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PRESS RELEASE

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**HAYES WELCOMES THE 2014 BUDGET PROVISION FOR FORESTRY, HORTICULTURE
AND GREYHOUND SECTORS**

Tom Hayes TD, Minister of State at the Department of Agriculture, Food and the Marine with responsibility for the forestry, horticulture and greyhound sectors has today welcomed the allocation of over €105 million for the 2014 forestry programme, €10.9 million for Bord na gCon and €4.2 million for the Commercial Horticulture sector, with over €84 million allocated for Food Safety, Animal Health and Welfare and Plant Health.

Forestry – Over €105 million

Approximately €105 million has been allocated to the forestry sector, which is more than half of the Department's capital allocation and is enough to maintain the 7,000 hectares of new planting which is consistent with the previous two years. Funding for this sector is also unique in that it is entirely funded by the exchequer.

The Minister of State welcomed the funding for the forestry programme, which encompasses the provision of grants for the establishment of new forestry (afforestation), the payment of forestry premium and continuation of other forest support schemes such as the Forest Road Scheme, which has been allocated an increase in funding. Minister of State Hayes stated "*the provision of Government funding has been a major factor in the development of forestry over the last number of decades and I am pleased that the Government has been able to commit €105m towards its continued development. A lot of the forests which were planted, with Government support, are now at or approaching thinning stage so forest owners, and the State, can now derive tangible returns in the form of income for owners from thinning as well as, at a national level, the supply of raw material to the timber processing and wood energy sectors*".

The Minister of State noted that, as the Budget is earlier this year, there was no firm indication yet as to the area of new forestry for which payments will issue in the full year of 2013 and commented, *“the level of demand for the afforestation grant and premium scheme has been relatively constant over the last number of years and, while all of us in the forestry sector realise that a higher level of afforestation needs to be achieved to meet industry demands, we have to be realistic and work together to grow awareness of the returns from forestry as a land use option and cultivate that demand. The continued allocation by the Government of funding for the forestry programme is a crucial element in that process and the current allocation, on the basis of take-up in recent years, should meet the current level of interest”*.

Bord na gCon – Almost €11 million

Minister Hayes was pleased that the Government will continue to support the greyhound racing industry through the Horse and Greyhound Racing Fund.

The greyhound racing industry forms an important element of the fabric of life in this country, particularly in rural Ireland. Bord na gCon estimates the industry supports in excess of 10,000 jobs and provides €0.5bn in economic output. The Minister wants to ensure that this indigenous Irish industry is appropriately structured to face the challenges that lie ahead and accordingly arranged that this Department will commission a wide ranging review of Bord na gCon. The Call for Tenders document is available on www.etenders.ie. The Minister also arranged that stakeholders will have an opportunity to make their contribution to the review by way of a stakeholder consultation process. Written submissions from interested parties **can be e-mailed to bngreview@agriculture.gov.ie** or forwarded by post to Emer McGeough, State Bodies Section, Department of Agriculture, Food and the Marine, Farnham Street, Cavan.

Stakeholders should note that any information provided to the Department may be published or otherwise disclosed. Submissions received will be provided, without comment, to the successful tenderer for consideration and assessment in the context of the Review. **The closing date for receipt of submissions from stakeholders is 22nd November 2013.**

Horticulture - increased support for specialised capital investments

Minister of State Hayes said he was delighted that support for specialised capital investments had been increased by almost 30% with **€4.2 million** allocated to the Scheme of Investment Aid for the Development of the Commercial Horticulture Sector for 2014. Paying tribute to his predecessor, he said *“the late Minister of State, Shane McEntee, always recognised the value of this Scheme and constantly fought to maintain its funding during the recession. Given the improved economic situation I am delighted to be in a position to significantly increase the level of funding available for this competitive grant aid scheme”*.

This grant aid scheme represents the main source of State funding for horticultural producers and is seen as vital to improving growers’ competitiveness and the quality of output as well as allowing growers innovate and diversify production in a sector where output per annum is in the region of €300m at farm gate with a further Gross Value Added of approximately €70m. Given the number, scale and quality of projects submitted for the Scheme in 2013, Minister Hayes said he was very confident there would be strong demand for the Scheme again in 2014 and that he intended to launch the 2014 Scheme within the next month.

Food Safety, Animal Health and Welfare and Plant Health - €84 million

€84 million has been allocated by the Department to Food Safety, Animal Health and Welfare and Plant Health which encompasses a broad array of measures, including meat inspection, brucellosis and TB testing. This funding will ensure that Ireland maintains the highest standards in relation to Food Safety, inspection and traceability.

Organics

The Government has provided more than €1.84 million specifically for the support and development of the organic sector in 2014. The funding has been maintained at the same level as 2013.

The Organic Farming Scheme, introduced in August 2007 under the Rural Development Programme 2007 to 2013, aims to encourage producers to respond to the market demand for organic food. This Scheme was reviewed in 2009 to include a five year business plan and the completion of an approved training course in order to identify applicants who are most

likely to deliver increased organic output nationally. These changes aim to target support towards those operators who intend producing products which are currently in deficit and achieve progress in respect of the government target of increasing the utilisable agricultural area under organic production to 5%.

The ***Schemes of Grant Aid*** for the Development of the Organic Sector support investment, both on-farm and off-farm, for equipment and facilities for the production, preparation, grading, packing and storage of organic products. These Schemes provide grant aid up to 40% of the cost. For on-farm investments, the maximum grant is €60,000. For off-farm investments, the maximum grant is €500,000. These Schemes have allowed farmers and processors to access much-needed assistance to help in developing their businesses and have provided a major incentive to farmers and processors setting up an organic enterprise.

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