

# No wellies needed

Changes to scheme terms and conditions make this year's one-to-one office meeting with your Teagasc advisor more important than ever. Stay 'on-the-ball' do any preparation needed and make an early appointment with your advisor to minimise stress and ensure you get everything you are due.

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**T**his year's direct payment focused office consultation will have many similarities with previous years, but there are new schemes, new terminology, terms, conditions and requirements to comply with.

It is important that you contact your advisor as soon as you are aware that the DAFM system is open for applications. Allow at least an hour for your appointment – there is a lot to discuss!

There are four main elements to the application process:

- Identify the land that you will farm during 2023 and what each land parcel will be used for.
- Identify the schemes that you are applying for.
- Finalise the entitlements that are going to be drawn down as part of the annual BISS payment – this may involve checking existing entitlements

and also completing the transfer of entitlements.

- Complete any other scheme application requirement that may be relevant, such as for ANC, ACRES, National Reserve and Young Farmers schemes and submit supporting documentation.

## Changes in terminology

There are many new terms to get used to in 2023 and these will likely carry through for the next few years until 2027.

• **Basic Income Support for Sustainability (BISS)** – the new BPS – payment is linked to the number of entitlements, one hectare is required for each entitlement.

• **Eco-scheme** – new environmental scheme applied for through the BISS annual application. Note that this is in no way linked to ACRES, which is a completely separate scheme.

• **Complementary Redistributive Income Support for Sustainability (CRISS)** – a new measure to redistribute payments from larger to smaller and medium-sized farms. Not linked



to having entitlements, however at least one entitlement must be applied on for a valid CRISS claim. CRISS is paid per eligible hectare up to a max of 30ha.

• **Area of Natural Constraint (ANC)** – same name and payment rates as before. This payment is not linked to having an entitlement. Some changes in its operation, particularly the minimum stock rate – now at 0.1 LU/ha, which must be maintained for a minimum of 28 consecutive weeks.

• **Complementary Income Support for Young Farmers (CIS-YF)** – this is the replacement for the Young Farmer Scheme.

• **National Reserve** – two options –

## Key messages and dates

- Open the DAFM BISS correspondence as soon as you receive it.
- Familiarise yourself with the contents.
- Review your Statement of Entitlements – be aware of the changes in the values of your entitlements listed.
- Alert your advisor to any changes in the ownership or identified farmers on your farm operation – any changes

either to the herd number or required to be made since last year will have a significant impact on the application process and will cause payment issues if not addressed at the time of application.

- Contact your Teagasc advisor as soon as you have received the DAFM direct payment paperwork to make an appointment to submit the application.

Advisors will be extra busy this year as the application process will take

longer than normal, so it's important not to leave this appointment too close to the deadline of 15 May.

- 15 May – Application deadline for BISS and Area Based Scheme closes.
- 31 May – latest date for amendment without penalty of BISS and Area Based scheme application already submitted.
- 16 October and 1 December – potential payment dates.



Young Farmer and New Farmer – for applying to the reserve for either an allocation of entitlements or a top up on low value entitlements up to the entitlement national average value.

- **Coupled Income Support (CIS)** – commonly known as Protein Aid.

- **Straw Incorporation Measure (SIM)** – must apply on a minimum of 5ha. Maximum payment will be on 40ha.

- **Conditionality** – a new name for what was previously known as ‘cross compliance’. This is not a scheme, but refers to the requirement for every applicant farmer to meet certain requirements and standards in respect of the climate, environment, public health, plant health and animal welfare. You must meet the GAEC 8 requirement of having and maintaining at least 4% of the agriculture area as non-productive areas or landscape features.

### The schemes associated with the annual land declaration

The linking of land hectares to entitlements for the annual BISS payment follows the same rules as the previous BPS scheme.

However, there are a total of nine schemes that farmers could potentially avail of that are based on farmers

having made an annual application to DAFM, listing the land area that is being farmed.

During the application process, before 15 May, each farmer applicant will be required to identify the schemes they are applying for which will be linked to the land they are now declaring.

So, all the schemes in the previous list that a farm is interested in will need to be highlighted. The ACRES actions that were selected (if you applied for that scheme) will also be displayed for review.

To apply for the eco scheme, either two agricultural practices from a list of eight or a single enhanced agricultural practice on all eligible hectares must be selected.

Many farmers will qualify outright for the eco scheme, based on the presence of enough area under habitats or features that promote biodiversity on their holdings, such as hedgerows, stone walls, watercourses etc.

