

Our reference: DAERA/2021-34

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9 March 2021

Dear [REDACTED]

Freedom of Information Act 2000

I refer to your request for information received by the Department on 3 February 2021 that sought any introductory materials which have been prepared for or provided to the new DAERA Minister, Gordon Lyons including but not limited to the "First Day Brief".

I can advise that the Department has completed its search and can confirm that it holds the information you requested however the Department has decided not to disclose some of the information for the following reasons:

Exemption 35 (1) (a) of the FOI Act – Information held by a government department is exempt from disclosure if it relates to formulation and development of government policy.

This applies to material which is still in the course of completion and in this instance includes future government policies on which the Minister of Agriculture, Environment and Rural Affairs has yet to make a decision.

The Department has conducted a Public Interest Test which is attached for information at Annex A. Following consideration of the Public Interest Test the Department has decided to maintain the exemption to allow the Minister a safe space and time to fully consider the policies and reach an impartial and appropriate decision on the way forward, away from public interference.

A copy of the information which can be disclosed is attached at Annex B.

If you require any clarification, believe that any part of your request has been overlooked, misunderstood or misinterpreted, please contact me in the first instance to see if it is a matter that can be resolved.

If you are unhappy with the manner in which your request for information has been handled or the decision to release/withhold information, you have the right to request a formal review by the Department. If you wish to do so, please contact The Review Section either by e-mailing daera.informationmanager@daera-ni.gov.uk or by post at The Department of Agriculture, Environment and Rural Affairs, Data Protection &

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Information Management Branch, Floor 2, Ballykelly House, 111 Ballykelly Road, Ballykelly, Limavady BT49 9HP, within two months from the date of this letter.

If after such an internal review you are still unhappy with the response, you have the right to appeal to the Information Commissioner at Wycliffe House, Water Lane, Wilmslow, CHESHIRE SK9 5AF, who will undertake an independent review of the Department's decision.

Yours sincerely,



Central Management Branch

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If you are deaf or have a hearing difficulty you can contact the Department via the Next Generation Text Relay Service by dialling 18001 + telephone number.



Public Interest Test – FOI

Reference Number – DAERA/2021-34

Requested Information

Provide any introductory materials which have been prepared for the new DAERA Minister, Gordon Lyons, including but not limited to the 'First Day Brief'.

Exemption under consideration

Section 35 (1) (a) – Formulation and development of government policy.

Reasons why the public interest would favour disclosure:

- Directly relevant to decision making on the introduction of future DAERA policy.
- Its disclosure would provide a fuller picture of the current issues in DAERA and greater transparency of the decision making process.
- This information is not currently in the public domain.

Reasons why the public interest would favour withholding:

- There are several items included in the First Day Brief which refer to policies and programmes on which the DAERA has yet to make a decision. This includes the Programme for Government, a draft consultation document in relation to the strategy on ammonia and the Departmental Budget for 2021-2022. These are currently being considered by the Minister and will help to inform decisions on the next steps to be taken to form Departmental policy;
- This material is still in the course of completion. The document identifies the issues currently being considered and proposes several ways forward. It also identifies further steps that need to be taken to fully assess the recommendations. The Minister needs to be given the space and time to fully consider the information provided and reach an impartial decision on the way forward, away from public interference.
- Disclosure would have an adverse impact in generating public pressure to make a decision on the introduction of policies now without full information on its impact being available to inform that decision.
- While information in the document is of public interest, it is limited to proposals only. For this reason it does not add greatly to public understanding as the information available is incomplete and cannot provide a full picture of the programmes and policies being considered.

Conclusion

Following consideration of the Public Interest Test the Department has decided on balance to maintain the exemption to give Minister the space and time to fully consider the information provided and reach an impartial and appropriate decision on the way forward, away from public interference.

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Assembly Support Section

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Department of
**Agriculture, Environment
and Rural Affairs**

www.daera-ni.gov.uk

**Department of Agriculture,
Environment and Rural Affairs
(DAERA)**

DAERA Briefing Paper

February 2021

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Section1: DAERA Overview

The Department of Agriculture, Environment and Rural Affairs (DAERA) operates under the direction and control of the Minister for Agriculture, Environment and Rural Affairs. This is a leadership role of central importance to the environment, the agri-food industry and wider society (including rural society).

