute)

1. Period under review

2009.

2. <u>Policy objective of the subsidy</u>

To accelerate the development of the equine industry in all its facets by providing education and training opportunities to satisfy the needs of new entrants and those already involved in the equine and related industries.

3. <u>Background and authority for the subsidy</u>

This scheme is a sub-Measure under the Enterprise, Science and Innovation Priority, Education and Training Measure and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Direct Payment to IEI.

5. How the subsidy is provided

National Exchequer.

6. <u>Total amount of subsidy</u>

2009: **€**0.292m.

7. Duration of the subsidy

2007 – 2013 Annual Payments.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.

10. Improvement in Equine Breeding Infrastructures

1. Period under review

2009.

2. Policy objective of the subsidy

To maximise the potential of horse breeding and production, support will be provided to ensure continued improvement in quality through breeding improvement and development actions.

3. <u>Background and authority for the subsidy</u>

This scheme is a sub-Measure under the Enterprise, Science and Innovation Priority, sub-programme Competitiveness of Agriculture & Food and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Grant aid is provided to an equine research institute which carries out research into equine diseases. Grant aid is also provided for technical assistance to Stud Book Operators and for the collection distribution and exchange of equine information within Ireland and internationally.

5. How the subsidy is provided

National Exchequer.

6. <u>Total amount of subsidy</u>

2009: €1.269m.

7. <u>Duration of the subsidy</u>

2007-2013 Annual Payments.

8. Assessment of the trade effect of subsidy

Nil effect.

11. Income Supplement Scheme

1. <u>Period under review</u>

2009.

2. <u>Policy objective of the subsidy</u>

Income Supplement is payable in cases where a TB or Brucellosis breakdown results in the removal of more than 10% of animals in a herd and where depopulation is not deemed appropriate.

3. <u>Background and authority for the subsidy</u>

The Income Supplement is in operation since 1 July 1994. The Scheme is implemented by the Department of Agriculture, Fisheries and Food. Payment is in respect of each animal removed as a reactor from a herd, subject to a maximum of 100 animals qualifying for payment.

4. Form of the subsidy

The rates currently in force are as follows:

Income Supplement Monthly rates

Animal	S	table	
	TB	Brucellosis	
	Rate (€)	Rate (€)	
(i) Other Cows	38.09	38.09	
(ii) Dairy Cows & Other Animals	25.39	25.39	

The above rates refer to amounts paid per month.

5. <u>How the subsidy is provided</u>

Income Supplement is paid by the Department directly to eligible farmers following determination of eligibility.

6. Total amount of subsidy

€2,727,498.

7. <u>Duration of the subsidy</u>

The Income Supplement Scheme runs from 1 January to 31 December and applies only during the period of restriction.

8. Assessment of the trade effect of subsidy

The scheme is designed to compensate farmers for losses arising from the removal of reactors and does not have any impact on trade.

12. Kerry Cattle Premium Scheme

1. Period under review

2009.

2. Policy objective of the subsidy

The object of the scheme is to encourage the maintenance of a number of separate herds of Kerry Cattle in Ireland and the creation and maintenance of a sufficient reserve of pure bred breeding stock.

3. <u>Background and authority for the subsidy</u>

The Kerry breed is an exclusively Irish species of livestock with certain qualities that facilitated its development in an adverse environment (poor nutrition, poor quality land etc.). It has a relatively good milk yield for its size and feed intake. Consequently the conservation of this species of livestock as a pool of genetic material was considered prudent, for future scientific research and development of breeds suitable for specific Irish conditions.

4. Form of the subsidy

The level of premium is €76.18 per calf.

5. How the subsidy is provided

An applicant is eligible for participation in the scheme if:

- He or she is a member of the Kerry Cattle Society Ltd;
- His or her herd is located within the territory of the State and contains at least five breeding females registered in the herd book of the Kerry Cattle Society Ltd;
- All Kerry cows in the herd are served by bulls of the Kerry breed, either by natural service or artificial insemination;
- All progeny of Kerry cows in the herd are submitted for birth notification or registration in the Kerry Cattle Herd Book;
- Each animal, on which premium is being applied for, was born in the applicant's herd and is alive on the date of application.

Payment is made directly by the Department of Agriculture, Fisheries and Food to applicants who meet the above criteria.

6. Total amount of subsidy

€34,280.99.

7. Duration of the subsidy

1982 to date.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

13. National Energy Crop Premium

1. Period under review

2009.

2. Policy objective of the subsidy

The objective of the premium is to improve the profitability and increase production of energy crops.

3. <u>Background and authority for the subsidy</u>

The premium is paid under Commission Regulation (EC) No 1535/2007 on the application of Articles 87 and 88 of the EC Treaty to *de minimis* aid in the sector of agricultural production.

4. Form of the subsidy

The premium is nationally funded under the National Development Plan 2007 – 2013.

5. How the subsidy is provided

Paid as a top-up to farmers who qualify for the EU Energy Crops premium.

6. <u>Total amount of subsidy</u>

€80 per hectare subject to a maximum ceiling of 37.5 hectares per applicant over three years.

7. <u>Duration of the subsidy</u>

Paid on an annual basis to the end of 2009.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

14. National Development Plan 2007-13: Improvement in Cattle and Sheep Breeding

1. Period under review

2009.

2. Policy Objective of the subsidy

To finance development work by the Irish Cattle Breeding Federation (ICBF) on cattle and sheep breed improvement programmes. To provide computer hardware and development of suitable software systems and the upgrading of recording/testing facilities and equipment by ICBF. The provision of computer hardware and the purchases and/or development of software systems for other industry organisations for upgrading cattle registration, recording and data processing systems and the upgrading of recording/testing facilities and equipment by those organisations. These systems provide relevant and accurate data through the most efficient and effective communications linkage to the main ICBF system operating on breed improvement programmes.

To finance development work by the Irish Cattle Breeding Federation (ICBF) on sheep breed improvement programmes. The focus of the new sheep breeding programme is to increase the profitability and sustainability of the national sheep flock, by improving productivity and reducing the costs to the sector, with a clear focus on the requirements of the market place. It will also implement significant infrastructural changes and modifications to the current system to ensure a viable and sustainable sheep breeding structure into the future.

3. Background and authority for the subsidy

Funding provides for expenditure on activities centred on breed improvement in the cattle sector and for the provision of consultancy services and technical expertise to the Irish Sheep Industry. It is funded by the Irish Government under the National Development Plan 2007 - 2013.

4. Form of the Subsidy

Direct payment to ICBF.