Some farms may have to select additional measures to meet the requirement of two agriculture practices in order to secure an eco payment on their eligible land hectares.

### Get to know your land parcel maps

Just as your farmland is the founda-

tion of your farming business, it is important to keep in mind that these same land parcels and the characteristics such as area, boundaries and associate landscape features will also be the foundation for many of the schemes you will be making an application for.

When your advisor is completing the application, they will be keeping that in mind to ensure that all the parcels that make up the farm holding are correct from the point of view of parcel area and parcel boundary.

As part of the DAFM application process, a set of colour maps are sent to each farmer. These maps identify each land parcel that DAFM has marked on the iNet system as being part of your holding for 2022. This is the starting point, but there may well have been changes to the land for 2023.

Keep in mind that the land area you apply on is the land that you have control of on 31 May for BISS and potentially for the whole year for ANC and other schemes.

It is important that you familiarise



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yourself with these maps. If you haven't studied them previously, then it is important that you really take a close look at them for this year's application.

Try to identify all the land parcels identified on the maps and relate them back to the individual fields that make up your farm holding.

Don't be concerned about writing or making marks on these maps – if your advisor is completing the application, then they will be bringing up the maps electronically on the DAFM online system to view and make any required amendments.

If you want to write in your own field names for later reference during the consultation, then do that. Try to identify the main features on the maps.

This may mean rotating maps around so you “get your bearings” – look for public roads, where the main field entrance is, whether you can

identify the buildings, farm roadways.

What about hedges, large areas of scrub and other on the ground features that are visible on the map? Make a note of any significant changes in the land parcel, such as house sites or new building works – some of these may have happened since the map image was taken.

These areas have to be marked on the maps as part of the application, so you should get out on the ground beforehand and make note of the boundaries, step out the distances and take note of a few identifying markers on the ground or in a boundary hedge that also feature on the map, so that you can give some guidance to your advisor when they are marking features in.

Another element of this year's application will be the identification of landscape features such as hedges, stonewalls and ponds so that they are counted in Space for Nature calculations.

Every individual parcel will have to have its parcel use identified also – so whether it is in grassland, sown

with a crop, used for forestry, under a farmyard or for other use. Agricultural Activity associated with the land parcel will also have to be identified for each parcel.

There may also be two areas associated with a land parcel – an area that is eligible for BISS and certain area-based schemes may have a separate reference area for nitrates purposes.

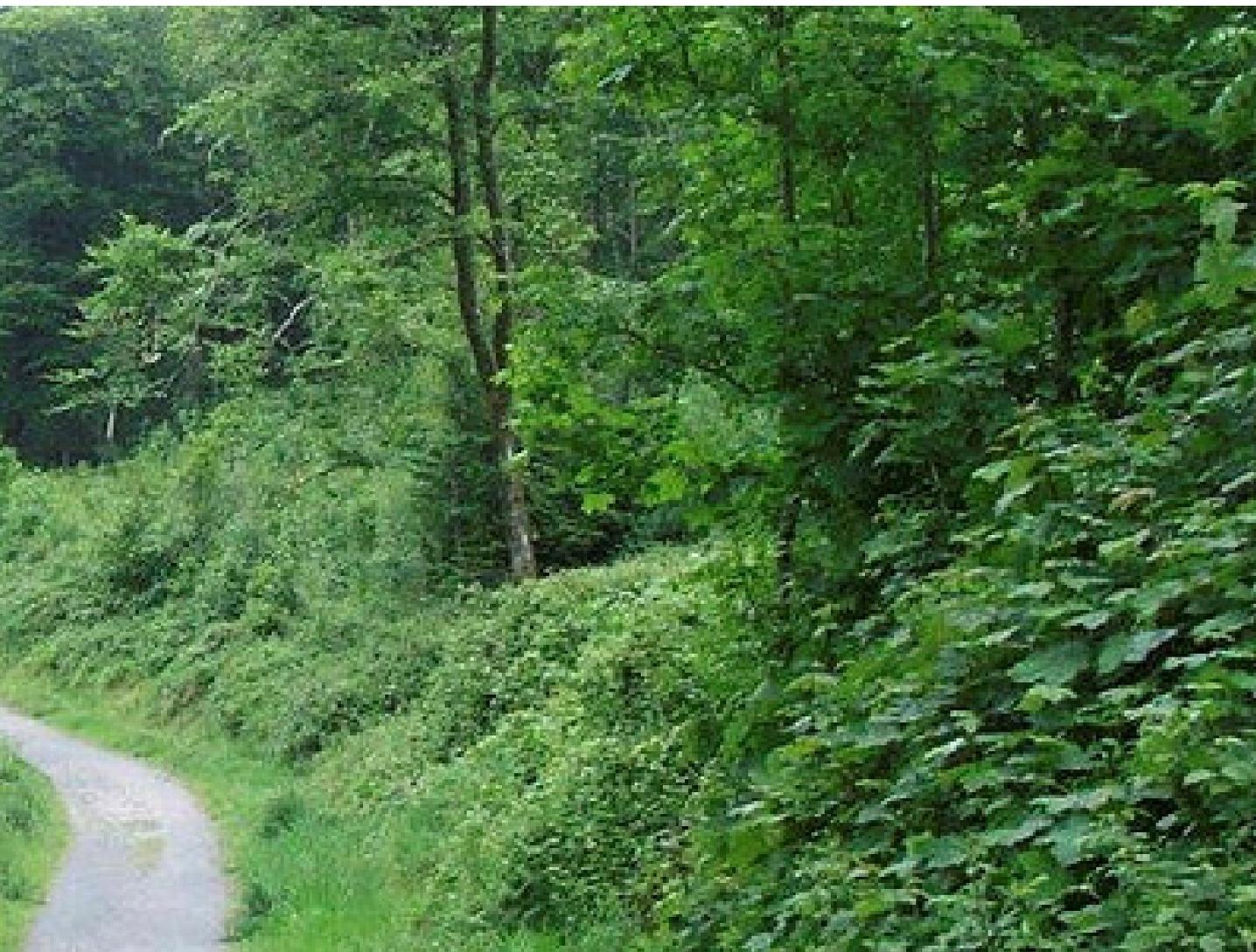
Again, this will need to be checked as correct against what is correct “on the ground.”