1.1. Introduction

DAERA has responsibility for food, farming, environment, fisheries, forestry, sustainability policy and the development of the rural sector in Northern Ireland. DAERA's purpose is:

Sustainability at the heart of a living, working, active landscape, valued by everyone.

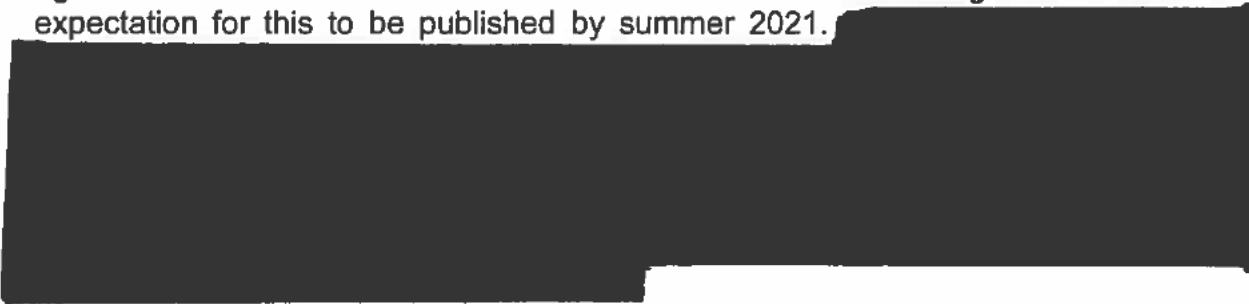
Success for DAERA and the people living in Northern Ireland will see us deliver on the Department's purpose of 'sustainability at the heart of a living, working, active landscape valued by everyone'. In delivering on this purpose we will aim to act on the four key Strategic Priorities of the Department.

The strategic objectives have been designed to align with the purpose of the Department and relevant PfG Outcomes whilst also covering the Department's regulatory, governance and resource management responsibilities. We are central to protecting our natural environment, supporting sustainable economic growth in our agri-industries and championing our rural communities. We are also an exemplar organisation committed to making a difference to the citizens we serve.



A draft Programme for Government was created which set out priorities up to 2021, however this was not finalised in the absence of an Executive. Following the restoration of the Executive and as part of the New Decade, New Approach it was

agreed that a new PFG would be created. Work is continuing on this with an expectation for this to be published by summer 2021.



1.2. What we do

The Department has a wide range of responsibility, including the agri-food industry, waste, fisheries, the environment and rural sector. The work of the Department touches the lives everyone in Northern Ireland on a daily basis and staff play a key role in supporting the agri-food sector, our environment and the economy, we also;

- Assist the sustainable development of the agri-food, environmental, fishing and forestry sectors of the Northern Ireland economy, having regard for the needs of the consumers, the protection of human, animal and plant health, the welfare of animals and the conservation and enhancement of the environment.
- Provide a business development service for farmers and growers and a veterinary service for administration of animal health and welfare.
- Deliver training and further and higher education courses in the agri-food sector.
- Implement the Northern Ireland Rural Development for the remainder of its life to December 2023.

1.3. Staff Numbers and Estate

DAERA has approximately 3,250 Full Time Equivalent (FTE) staff. Approximately half of these staff are General Service with the remainder being Professional and Technical staff, for example vets, lecturers (College of Agriculture, Food and Rural Enterprise - CAFRE), Scientific grades, etc. The DAERA estate covers 84,000 hectares, with over 900 buildings across 234 sites.

1.4. Management

DAERA is managed by a Departmental Board chaired by the Permanent Secretary, Dr Denis McMahon. The Board comprises nine Executive Members and two Non-Executive Members. The Permanent Secretary is the Minister's principal adviser on the Department's responsibilities and is the Accounting Officer for Departmental Expenditure.

1.5. Organisation Structure

DAERA comprises six Groups and Forest Service.