5. How the Subsidy is provided

National Exchequer.

6. Total amount of subsidy

€1,800,000.

7. <u>Duration of the subsidy</u>

No time-limit.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

15. Scheme of Grant Aid for the Development of the Organic Sector- Off Farm

1. Period under review

2009.

2. Policy objective of the subsidy

The aim of the Scheme is to facilitate the development of the organic sector so as to ensure a regular supply of high quality organic produce to the market.

3. Background and authority for the subsidy

The Scheme is approved as an alternative enterprise sub-measure under the National Development Plan 2007 - 2013.

4. <u>Form of the subsidy</u>

Financial assistance is directed towards projects which:

- Improve the organic sector and provide the producers of the basic product with an opportunity of enhancing income.
- Help to guide production in line with foreseeable market trends or encourage the development of new outlets for agricultural products
- Help to improve production, handing and preparation of organic produce
- Facilitate the adoption and application of new technologies
- Help to ensure the adoption of "best practice" within the organic sector

5. How the subsidy is provided

This Scheme provides financial assistance in respect of approved investments/development projects as follows: Developing facilities for preparation, grading, packing, storage, distribution, or the sale of organic products as part of a wider organic operation.

6. Total amount of subsidy

The grant aid is payable at 40% of the eligible cost. However the maximum subsidy payable for off-farm investment is $\mbox{\ }$ 500,000 over the duration of the Scheme (up to 2013).

Projects costing less than €1,500 are not eligible for grant assistance.

7. Duration of the subsidy

Subsidies are made as one-off payments on certain investments. Applicants are entitled to apply for several payments of subsidies on different investments subject to the maximum ceiling.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.

16. Scheme of Grant Aid for the Development of the Organic Sector- On Farm

1. <u>Period under review</u>

2009.

2. Policy objective of the subsidy

The aim of the Scheme is to facilitate the development of the organic sector so as to ensure a regular supply of high quality organic produce to the market.

3. Background and authority for the subsidy

The Scheme is approved as an alternative enterprise sub-measure under the National Development Plan 2007-2013.

4. Form of the subsidy

Financial assistance is directed towards projects which;

- Improve the organic sector and provide the producers of the basic product with an opportunity of enhancing income,
- Help to guide production in line with foreseeable market trends or encourage the development of new outlets for agricultural products,
- Help to improve production, handing and preparation of organic produce,
- Facilitate the adoption and application of new technologies,
- Help to ensure the adoption of "best practice" within the organic sector.

5. How the subsidy is provided

This Scheme provides financial assistance in respect of approved investments/development projects on agricultural holdings, including equipment and facilities for production, preparation, grading, packing, storage, distribution and/or sale of organic products.

6. Total amount of subsidy

The grant aid is payable at 40% of the eligible cost. However the maximum subsidy payable for on-farm investment is €60,000 over the duration of the Scheme (up to 2013).

Projects costing less than €1,500 are not eligible for grant assistance.

7. Duration of the subsidy

Subsidies are made as one-off payments on certain investments. Applicants are entitled to apply for several payments of subsidies on different investments subject to the maximum ceiling.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.

17. Scheme of Investment Aid for the Development of the Commercial Horticulture Sector.

1. Period under review

2009.

2. <u>Policy objective of the subsidy</u>

The objective of the scheme is to assist the development of the horticulture sector by aiding investments in specialised capital plant and equipment in commercial horticulture.

3. <u>Background and authority for the subsidy</u>

The scheme was approved under EU State Aid Guidelines in 2007, N163/2007 and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Direct payment to applicant.

5. How the subsidy is provided

Direct payment to producers of horticulture produce towards the capital cost of plant and equipment.

6. Total amount of subsidy

€2.291 million.

7. Duration of the subsidy

The grant is a once-off payment.

8. <u>Assessment of the trade effect of subsidy</u>

The scheme aims to improve the quality of products and is not considered to have a direct impact on trade.

18. TSE Subsidy Scheme/Scheme for the Collection of over 48 month bovine animals

1. <u>Period under review</u>

2009.

2. Policy objective of the Subsidy

The scheme aims to maximise the number of over 48 month bovines being collected, to integrate fully with BSE requirements, to minimise the use of licensed burial and to provide important environmental benefits.

3. Background and authority for the subsidy

The Animal By-Products Regulation (EC) No. 1774/2002 controls the collection, transport, storage, handling, processing and use or disposal of animal by-products in EU member states. This regulation was repealed with effect from 4 March 2011 and replaced by Regulation (EC) No. 1069/2009.

SI 252/2008.

4. Form of the subsidy

Payment to Animal Collectors and to rendering companies.

5. How the subsidy is provided

Licensed animal collectors are paid by farmers and by the State for collection of over 48 month bovine animals. The State also subsidizes 100% of the cost of rendering and destruction of over 48 month bovine animals.

6. <u>Total amount of subsidy</u>

€16,993,112.91.

7. Duration of the subsidy

There are no time limits attached to the subsidy.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

19. Scheme of Investment Aid in Alternative Enterprises (Housing/Handling Facilities) (NDP 2000-2006)

1. Period under review

2009.

2. Policy objective of the subsidy

The objective of the Scheme is to promote and maintain agricultural enterprises not in surplus by providing grant aid to farmers for investment in housing/handling facilities for horses, deer, rabbits, goat and other acceptable non-quota species.

3. Background and authority for the subsidy

This Scheme is a sub-Measure under the Regional Operational Programme for the Border, Midland and Western Region and the Southern and Eastern Region and is funded by the Irish Government under the National Development Plan 2000-2006.

4. Form of the subsidy

Direct payment to the farmer.

5. How the subsidy is provided

Payment of grants, up to a maximum investment eligible for grant aid of €31,743 per holding, on approval of a valid application for payment.

6. Total amount of subsidy

2009: €0.749m.

7. Duration of the subsidy

Once off payment.

8. Assessment of the trade effect of subsidy

Not considered to impact on trade.

20. Special measures relating to dioxin contamination in Ireland, the scheme implements special measures relating to meat products of animal origin following a dioxin contamination in Ireland

1. Period under review

2009.

2. <u>Policy objective of the subsidy</u>

To effect the rapid and secure disposal of eligible product, in order to enable normal pig meat processing operations to resume and bring stability to the pigmeat sector.