Getting the land parcels and the areas correct has always been critical, but in the coming year, there will be an increasing level of inspection or DAFM checking using satellite imagery.

This Area Monitoring System (AMS) checking will flag up possible issues with parcel crop type or activity that the farmer applicant will then need to clarify with DAFM.

You can reduce the possibility of having to deal with any later issues following inspection by getting the land parcels correctly marked and submitted.

It will be possible to add, delete, sub-



divide and also merge land parcels as part of the application process.

### Understanding your entitlements

The need to have one hectare of eligible area to draw down one entitlement is still in place. The value of all entitlements has changed significantly for 2023.

The entitlement previous known as a BPS entitlement is now called a BISS entitlement. Other elements of the new annual payment associated with environmental measures (ECO) or redistribution of payments via front loading (CRISS) are not linked to using a land hectare to claim an entitlement.

All entitlement owners will have received a statement giving details of what the BISS payment linked to each of their entitlements is likely to be over coming years. This will also show how the process of convergence, or revaluing the entitlement to bring every entitlement closer to the national average, is going to impact the entitlement draw down value each year.

For 2023, it will still be possible to

lease entitlements in or out and also permanently transfer entitlement inwards (via a purchase, gift received or inheritance) or transfer them out (via a sale, or gift or inheritance outward).

For 2023 and 2024, there will be no clawback imposed on any sales of entitlements without land. Clawback was imposed on sales previously and will be reinstated from 2025. This would result in 20% of the number of entitlements being siphoned off for the National Reserve and lost to the seller and buyer.

This means that for the next two years, there is an opportunity for those holders of entitlements who do not see themselves wishing to claim their entitlements to cash in by selling them.

The process of transferring entitlements, if required, is also completed as part of the annual application process. Obvious transfers such as sales, purchases, inheritances or gifts are usually at the forefront of people's minds.

Other less obvious events such as changes in the names associated with a herd number or changing to a part-

nership or company will generally also need a transfer of entitlements application to be completed.

The paperwork associated with an entitlement transfer is of such significance that it must be witnessed by a third party. In addition, where the ownership of entitlements is changing, then since entitlements are an asset and have a value, there may also be legal and tax implications to consider.

If you are considering a significant entitlement transaction for 2023, you will need to talk to your accountant and potentially your solicitor as well as discussing this with your agricultural advisor.

### In conclusion

All of this means a very intensive period of work ahead in March, April and May for you and your advisor, so any preparation you can do in advance of your own direct payment appointment will help get your application completed faster. Stay on the ball!