Our Groups and Forest Service are led by:

CSCPG – Brian Doherty
EMFG – David Small
FFG – Norman Fulton
RAFSET – Fiona McCandless
VSHAG – Robert Huey
NIEA – Tracey Teague

Forest Service – JohnJoe O’Boyle (Under Fiona McCandless)

In addition, we sponsor a number of Non-Departmental Public Bodies including the Agri-food and Biosciences Institute (AFBI), Livestock and Meat Commission for NI (LMC), Northern Ireland Fishery Harbour Authority (NIFHA) and the Agricultural Wages Board for NI (AWB). DAERA is also a co-sponsoring Department (with the Department of Communications, Climate Action and Environment in the Republic of Ireland) for one North South Implementation Body, the Loughs Agency of the Foyle, Carlingford and Irish Lights Commission (FCILC).



1.6. Budget Synopsis

The Executive is still considering the allocation of additional COVID-19 funding. The current DAERA budgets for 2020-21 are:

- £570.2m Resource;
- £20.4m Ring-fenced Depreciation; and
- £91.0m Capital.

1.7. Paying Authority

The Common Agriculture Policy (CAP) CAP Pillar 1 previously drew in a significant amount of EU funding into Northern Ireland. As a result of EU Exit, direct farm support reverted to national funding as of the 2020 scheme year, with a budget of £293 million. A number of other former CAP Pillar 1 measures (such as support for producer organisations, school milk, promotion activities) have also now reverted to national funding.

The Common Agriculture Policy Pillar 2 and Fisheries Policy (CFP) draws in significant EU funding into Northern Ireland. DAERA continues to be fully eligible to participate and receive EU funding in the current 2014-2020 EU programmes until their in 2023. DAERA can continue to commit until 31 December 2023 and, provided payment has been made, draw down EU funds until that date or until the programme budget is used up (whichever is the earlier). In the 2020-21 financial year this is estimated at approximately £26.3 million (EU funding) and provides support to agriculture, animal health, environment, fisheries, forestry and rural society.

Section 2: Key Issues and Challenges in 2021

Below are the top priority issues which you will wish to consider. Officials would be happy to meet with you to discuss them and additional information will be provided as part of an initial pack. We will also follow up with submissions, each of which will include specific recommendations.

2.1. FIRST TIER ISSUES: URGENT ATTENTION REQUIRED

2.1.1. Climate Change and Environment

The climate and environmental challenges faced by Northern Ireland are very much cross-cutting, both in terms of the sectoral contributions and Departmental responsibilities. Recognising that to make real transformative change will be a collaborative effort the Executive has agreed to the development of a Green Growth approach for Northern Ireland. As lead Department, DAERA has established a team to progress a Green Growth Strategy on behalf of the Executive and to produce a Climate Change Action Plan for Northern Ireland. This is being progressed under the direction of an Inter-Ministerial Group chaired by the DAERA Minister. The first of these groups sat on 11 January this year. A framework for the strategy will be published in March and launch of the draft co-designed strategy tying in with the UKs hosting of COP 26 in November.

Climate change is to the forefront of public concern. The UK Government recently legislated for a net zero carbon target by 2050. The annual UN Conference on climate change ("COP 26"), attended by most world leaders, will be held in Glasgow in November 2021 and will focus more attention on the issue. Reducing carbon emissions will have many benefits, including business/energy efficiency, and for health and wellbeing, and biodiversity. As Minister, you will have a key role in co-ordinating work across government on the climate and environment agenda, most notably as Chair of the Inter-Ministerial Group leading development of the Executive's Green Growth Strategy.. Unlike other jurisdictions in the UK and Ireland we currently have no separate, local greenhouse gas reduction strategy, target or legislation. The 6th Carbon budget recommendations from the UK Committee for Climate Change is being considered by DAERA and other NICS Departments. The above concerns climate change mitigation but adapting to the changes that are already taking place (increased flood risk, for example) is the other key challenge. All of this work is being progressed in the context of Green Growth including development of the Strategy, Climate Change Action Plan and Delivery Framework.

The New Decade, New Approach document sets out a range of commitments to address Climate Change. Specifically it states:

The parties recognise the need for a coordinated and strategic approach to the challenge of climate change within the Programme for Government. Actions and interventions will be required across a wide range of areas in order to address both the immediate and longer term impacts of climate change in a fair and just way.