3. <u>Background and authority for the subsidy</u>

On 6 December 2008, the Food Safety Authority of Ireland (FSAI) recommended that all products from pigs slaughtered in Ireland since 1 September 2008, should be recalled. The recall arose from laboratory analyses that showed the presence of dioxins up to 200 times the legal limit in Irish pork fat samples. The Irish Department of Agriculture, Fisheries and Food determined that the source of contamination was a feed ingredient manufactured at a plant within the State. The authorities recalled all pork product from animals slaughtered between 1 September and 6 December 2008 inclusive in order to reassure consumers that all products made available after that date would be perfectly safe to consume.

On 11 December 2008, a fund of up to €200m in financial assistance towards the incurred costs of the recall was agreed between the State authorities and the pigmeat industry, of which €180m was towards the cost of the pigmeat product recall.

Commission Decisions 643/2008 and NN 44/2009 approved state aid in respect of the recall of pigmeat product, and a small amount of beef product, in the sum of €170m.

European Commission Regulation 94/2009 of 30 January 2009 adopted a temporary exceptional, co-financed, support measure for the pigs that had been on farms that used contaminated animal feed between 1 September 2008 and 6 December 2008 and cattle that remain on farms where samples from other cattle have tested positive for elevated levels of dioxins and polychlorinated biphenyls (PCBs).

4. Form of the subsidy

The subsidy is made via direct and indirect payments.

5. How the subsidy is provided

The subsidy is provided as (1) a direct payment to primary and secondary pig processors in the State reflecting the value of the affected product, (2) aid in the form of subsidized services for the rendering of product, (3) other associated costs arising directly from the recall.

6. <u>Total amount of subsidy</u>

€39,257,699m.

7. Duration of the subsidy

Approval was sought and granted to apply a deadline for submission of final applications for assistance of 31 December 2009.

8. Assessment of the trade effect of subsidy

While the dioxin issue itself had a negative effect on the market for Irish product the subsidy has a neutral effect concerning as it does the withdrawal and destruction of pigmeat product.

21. TSE Subsidy Scheme

Scheme for the Collection of over 48 month bovine animals.

1. <u>Period under review</u>

2009.

2. Policy objective of the Subsidy

The scheme aims to maximise the number of over 48 month bovines being collected, to integrate fully with BSE requirements, to minimise the use of licensed burial and to provide important environmental benefits.

3. <u>Background and authority for the subsidy</u>

The Animal By-Products Regulation (EC) No. 1774/2002 controls the collection, transport, storage, handling, processing and use or disposal of animal by-products in EU member states. This regulation was repealed with effect from 4 March 2011 and replaced by Regulation (EC) No. 1069/2009.

SI 252/2008.

4. <u>Form of the subsidy</u>

Payment to Animal Collectors and to rendering companies.

5. How the subsidy is provided

Licensed animal collectors are paid by farmers and by the State for collection of over 48 month bovine animals. The State also subsidizes 100% of the cost of rendering and destruction of over 48 month bovine animals.

6. Total amount of subsidy

€16,993,112.91.

7. <u>Duration of the subsidy</u>

There are no time limits attached to the subsidy.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.

B. 2010

1. Assistance for the Non-Thoroughbred Horse Industry

1. Period under review

2010.

2. Policy objective of the subsidy

To promote and develop the Sport Horse Industry.

3. <u>Background and authority for the subsidy</u>

After the wind up of Bord na gCapall (a state sponsored body responsible for the Sport Horse Industry and the Sport Horse Studbook) the Irish Horse Board (IHB) (a co-operative body) was established to carry out this role. Since its inception the Department of Agriculture and Food has paid an annual grant to the IHB to assist it in meeting its functions. The Irish Horse Board has now been integrated into Horse Sport Ireland (HSI) and these monies are now paid to HSI.

4. <u>Form of the subsidy</u>

Direct payment to the HIS.

5. How the subsidy is provided

National Exchequer.

6. Total amount of subsidy

€1.380m.

7. <u>Duration of the subsidy</u>

Ongoing.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade

2. Depopulation Grant

1. <u>Period under review</u>

2010.

2. Policy objective of the subsidy

A farmer whose herd is depopulated (totally or partially) in the interest of the control of TB or Brucellosis may qualify for Depopulation Grants.

3. Background and authority for the subsidy

The Scheme is implemented by the Department of Agriculture, Fisheries and Food. Depopulation Grants are paid for each animal removed under the depopulation measure and for those removed as reactors since the holding was restricted.

4. Form and rate of the subsidy

The Depopulation Grant Rates applying are as follows:

	Stable		
	TB	Brucellosis	
Animal	Rate per animal removed (€)	Standard rate per animal removed (€)	Standard rate plus per animal removed (€)
(i) Dairy Cows / In-Calf Heifers / Pedigree Bulls > 12 months	228.52	126.97	228.55
(ii) Other Cows / In-Calf Heifers	126.96	126.97	126.97
(iii) Other Animals	76.16	38.09	76.18

These rates represent the maximum available in respect of a 4 month rest period following removal of animals. Pro rata deductions will be made if the rest period after depopulation is less than 4 months. Pro rata increases may be payable where the rest period in respect of a Brucellosis breakdown is more than 4 months.

5. How the subsidy is provided

The subsidy is paid by the Department direct to eligible farmers as a headage payment in respect of reactor animals removed under the TB and Brucellosis Eradication Schemes.

6. Total amount of subsidy

€237,774.

7. Duration of the subsidy

The subsidy is payable from 1 January to 31 December but applies only during periods of restriction.

8. Assessment of the trade effect of subsidy

The subsidy is designed to compensate farmers for lost income arising from the depopulation of their herds as a result of disease and does not have any impact on trade.

Note: Bovine Disease Levies – In 2010 farmers contributed €5.54m to the cost of the compensation paid under the TB and Brucellosis eradication schemes through the Disease Levies which are collected on cattle slaughterings/live exports and milk deliveries to creameries.

3. The Dioxin Cull Scheme.

The Minister for Agriculture, Fisheries and Food introduced the destruction scheme to provide for the removal and slaughter of both pigs and cattle which were contaminated by dioxins from the affected holdings and for the subsequent rendering and destruction of carcases and product from the animals concerned under the direction and control of the Minister.

1. <u>Period under review</u>

2010.

2. <u>Policy objective of the subsidy</u>

To effect the rapid and secure slaughter and disposal of pigs and cattle that had been exposed to or were suspected of being disposed to contaminated animal feed, in order to enable normal pig meat processing operations to resume and bring stability to the pigmeat sector.

3. Background and authority for the subsidy

On 6 December 2008, the Food Safety Authority of Ireland (FSAI) recommended that all products from pigs slaughtered in Ireland since 1 September 2008, should be recalled. The recall arose from laboratory analyses that showed the presence of dioxins up to 200 times the legal limit in Irish pork fat samples. The Irish Department of Agriculture, Fisheries and Food determined that the source of contamination was a feed ingredient manufactured at a plant within the State. The authorities recalled all pork product from animals slaughtered between 1 September and 6 December 2008 inclusive in order to reassure consumers that all products made available after that date would be perfectly safe to consume.

On 11 December 2008, a fund of up to €200m in financial assistance towards the incurred costs of the recall was agreed between the State authorities and the meat industry, of which an estimated €20m was to cover the compensation, slaughter, rendering and destruction of live animals that have been, or may have been, exposed to contaminated feed.

Commission Decision 643/2008 and NN 44/2209 approved state aid in respect of the recall of pigmeat product in the sum of €170m.

European Commission Regulation 94/2009 of 30 January 2009 adopted a temporary exceptional, co-financed, support measure for the pigs that had been on farms that used contaminated animal feed between 1 September 2008 and 6 December 2008 and cattle that remain on farms where samples from other cattle have tested positive for elevated levels of dioxins and polychlorinated biphenyls (PCBs).

4. Form of the subsidy

The subsidy is made via (a) direct ex-gratia payments to the producers in respect of the slaughtered animals, (b) aid in the form of subsidized services for the slaughtering and rendering of the animals.

5. How the subsidy is provided

The subsidy is provided as (1) a direct ex-gratia payment to pig and cattle farmers in the State in line with a compensation framework reflecting the market value of the affected animals, and (2) payments towards the cost of slaughtering and rendering affected product.

6. Total amount of subsidy

During the year in question (2010) a total of €928,519.09 was paid out in respect of pig and cattle culls.

7. Duration of the subsidy

These schemes were co-financed by the EU up to 31 July 2009.

8. Assessment of the trade effect of subsidy

While the dioxin issue itself had a negative effect on the market for Irish product, the subsidy has a neutral effect concerning as it does the slaughtering and rendering of animals and the payment of ex-gratia payments to the producers.

4. Equine Infrastructures

1. <u>Period under review</u>

2010.

2. <u>Policy objective of the subsidy</u>

To maximise the potential of horse breeding and production, support will be provided to ensure continued improvement in quality through breeding improvement and development actions.

3. Background and authority for the subsidy

This scheme is a sub-Measure under the Enterprise, Science and Innovation Priority, sub-programme Competitiveness of Agriculture & Food and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Grant aid is provided to an equine research institute which carries out research into equine diseases. Grant aid is also provided for technical assistance to Stud Book Operators and for the collection distribution and exchange of equine information within Ireland and internationally.

5. How the subsidy is provided

National Exchequer.

6. <u>Total amount of subsidy</u>

2010: €1.110m.

7. <u>Duration of the subsidy</u>

2007-2013 Annual Payments.

8. Assessment of the trade effect of subsidy

Nil effect.

5. GinA Cattle Breeding

1. <u>Period under review</u>

2010.

2. Policy objective of the subsidy

Since the Irish Cattle Breeding Federation (ICBF) was established, there has been an ongoing transfer of functions (genetic evaluations, A.I. approvals, Central Performance Testing Station – Tully) and their associated costs from the Department to ICBF. The subsidy is towards the costs to ICBF of taking over pre-existing major functions from the Department of Agriculture, Fisheries and Food.

3. <u>Background and authority for the subsidy</u>

Government Decision S29854 of 21 May 1997 approved the active participation of this Department in ICBF and the provision of support/grant assistance to that organisation.

4. Form of the subsidy

Direct payment to ICBF.

5. <u>How the subsidy is provided</u>

National Exchequer.

6. <u>Total amount of subsidy</u>

€1,000,000.

7. Duration of the subsidy

Ongoing.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.

6. Hardship Grant Scheme

1. Period under review

2010.

2. Policy objective of the subsidy

The grant is aimed at assisting eligible owners/keepers whose holding is restricted due to a TB or Brucellosis outbreak. It is intended to facilitate the purchase of fodder where animals are retained and fed during periods of restriction between 1 November and 30 April.

3. Background and authority for the subsidy

The Scheme is implemented by the Department of Agriculture, Fisheries and Food. This Scheme is designed to alleviate the costs difficulty of some owner/keepers whose holdings are restricted on foot of a herd re-test for TB or Brucellosis and where animals are retained and fed during periods of restriction. Potentially eligible owner/keepers must meet certain conditions including requirements that they (i) must not have any income from milk sales and (ii) must not have any off-farm income.

4. Form and rate of the subsidy

The subsidy is payable on animals in a restricted herd subject to a maximum payment of up €250.00 per month for a period not exceeding 4 months within the period 1 November to 30 April.

5. How the subsidy is provided

The onus is on eligible owners/keepers to complete and return the relevant Application Form, as entitlement for eligibility can only be determined from the date of receipt of the application. Only one application for this grant can be made during the relevant period November to April. The Hardship grants are paid by the Department directly to eligible farmers.

6. Total amount of subsidy

€606,437.

7. <u>Duration of the subsidy</u>

The Hardship Grant Scheme has been in operation since 1996. The grant is payable in respect of a period not exceeding 4 months for the months 1 November to 30 April.

8. Assessment of the trade effect of subsidy

The subsidy is designed to compensate farmers for the additional costs of feeding cattle and does not have any impact on trade.

7. Human Resources (International Equine Institute)

1. <u>Period under review</u>

2010.

2. Policy objective of the subsidy

To accelerate the development of the equine industry in all its facets by providing education and training opportunities to satisfy the needs of new entrants and those already involved in the equine and related industries.

3. <u>Background and authority for the subsidy</u>

This scheme is a sub-Measure under the Enterprise, Science and Innovation Priority, Education and Training Measure and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Direct Payment to IEI.

5. How the subsidy is provided

National Exchequer.

6. Total amount of subsidy

2010: €0.293m.

7. Duration of the subsidy

2007 – 2013 Annual Payments.

8 Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

8. Improvement in Equine Breeding Infrastructures

1. <u>Period under review</u>

2010.

2. <u>Policy objective of the subsidy</u>

To maximise the potential of horse breeding and production, support will be provided to ensure continued improvement in quality through breeding improvement and development actions.

3. <u>Background and authority for the subsidy</u>

This scheme is a sub-Measure under the Enterprise, Science and Innovation Priority, sub-programme Competitiveness of Agriculture & Food and is funded by the Irish Government under the National Development Plan 2007-2013.