A range of measures have been included and DAERA will have a clear role in the following:

- the Executive's strategies to reduce carbon emissions will be reviewed in light of the Paris Climate Change Accord and the climate crisis;
- the Executive should bring forward a Climate Change Act to give environmental targets a strong legal underpinning;
- the Executive will establish an Independent Environmental Protection Agency to oversee this work and ensure targets are met; and
- the Executive will create a plan to eliminate plastic pollution.

Work has commenced on developing Northern Ireland input into the 6th UK Carbon budget (which must be laid in Parliament by June 2021). This will set the trajectory towards meeting the UK Climate Change target of Net Zero by 2050. Legislative proposals are being developed for a **NI Climate Change Bill** with the aim for the Bill to complete its legislative passage within the current Assembly mandate. This is an unprecedented challenging timeline for a cross cutting Bill of this nature, and early and continued support of the Executive will be essential to overcome these challenges. It is intended that an Executive paper will be issued in February seeking Executive agreement to policy proposals of the Bill and to engage officially with Office of the Legislative Counsel (OLC) for Bill drafting.

The Bill when enacted will deliver on the New Decade New Approach Agreement in regards to a Northern Ireland Climate Change Act that gives emissions reduction targets a strong legal underpinning. The Bill will ensure we make an equitable contribution to reducing greenhouse gas emissions in order to meet UK net zero.

As part of the overarching policy of moving to a "circular economy" (one where resource use is maximised and waste minimised) DAERA is required by the NI Protocol to implement elements of the EU Directive on the reduction of the impact of certain plastic products on the environment (the Single-use Plastic Directive). This would ban the sale and supply of common single-use plastic items that have alternatives and seek substantial reductions in others. Further commitments arise from changes to current EU legislation in areas like batteries. We will also draft and consult upon a plan to eliminate plastic pollution in Northern Ireland as part of the Executive commitment within the New Decade, New Approach document. Along with England and Wales, a consultation on a deposit and return scheme for drinks containers and on packaging is planned for spring.

2.1.2. EU Exit

The DAERA Transition Programme was established in January 2020 to steer the Department through the Transition Period and guide the future strategic direction of the Department post EU Exit.

Although the Transition Period has now ended, there is still a substantial amount of Transition / Exit related work that will have to continue for a number of months e.g. legislation, communications, governance, new processes for EU matters and new intra-UK arrangements. Over the coming weeks and months the majority of issues currently within the remit of the DAERA Transition Programme will transit naturally to business as usual within Groups e.g. secondary legislation, Frameworks.

New areas of work will become increasingly important within the Department, e.g. a European dimension (particularly, representation, engagement, reporting, and DAERA presence in Brussels etc.) and ultimately, a new strategic forum will be required in the longer term to support and progress the DAERA vision and future change programme.

- **Agricultural Policy Development**

The United Kingdom leaving the EU and the Common Agricultural Policy is the most significant change in policy affecting the agri-food sector in almost 50 years. It means that our policies no longer have to be constrained by the existing CAP Pillar 1 and Pillar 2 construct and gives us the opportunity to develop new approaches and support systems which better address the needs of Northern Ireland agriculture, the environment and rural communities.

In Northern Ireland, Direct Farm Payments are currently worth over £293m annually.

DAERA continues to look at what future payments can do to support farming communities, while promoting sustainable farming and the cultural landscape. As this will take time to develop it is important that we are able to continue to make payments under the existing schemes as well as review our approach to these schemes with the aim of implementing improvements/changes/simplifications wherever possible that are in keeping with the longer term direction of travel announced by Minister Poots.

The NI Future Agricultural Policy Framework has been developed in line with Green Growth principles and will help deliver its objectives. Policy development and stakeholder engagement will be a significant priority in 2021.

- **Fisheries**

There are significant issues to resolve around the future direction of fisheries policy and implementation of the NI Protocol. These are dealt with below.

- **Environmental Policy**

Future environmental governance and direction remains a salient issue – with the ongoing passage of the Environment Bill and the development of an Environment Strategy. These are dealt with below.