4. <u>Form of the subsidy</u>

Grant aid is provided to an equine research institute which carries out research into equine diseases. Grant aid is also provided for technical assistance to Stud Book Operators and for the collection distribution and exchange of equine information within Ireland and internationally.

5. <u>How the subsidy is provided</u>

National Exchequer.

6. <u>Total amount of subsidy</u>

2010: €1.110m.

7. Duration of the subsidy

2007-2013 Annual Payments.

8. Assessment of the trade effect of subsidy

Nil effect.

9. Income Supplement Scheme

1. Period under review

2010.

2. Policy objective of the subsidy

Income Supplement is payable in cases where a TB or Brucellosis breakdown results in the removal of more than 10% of animals in a herd and where depopulation is not deemed appropriate.

3. Background and authority for the subsidy

The Income Supplement is in operation since 1 July 1994. The Scheme is implemented by the Department of Agriculture, Fisheries and Food. Payment is in respect of each animal removed as a reactor from a herd, subject to a maximum of 100 animals qualifying for payment.

4. Form and rate of the subsidy

The rates currently in force are as follows:

Income Supplement Monthly rates

Animal	Sta	ble	
	ТВ	Brucellosis	
	Rate per animal removed subject to max 100 animals (€)	Rate per animal removed subject to max 100 animals (€)	
(i) Other Cows	38.09	38.09	
(ii) Dairy Cows & Other Animals	25.39	25.39	

The above rates refer to amounts paid per month

5. How the subsidy is provided

Income Supplement is paid by the Department directly to eligible farmers following determination of eligibility.

6. Total amount of subsidy

€2,269,566.

7. <u>Duration of the subsidy</u>

The Income Supplement Scheme runs from 1 January to 31 December and applies only during the period of restriction.

8. Assessment of the trade effect of subsidy

The scheme is designed to compensate farmers for losses arising from the removal of reactors and does not have any impact on trade.

10. Kerry Cattle Premium Scheme

1. <u>Period under review</u>

2010.

2. Policy objective of the subsidy

The object of the scheme is to encourage the maintenance of a number of separate herds of Kerry Cattle in Ireland and the creation and maintenance of a sufficient reserve of pure bred breeding stock.

3. <u>Background and authority for the subsidy</u>

The Kerry breed is an exclusively Irish species of livestock with certain qualities that facilitated its development in an adverse environment (poor nutrition, poor quality land etc.). It has a relatively good milk yield for its size and feed intake. Consequently the conservation of this species of livestock as a pool of genetic material was considered prudent, for future scientific research and development of breeds suitable for specific Irish conditions.

4. <u>Form of the subsidy</u>

The level of premium is €76.18 per calf.

5. How the subsidy is provided

An applicant is eligible for participation in the scheme if:

- He or she is a member of the Kerry Cattle Society Ltd;
- His or her herd is located within the territory of the State and contains at least five breeding females registered in the herd book of the Kerry Cattle Society Ltd;
- All Kerry cows in the herd are served by bulls of the Kerry breed, either by natural service or artificial insemination;
- All progeny of Kerry cows in the herd are submitted for birth notification or registration in the Kerry Cattle Herd Book;
- Each animal, on which premium is being applied for, was born in the applicant's herd and is alive on the date of application.

Payment is made directly by the Department of Agriculture, Fisheries and Food to applicants who meet the above criteria.

6. Total amount of subsidy

€34,585.72.

7. Duration of the subsidy

1982 to date.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

11. National Scheme for the Control of Farm Pollution (OPARDF 1994-1999)

1. Period under review

2010.

2. Policy objective of the subsidy

To assist smaller farmers to control farm pollution through the provision of grant aid for farm waste storage, winter housing for cattle and sheep, and ancillary farmyard facilities.

3. Background and authority for the subsidy

The Scheme is administered by the Department of Agriculture and Food and is funded by the National Exchequer.

4. Form of the subsidy

Direct payment to the farmer.

5. How the subsidy is provided

Grant aid up to 40% of approved costs, subject to a maximum of €12,700, paid on approval of a valid application for payment.

6. Total amount of subsidy

2010: 0.003m.

7. Duration of the subsidy

Once-off payment.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to impact on trade.

12. National Development Plan 2007-13: Improvement in Cattle & Sheep Breeding

1. Period under review

2010.

2. Policy objective of the subsidy

To finance development work by the Irish Cattle Breeding Federation (ICBF) on cattle & sheep breed improvement programmes. To provide computer hardware and development of suitable software systems and the upgrading of recording/testing facilities and equipment by ICBF. The provision of computer hardware and the purchases and/or development of software systems for other industry organisations for upgrading cattle registration, recording and data processing systems and the upgrading of recording/testing facilities and equipment by those organisations. These systems provide relevant and accurate data through the most efficient and effective communications linkage to the main ICBF system operating on breed improvement programmes.

To finance development work by the Irish Cattle Breeding Federation (ICBF) on sheep breed improvement programmes. The focus of the new sheep breeding programme is to increase the profitability and sustainability of the national sheep flock, by improving productivity and reducing the costs to the sector, with a clear focus on the requirements of the market place. It will also implement significant infrastructural changes and modifications to the current system to ensure a viable and sustainable sheep breeding structure into the future.

3. <u>Background and authority for the subsidy</u>

Funding provides for expenditure on activities centred on breed improvement in the cattle sector and for the provision of consultancy services and technical expertise to the Irish Sheep Industry. It is funded by the Irish Government under the National Development Plan 2007 – 2013.

4. <u>Form of the subsidy</u>

Direct payment to ICBF.

5. How the subsidy is provided

National Exchequer.

6. Total amount of subsidy

€1,500,000

7. Duration of the subsidy

No time Limit

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

13. Scheme of Grant Aid for the Development of the Organic Sector- Off Farm

1. Period under review

2010.

2. Policy objective of the subsidy

The aim of the Scheme is to facilitate the development of the organic sector so as to ensure a regular supply of high quality organic produce to the market.

3. Background and authority for the subsidy

The Scheme is approved as an alternative enterprise sub-measure under the National Development Plan 2007-2013.

4. Form of the subsidy

Financial assistance is directed towards projects which;

- Improve the organic sector and provide the producers of the basic product with an opportunity of enhancing income.
- Help to guide production in line with foreseeable market trends or encourage the development of new outlets for agricultural products
- Help to improve production, handing and preparation of organic produce
- Facilitate the adoption and application of new technologies
- Help to ensure the adoption of "best practice" within the organic sector

5. How the subsidy is provided

This Scheme provides financial assistance in respect of approved investments/development projects as follows: Developing facilities for preparation, grading, packing, storage, distribution, or the sale of organic products as part of a wider organic operation.