- **Brexit Operational Readiness**

Whilst significant progress had been made in the development and design of permanent facilities to support the SPS regime post transition at Northern Ireland Points of Entry full implementation and construction could not be achieved for day one readiness. Therefore, interim contingency arrangements were developed and implemented at Belfast, Larne and Warrenpoint and Foyle seaports. These Points of Entry are all operational facilitating food supply security, the free flow of trade and disease control.

Implementation of the permanent facilities continues, with the focus currently on the design phase for all four portal Points of Entry. This work will be taken forward in collaboration with delivery partners are focused for delivery within the 2021/22 financial year.

2.1.3. Improving the Environment

As with climate change, the environmental issues are very much cross-cutting in nature and as a result DAERA's lead role in environmental improvement will be set in the context of the Executive's Green Growth Strategy and framework for its delivery. The existing draft Programme for Government (PfG) Outcome 2 comprises five indicators (Air, Biodiversity, Greenhouse Gas, Waste and Water) managed by the Environment, Marine & Fisheries Group (EMFG) and the NIEA Group, and a Transport indicator managed by DfI. Public Perceptions of the Outcome Framework report which provided an overall confidence score of the PfG outcomes indicated that the environment outcome was rated as the second worst. Actions include:

- **Air:** Air quality is taking on an increasing importance in environmental, public health and economic terms. Nitrogen Dioxide is the key indicator used in relation to the PfG, with the single biggest source being transport emissions. Other key pollutants include particulate matter (domestic heating being a significant source) and ammonia (agriculture is the major source). On 23 November 2020 Minister Poots launched a Clean Air Strategy Discussion Document for public consultation. The responses will be considered in advance of options being put to the Minister for consideration, prior to drafting the first ever Clean Air Strategy for Northern Ireland.
- **Biodiversity:** Loss of biodiversity (the variety of animal and plant life) has recently begun to receive a level of global attention which was previously only given to climate change. Little progress has been made towards meeting key targets to halt biodiversity loss in Northern Ireland, with many of our habitats and species in decline. The majority of Northern Ireland habitats continue to be in 'unfavourable-bad' conservation status, with only 1 out of the 49 priority habitats at favourable status. Northern Ireland priority species are faring better at this stage, with 12 out of 28 deemed to at favourable conservation status.

Northern Ireland has its own Biodiversity Strategy, which is currently being reviewed for the period up to 2030 and will be complemented by a separate Peatland Strategy (amongst other things, peatlands have an important role in climate change mitigation and adaptation).

The Biodiversity Indicator under PfG relates to securing favourable management of our protected areas in order to support nature recovery. Conservation Management Plans are being developed to support this indicator, and in response to a live infraction case on the adequacy of conservation measures for our Special Areas of Conservation. Conservation action is also being delivered through the Environmental Farming Scheme and the INTERREG Va programme.

New post-2020 biodiversity targets to restore ecosystems and provide more protection for nature will be agreed at COP15 (The Conference of the Parties to the Convention on Biological Diversity), currently scheduled for May 2021.

- **Greenhouse Gas:** The most recent figures show that we have reduced greenhouse gas emissions by 20% since 1990 – a lesser reduction than the UK average (43%) but more than the Republic of Ireland where emissions have increased. Agriculture is the largest emitting sector (27%) followed by transport (23%) and energy (15%).
- **Transport: (DfI)** The Belfast Rapid Transport Service (Glider) has helped to achieve a modal shift from private car use to public transport.
- **Waste:** In 2019/20, Northern Ireland's household recycling rate was 51.9%, an increase of 9.9 percentage points since 2014/15. NI hit the EU target of 50% waste from household recycling by 2020 well ahead of schedule, however, slippage back has been noted in the last two quarters and the current 12 month rolling rate is 49.6%. It now appears likely that this target may not be achieved. The Department is working with Councils to understand why this has occurred, despite the additional Covid mitigation funding that they received. We have commenced a £23million Household Waste Recycling Collaborative Change Programme, providing local councils with financial assistance to improve recycling services and infrastructure. These are positive achievements but there are new challenges such as moving to a circular economy, addressing plastic pollution, transposing the Single Use Plastic Directive as agreed under the withdrawal agreement protocol and ensuring that there is adequate waste infrastructure to meet our future requirements (where the planning application for the Arc21 waste facility is outstanding). We are currently engaged in ongoing UK consultations on extended producer responsibility (which will have significant cost implications for producers of packaging), deposit and return schemes and a plastics tax. The Executive committed to eliminating plastic pollution as part of the NDNA document and a plan is being drafted by officials to address this. The plan will contain a number of ongoing actions and new initiatives. The aim is to publish it for consultation within this mandate.
- **Water:** Only 37% of our water bodies are at good status or better and we are becoming increasingly concerned about rising levels of nutrients in our waters. The Department consulted with the public on a report on Significant Water Management Issues (SWMI) in December 2019. The report sets out an assessment of the pressures and impacts on the water environment and the progress being made against our objective of having 70% of water bodies at