6. Total amount of subsidy

The grant aid is payable at 40% of the eligible cost. However the maximum subsidy payable for off-farm investment is $\mbox{\ }$ 500,000 over the duration of the Scheme (up to 2013).

Projects costing less than €1,500 are not eligible for grant assistance.

7. <u>Duration of the subsidy</u>

Subsidies are made as one-off payments on certain investments. Applicants are entitled to apply for several payments of subsidies on different investments subject to the maximum ceiling.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade

14. Scheme of Grant Aid for the Development of the Organic Sector- On Farm

1. <u>Period under review</u>

2010.

2. <u>Policy objective of the subsidy</u>

The aim of the Scheme is to facilitate the development of the organic sector so as to ensure a regular supply of high quality organic produce to the market.

3. <u>Background and authority for the subsidy</u>

The Scheme is approved as an alternative enterprise sub-measure under the National Development Plan 2007 - 2013.

4. Form of the subsidy

Financial assistance is directed towards projects which;

- Improve the organic sector and provide the producers of the basic product with an opportunity of enhancing income.
- Help to guide production in line with foreseeable market trends or encourage the development of new outlets for agricultural products
- Help to improve production, handing and preparation of organic produce
- Facilitate the adoption and application of new technologies
- Help to ensure the adoption of "best practice" within the organic sector

5. How the subsidy is provided

This Scheme provides financial assistance in respect of approved investments/development projects on agricultural holdings, including equipment and facilities for production, preparation, grading, packing, storage, distribution and/or sale of organic products.

6. Total amount of subsidy

The grant aid is payable at 40% of the eligible cost. However the maximum subsidy payable for on-farm investment is €60,000 over the duration of the Scheme (up to 2013).

Projects costing less than €1,500 are not eligible for grant assistance.

7. Duration of the subsidy

Subsidies are made as one-off payments on certain investments. Applicants are entitled to apply for several payments of subsidies on different investments subject to the maximum ceiling.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

15. On Farm Market Valuation Scheme (*Brucellosis breakdowns only)

1. Period under review

2010.

2. Policy objective of the subsidy

The On Farm Market Valuation Scheme is the principal compensation measure available to farmers whose herds are affected by TB and Brucellosis. Payment is made to herd-owners in respect of animals removed as reactors.

3. Background and authority for the subsidy

The Scheme is implemented by the Department of Agriculture, Fisheries and Food and is in place since 2 April 2002 when it replaced the Reactor Grant element of the compensation regime. Payment is designed to compensate herd-owners for the loss of animals removed under the scheme and is based on the Market Value of animals which is the equivalent price which might reasonably be obtained for the animal at the time of determination of compensation, from a purchaser in an open market, if the animal were not affected by TB or Brucellosis, subject to certain limits applying. The Scheme is an inherent part of the national eradication programme and is notified to the Commission in the disease programme submitted annually in the application for EU co-financing of disease programmes. The EU co-financing programme in respect of 2010 expenditure provided for reimbursement of expenditure where animals are removed under the TB scheme. It does not provide co-financing where animals are removed under the brucellosis programme.

4. Form of the subsidy

Reactor animals removed under the On Farm Market Valuation Scheme are valued by suitably qualified independent Valuers approved by the Department. The scheme provides that the farmer receives the market value for the animals that might be obtained in the open market if the animal was not affected by TB or Brucellosis. The scheme allows for a maximum ceiling payment of €2,800, inclusive of factory salvage price, in respect of any individual animals, except in the case of one pedigree stock bull per breakdown episode where a ceiling of €3,500, inclusive of factory salvage price, applies.

5. How the subsidy is provided

Following valuation, reactor animals are removed for slaughter to a designated factory where salvage value, as determined by the factory based on a competitive tender, is paid directly to the herd-owner. The Department pays the herd-owner the differential between the live animal market value determined by the valuer prior to removal of the animal, (subject to ceilings) and the salvage value paid by the factory.

Summary market prices collected by the Department are supplied to Valuers each week and on-going monitoring of valuations is carried out by the Department.

6. <u>Total amount of subsidy</u>

€25,866*

* This amount relates to only those animals paid in 2010 under the On Farm Market Valuation, Brucellosis Eradication Scheme. Payments to herd-owners for TB breakdowns are not included here because Ireland was approved for co-financing for payments for TB breakdowns for 2010.

7. Duration of the subsidy

Payments under the scheme are made on an on-going basis for all eligible animals removed during the period of restriction of the herd.

8. Assessment of the trade effect of subsidy

The scheme is designed to compensate farmers for losses arising from the removal of reactors and does not have any impact on trade.

16. Scheme of Investment Aid for the Development of the Commercial Horticulture Sector

1. Period under review

2010.

2. <u>Policy objective of the subsidy</u>

The objective of the scheme is to assist the development of the horticulture sector by aiding investments in specialised capital plant and equipment in commercial horticulture.

3. <u>Background and authority for the subsidy</u>

The scheme was approved under EU State Aid Guidelines in 2007, N 163/2007, and is funded by the Irish Government under the National Development Plan 2007-2013.

4. Form of the subsidy

Direct payment to applicant.

5. How the subsidy is provided

Direct payment to producers of horticulture produce towards the capital cost of plant and equipment.

6. <u>Total amount of subsidy</u>

€1.992 million.

7. Duration of the subsidy

The grant is a once-off payment.

8. Assessment of the trade effect of subsidy

The scheme aims to improve the quality of products and is not considered to have a direct impact on trade.

17. Scheme of Investment Aid in Alternative Enterprises (Housing/Handling Facilities) (NDP 2000-2006)

1. Period under review

2010.

2. <u>Policy objective of the subsidy</u>

The objective of the Scheme is to promote and maintain agricultural enterprises not in surplus by providing grant aid to farmers for investment in housing/handling facilities for horses, deer, rabbits, goat and other acceptable non-quota species.

3. <u>Background and authority for the subsidy</u>

This Scheme is a sub-Measure under the Regional Operational Programme for the Border, Midland and Western Region and the Southern and Eastern Region and is funded by the Irish Government under the National Development Plan 2000-2006.

4. Form of the subsidy

Direct payment to the farmer.

5. How the subsidy is provided

Payment of grants, up to a maximum investment eligible for grant aid of €31,743 per holding, on approval of a valid application for payment.

6. Total amount of subsidy

2010: €0.0832m.

7. <u>Duration of the subsidy</u>

Once off payment.

8. Assessment of the trade effect of subsidy

Not considered to impact on trade.

18. TSE Subsidy Scheme/Scheme for the Collection of over 48 month bovine animals

1. Period under review

2010.

2. Policy objective of the subsidy

The Scheme aims to maximise the number of over 48 month bovines being collected, to integrate fully with BSE requirements, to minimise the use of licensed burial and to provide important environmental benefits.

3. <u>Background and authority for the subsidy</u>

The Animal By-Products Regulation (EC) No. 1774/2002 controls the collection, transport, storage, handling, processing and use or disposal of animal by-products in EU member states. This regulation was repealed with effect from 4 March 2011 and replaced by Regulation (EC) No. 1069/2009.

SI 252/2008

4. Form of the subsidy

Payment to Animal Collectors and to rendering companies.

5. How the subsidy is provided

Licensed animal collectors are paid by farmers and by the State for collection of over 48 month bovine animals. The State also subsidizes 100% of the cost of rendering and destruction of over 48 month bovine animals.

6. Total amount of subsidy

€8,396,375.26.

7. <u>Duration of the subsidy</u>

There are no time limits attached to the subsidy.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

19. Special measures relating to dioxin contamination in Ireland

The scheme implements special measures relating to meat products of animal origin following a dioxin contamination in Ireland.

1. Period under review

2010.

2. Policy objective of the subsidy

To effect the rapid and secure disposal of eligible product, in order to enable normal pig meat processing operations to resume and bring stability to the pigmeat sector.

3. Background and authority for the subsidy

On 6 December 2008, the Food Safety Authority of Ireland (FSAI) recommended that all products from pigs slaughtered in Ireland since 1 September 2008, should be recalled. The recall arose from laboratory analyses that showed the presence of dioxins up to 200 times the legal limit in Irish pork fat samples. The Irish Department of Agriculture, Fisheries and Food determined that the source of contamination was a feed ingredient manufactured at a plant within the State. The authorities recalled all pork product, and some beef product, from animals slaughtered between 1 September and 6 December 2008 inclusive in order to reassure consumers that all products made available after that date would be perfectly safe to consume.

On 11 December 2008, a fund of up to €200m in financial assistance towards the incurred costs of the recall was agreed between the State authorities and the pigmeat industry, of which €180m was towards the cost of the pigmeat product recall.

Commission Decisions 643/2008 and NN 44/2009 approved state aid in respect of the recall of pigmeat product, and a small amount of beef product, in the sum of €170m.

European Commission Regulation 94/2009 of 30 January 2009 adopted a temporary exceptional, co-financed, support measure for the pigs that had been on farms that used contaminated animal feed between 1 September 2008 and 6 December 2008 and cattle that remain on farms where samples from other cattle have tested positive for elevated levels of dioxins and polychlorinated biphenyls (PCBs).

4. Form of the subsidy

The subsidy is made via direct and indirect payments.

5. How the subsidy is provided

The subsidy is provided as (1) a direct payment to primary and secondary processors in the State reflecting the value of the affected product, (2) aid in the form of subsidized services for the rendering of product, (3) other associated costs arising directly from the recall.

6. Total amount of subsidy

€15,125,806.

7. <u>Duration of the subsidy</u>

6 December 2008 to 31 December 2009.

8. Assessment of the trade effect of subsidy

While the dioxin issue itself had a negative effect on the market for Irish product the subsidy has a neutral effect concerning as it does the withdrawal and destruction of pigmeat product.

20. TSE Subsidy Scheme/Scheme for the Collection of over 48 month bovine animals

1. Period under review

2010.

2. Policy objective of the subsidy

The Scheme aims to maximise the number of over 48 month bovines being collected, to integrate fully with BSE requirements, to minimise the use of licensed burial and to provide important environmental benefits.

3. <u>Background and authority for the subsidy</u>

The Animal By-Products Regulation (EC) No. 1774/2002 controls the collection, transport, storage, handling, processing and use or disposal of animal by-products in EU member states. This regulation was repealed with effect from 4 March 2011 and replaced by Regulation (EC) No. 1069/2009.

SI 252/2008

4. Form of the subsidy

Payment to Animal Collectors and to rendering companies.

5. How the subsidy is provided

Licensed animal collectors are paid by farmers and by the State for collection of over 48 month bovine animals. The State also subsidizes 100% of the cost of rendering and destruction of over 48 month bovine animals.

6. Total amount of subsidy

€8,396,375.26.

7. <u>Duration of the subsidy</u>

There are no time limits attached to the subsidy.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

II. FISHERIES SECTOR

1. Commercial Aquaculture Development Scheme

1. Period under review

2010.

2. Policy objective of the subsidy

The scheme is designed to promote the commercial development of aquaculture on a basis which is financially, technically and environmentally sustainable.

3. <u>Background and authority for the subsidy</u>

The scheme is funded under the Irish National Seafood Programme 2007-2013. The scheme provides funding to companies for projects that are consistent with the Irish National Seafood Programme 2007-2013 and the policy objectives of the scheme. This is an aid scheme exempted by Commission Regulation (EC) No 736/2008, and has been notified to the European Commission under the terms of said regulation.

4. <u>Form of the subsidy</u>

Grant aid is available to SMEs at a rate of up to 40% of eligible investment costs.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara. The Scheme is nationally funded under the Irish National Seafood Programme 2007-2013.

6. Total amount of subsidy

€1.175m.

7. <u>Duration of the subsidy</u>

2010-2013.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

2. Aquaculture Innovation and Technology Scheme

1. Period under review

2010.

2. Policy objective of the subsidy

The objectives of this scheme are to promote investment in innovative technology and trialling such technology under commercial conditions to improve performance and competitiveness; establish the economic and technical feasibility of new sites and species and to assist and invest in measures to improve, long term environmental sustainability, fish health and welfare and product quality. This scheme is designed to enhance the skills and knowledge base of the industry and to integrate in a harmonious manner, aquaculture into coastal communities and rural areas.

3. Background and authority for the subsidy

The scheme is funded under the Irish National Seafood Programme 2007-2013. The scheme provides funding to companies for projects that are consistent with the Irish National Seafood Programme 2007-2013 and the policy objectives of the scheme. This is an aid scheme exempted by Commission Regulation (EC) No 736/2008, and has been notified to the European Commission under the terms of said regulation.

4. Form of the subsidy

Grant aid is available to SMEs at a rate of up to 40% of eligible investment costs.

5. How the subsidy is provided

Direct payments are made to the beneficiaries, via An Bord Iascaigh Mhara. The Scheme is nationally funded under the Irish National Seafood Programme 2007-2013

6. Total amount of subsidy

€0.311.