good status by 2021. This SWMI report, consultation response and engagement with key stakeholders through focus groups helped identify a range of measures for our 3rd Cycle River Basin Management Plan. The draft Plan will be published on 31 March 2021, following an extension of the deadline (from December 2020) as key staff were redeployed in the Covid-19 response.

Environment Bill & Environmental Governance

A key issue is how to address issues of environmental governance. The Environment Bill is currently paused at Commons Report Stage due to the need to carry the Bill over into the next session of Parliament. Royal Assent will not now be achievable until autumn rather than spring, as previously expected. The Bill includes provisions for Northern Ireland including environmental principles, plans and oversight (through the establishment of a new independent Office for Environmental Protection (OEP)).

The Bill also includes provisions in respect of extended producer responsibility, resource efficiency standards and labelling, waste crime (including waste tracking), chemicals and water environment regulatory change. The Assembly granted legislative consent for the NI devolved provisions on 30 June 2020 but recent amendments in respect of Forest Risk Commodities in Commercial Activities and the OEP's enforcement policy will require a supplementary legislative consent motion to be brought forward in the relatively near future followed by Assembly consent to implement the measures. A consultation document on the principles, plans and governance aspects of the Bill has been published and closes on 26 February.

In the New Decade, New Approach document there is the following commitment:

The Executive will establish an Independent Environmental Protection Agency to oversee this work and ensure targets are met.

The previous Minister committed to considering the implications of the 'New Decade, New Approach' proposal for the establishment of an independent environmental protection agency to form part of a future Programme for Government but an independent environmental protection agency cannot be created overnight – consideration needs to be given to appropriate options and these will all require robust economic appraisal to determine the best option for Northern Ireland. It is no small task to scope all of the potential impacts, including significant legislative, financial and human resource issues, which would be necessary before decisions can be made.

Understandably, in the current crisis resources are spread more thinly and so some prioritisation has been necessary. There are other issues that need to be addressed first, such as the OEP and the Green Growth Strategy, which will help in our recovery from the devastating effects of Covid-19.

2.1.4. Forest Service – Plant Health

Forest Service has responsibility to safeguard NI plant and tree health in order to protect the environment and the economic capability of our local agriculture, horticulture and forestry sectors.

The Plant Health regime in NI is in line with the UK Government's commitment to operate consistent with the principles of the EU Smarter rules for Safer Food. Currently under the withdrawal act and NI Protocol this involves the implementation of EU Plant Health Regulations and the EU Official Controls Regulations in NI.

Immediate Issues - There is currently considerable media attention, stakeholder correspondence, including via political representation, surrounding some aspects of official control requirements for GB to NI goods. Examples of these are the remaining prohibitions on seed potatoes, some plants/plant products and plants supplied with planting medium. Also, delays and costs to businesses associated with meeting certification requirements, for example on the movement of used agricultural machinery from GB to NI.

There has been significant dialogue, which is ongoing, at official and ministerial levels with Defra, UK government and the EU to seek a more pragmatic and workable requirements in the context of minimising any burdens on GB to NI trade and impacts for NI businesses.

2.1.5. Ammonia

Ammonia emissions in Northern Ireland are too high and require intervention. Current levels of ammonia emissions are damaging the environment, have negative impacts on human health and are restricting some agricultural developments. 96% of ammonia emissions in Northern Ireland are produced by the agriculture sector, mainly livestock housing and spreading of manures. Emissions have increased notably in the past decade; by around 20% from 2010 to 2017 before a 3% reduction in emissions in 2018.

There is clear evidence of damage at designated sites attributable to excess ammonia emissions and nitrogen deposition. The vast majority of designated sites have exceedances of critical loads and critical levels, indicating that an ecosystem is at risk from potential harmful effects. These are Northern Ireland's most precious places for nature conservation and current levels of ammonia are a barrier to achieving favourable conservation status.

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2.1.6. Bovine Tuberculosis (bTB) and Exports

Bovine Tuberculosis (bTB) is one of the most significant animal health challenges faced by both industry and government here. The eradication of bTB is a Ministerial priority. In 2020/21, the Northern Ireland bTB Programme cost is estimated to be £37 million including £21.5 million in compensation payments.

A bTB Eradication Strategy has been drafted and an associated business case is being finalised. Consultation on the Strategy including the contentious areas of badger intervention and changes to compensation is planned for early spring.

Veterinary Service and Animal Health Group helps the agri-food industry prepare for future market opportunities and market challenges through its regulatory and facilitation roles including public health controls, sanitary & phytosanitary measures to prevent epizootic incursions (temporary but significant outbreaks of disease in animal populations) and certification of agri-products.

2.1.7. Rural Society

- **Post 2021 Rural Development Funding for rural businesses and communities**

The current EU Rural Development Programme 2014-2020 provides £80m to support investment in rural businesses, villages and communities, and rural tourism. Programme implementation has been extended until 31 March 2022 in view of Covid 19. EU funding programmes have played a key role in sustaining and developing rural communities for over 35 years and it is essential that a specific rural funding programme is provided post 2021. A new Rural Policy Framework is under development and it is hoped that subject to Minister's agreement that full consultation will launch in the Spring 2021.

- **Tackling Rural Poverty and Social Isolation (TRPSI) funding for 2021/22**

TRPSI resource funding is not baselined and requires annual bids. The budget (capital and resource) of £4m for 2020/2021, following successful monitoring round bids, was enhanced by £7m with most of this funding utilised to support rural communities respond to Covid 19. The enhancement allowed the Department to react in the best interests of rural communities to address issues relating to the

impact of the pandemic. It is anticipated that the need to assist rural businesses and communities will continue to be the case in the 21/22 financial year. Resource funding supports a range of initiatives including (rural transport, health and well-being, community development and capacity building) and its discontinuation would lead to the loss of community and voluntary sector jobs and have knock-on negative impacts on the rural communities.

2.1.8. Fisheries EU Exit Issues

- **Internal Allocation for Additional Quota**

The UK Government has recently concluded a consultation on alternative methods for allocating any additional quota secured as a result of the Trade and Cooperation Agreement (TCA). Whilst the bulk of quota will be allocated by the traditional Fixed Quota Allocation (FQA) method, any additional quota secured from the EU above this, may be allocated differently. Our industry fishes throughout the Irish Sea, around the UK and beyond, therefore any new methodology based on allocation by the amount of sea area adjacent to our immediate coastline would mean Northern Ireland receiving a lower share of additional quota in the Irish Sea and practically no share of additional quota outside the Irish Sea.

In the Department's view sufficient additional quota must first be allocated to ensure normal operation of the existing fleets and should reflect the activity of these fleets in each sea area. The Department's preference is to continue to use the existing FQA system as a basis for all UK quota allocation. Some alternatives, such as allocation by track record of fishing, may be acceptable but a proper assessment of which methodology works best cannot be considered until the Coastal State negotiations conclude.

- **Coastal State Negotiations**

Coastal State negotiations to agree overall Total Allowable Catches (TACs) with the EU, Norway and the Faroe Islands are now underway. Once they conclude the quotas available for the UK fleet to catch in 2021 will be published. In the interim, provisional quotas have been published that cover the first three months of this year. In most cases the Department expects TACs to be set in line with scientific advice. The negotiations are likely to extend into March. In future the Department would expect these negotiations to start in the autumn and conclude by the end of November.