7. <u>Duration of the subsidy</u>

2010-2013.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

3. Seafood Category Management Scheme

1. Period under review

2010.

2. <u>Policy objective of the subsidy</u>

The scheme funds projects to deal with key category issues identified in An Bord Iascaigh Mhara's category management plans. The plans drive growth and competitiveness in the main commercial seafood categories: Salmon, Pelagic, Whitefish, Prawns, Crab and Mussels. Projects are approved on the basis of common interest for the seafood sector and project results will be made available.

3. <u>Background and authority for the subsidy</u>

The scheme is funded under the Irish National Seafood Programme 2007-2013. The scheme provides funding to companies for projects that are consistent with the Irish National Seafood Programme 2007-2013 and the policy objectives of the scheme. This is an aid scheme exempted by Commission Regulation (EC) No 736/2008, and has been notified to the European Commission under the terms of said regulation.

4. Form of the subsidy

Grant aid is available up to a maximum of 40% of eligible private sector projects and up to 100% of public projects carried out in the collective interest by public bodies and/or research institutions.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara. The Scheme is nationally funded under the Irish National Seafood Programme 2007-2013.

6. <u>Total amount of subsidy</u>

€0.093m.

7. <u>Duration of the subsidy</u>

2010-2013.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

4. Seafood Market Quality Scheme

1. Period under review

2010.

2. Policy objective of the subsidy

The scheme supports common interest projects which assist the seafood processing, retail and food service sectors to achieve excellent standards in the quality, supply, handling, presentation and service of seafood.

3. <u>Background and authority for the subsidy</u>

The scheme is funded under the Irish National Seafood Programme 2007-2013. The scheme provides funding to companies for projects that are consistent with the Irish National Seafood Programme 2007-2013 and the policy objectives of the scheme. This is an aid scheme exempted by Commission Regulation (EC) No 736/2008, and has been notified to the European Commission under the terms of said regulation.

4. Form of the subsidy

Grant aid is available up to a maximum of 40% of eligible private sector projects and up to 100% of public projects carried out in the collective interest by public bodies and/or research institutions.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara. The Scheme is nationally funded under the Irish National Seafood Programme 2007-2013.

6. Total amount of subsidy

€0.174m.

7. Duration of the subsidy

2010-2013.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

5. Seafood Graduate Development Scheme

1. Period under review

2010.

2. <u>Policy objective of the subsidy</u>

The scheme supports the development of the sector through deployment of specialised graduates with business development/marketing and seafood new product development skills.

3. <u>Background and authority for the subsidy</u>

The scheme is funded under the Irish National Seafood Programme 2007-2013. The scheme provides funding to companies for projects that are consistent with the Irish National Seafood Programme 2007-2013 and the policy objectives of the scheme. This is an aid scheme exempted by Commission Regulation (EC) No 736/2008, and has been notified to the European Commission under the terms of said regulation.

4. Form of the subsidy

Grant aid is available up to a maximum of 40% of eligible private sector projects and up to 100% of public projects carried out in the collective interest by public bodies and/or research institutions.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara. The Scheme is nationally funded under the Irish National Seafood Programme 2007-2013.

6. Total amount of subsidy

€0.037m.

7. <u>Duration of the subsidy</u>

2010-2013.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

6. Seafood Processing Business Investment Scheme

1. <u>Period under review</u>

2010.

2. <u>Policy objective of the subsidy</u>

The scheme supports the development of seafood processing companies through a capital expenditure grant aid programme.

3. Background and authority for the subsidy

The scheme is funded under the Irish National Seafood Programme 2007-2013. The scheme provides funding to companies for projects that are consistent with the Irish National Seafood Programme 2007-2013 and the policy objectives of the scheme. This is an aid scheme exempted by Commission Regulation (EC) No 736/2008, and has been notified to the European Commission under the terms of said regulation.

4. Form of the subsidy

Grant aid is available at a rate of up to 25% of eligible investment costs.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara. The Scheme is nationally funded under the Irish National Seafood Programme 2007-2013.

6. <u>Total amount of subsidy</u>

€0.674m.

7. Duration of the subsidy

2010-2013.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

7. Fleet Safety Scheme

1. Period under review

2010.

2. Policy objective of the subsidy

The Scheme supports the purchase and installation of safety items including statutory lifesaving, fire-fighting, navigational and communication equipment.

3. Background and authority for the subsidy

Funding for the Fleet Safety Scheme grant stems from the European Fisheries Fund 2007-2013 Regulation.

4. Form of the subsidy

Grant aid is available at a rate of up to 40% of eligible investment costs. Maximum eligible expenditure caps are in place, dependent on boat size, as well as maximum amounts for individual items.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara.

6. Total amount of subsidy

€0.807m.

7. Duration of the subsidy

Ongoing.

8. Assessment of the trade effect of subsidy

Not considered to have any impact on trade.

8. Seafood Environmental Management & Certification Grant Aid Scheme

1. <u>Period under review</u>

2010.

2. Policy objective of the subsidy

This scheme provides a framework of support for the Irish Seafood Industry intent on achieving internationally accredited, third party audited, standards for wild capture fisheries.

3. Background and authority for the subsidy

Funding for the Fleet Safety Scheme grant stems from the European Fisheries Fund 2007-2013 Regulation.

4. Form of the subsidy

Grant aid is available at a rate of between 40% and 100% of eligible investment costs. Maximum eligible expenditure caps are in place, dependent on boat size, as well as maximum amounts for individual items.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara.

6. <u>Total amount of subsidy</u>

€0.182m.

7. <u>Duration of the subsidy</u>

Ongoing.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.

9. Fleet Safety Scheme

1. <u>Period under review</u>

2009.

2. Policy objective of the subsidy

The Scheme supports the purchase and installation of safety items including statutory lifesaving, fire-fighting, navigational and communication equipment.

3. Background and authority for the subsidy

Funding for the Fleet Safety Scheme grant stems from the European Fisheries Fund 2007-2013 Regulation.

4. Form of the subsidy

Grant aid is available at a rate of up to 40% of eligible investment costs. Maximum eligible expenditure caps are in place, dependent on boat size, as well as maximum amounts for individual items.

5. How the subsidy is provided

Direct payment to the beneficiaries, via An Bord Iascaigh Mhara.

6. <u>Total amount of subsidy</u>

€0.103m.

7. <u>Duration of the subsidy</u>

Ongoing.

8. <u>Assessment of the trade effect of subsidy</u>

Not considered to have any impact on trade.