- **Ireland/Northern Ireland Protocol Issues**

Following the end of the transition period there remains unresolved issues around the Ireland/Northern Ireland Protocol (I/NIP) negotiations, namely Illegal, Unreported and Unregulated (IUU) restrictions and customs formalities, on fish landed by NI vessels, as well as the movement of eels from NI to GB and vice versa.

- i) **DEFRA Unilateral Approach for NI registered vessels landing into NI**

ports EU IUU restrictions

In relation to Illegal, Unreported and Unregulated (IUU) restrictions, the UKG has provided a unilateral interpretation of the Protocol to prevent disruption to the fishing industry's current operation, which the Department is following. The Northern Ireland fishing industry has expressed an interest in achieving a longer term solution as they have expressed nervousness around the EU's treatment of NI vessels as a third country in their own ports. There have been a significant number of meetings at both ministerial and official level between the Department and DEFRA on this issue and further engagement is planned at official level.

ii) Customs formalities on the landings from the NI fishing fleet

On customs formalities, under Article 5 of the I/NIP, Northern Ireland will continue to operate under the UCC (Union Customs Code). However, this does not apply to UK territorial waters. The UKG interpretation of the relevant EU legislation applied by and in the I/NIP is that Northern Ireland fishing vessels can be treated by the UK in the same way as EU vessels landing back in the single market for the purpose of customs requirements. For fish caught in the UK territorial waters, the EU's view is that there is the need for customs and regulatory requirements, including the submission of safety and security (ENS) declarations by the fishers on each landing, which potentially means that there is the need for additional control for the landing of goods (fish) at Northern Ireland fishing ports, which would be extremely burdensome, especially across the smaller Northern Ireland ports.

The UK Government has also provided a unilateral approach on customs formalities in that Northern Ireland vessels will only be required to meet pre-existing obligations, such as those contained within the fisheries control regulation, when landing into ports in Northern Ireland until further notice. This is in line with the approach taken to the implementation of the Protocol more broadly, where the need for pragmatism as traders and fishers adapt to new requirements. The UKG would robustly defend this approach should any challenge to it be raised by the EU, though it is important to note that this has been the subject of engagement between the UK and EU during the course of Joint Committee proceedings. It is accepted that this approach will require further discussions with the EU, through the Joint Committee.

iii) NI Eels Trade from NI to GB and vice versa

The departure of the United Kingdom (UK) from the European Union (EU), and the implementation of the Northern Ireland (NI) Protocol has resulted in substantial changes to traditional eels trading markets and this has significantly impacted on the Northern Ireland (NI) Eels trade.

No trade in eels has been allowed out of or into the EU since 2010 and any alteration of this position would require a change in policy by the EU. While the NI Eels Trade can continue to trade in the EU market (80% of business estimated value - £2m) they cannot trade in the GB market (20% of business – estimated value £0.5m).

No glass eels for restocking can be imported from GB, though they can be sourced from EU fishermen. The stocking of glass eels is regarded as a conservation measure and DAERA has been able to provide support through provision of a European Maritime and Fisheries Fund (EMFF) grant for the purchase of glass eels for stocking into Lough Neagh.

The restrictions imposed by the EU Policy and NI Protocol will cause financial, logistical and animal welfare implications for the industry. Minister Poots raised these issues at an Inter-Ministerial Group for Environment, Food and Rural Affairs meeting on 25 January 2021 and DAERA officials continue to engage with DEFRA officials on the issue.

iv) Access to fish in the 6-12 nautical mile area in the Irish Sea and land at Irish ports

The Trade and Cooperation Agreement (TCA) treaty permits access to the 6-12 nautical mile zone only in UK waters to the south of England, but not access inside the 12 mile limit in other waters, including the Irish Sea.

Consequently, Northern Ireland vessels are not permitted to operate within the Irish 6-12 nautical mile zone. Similarly, Irish vessels are not able to fish within the Northern Ireland 6-12 nautical mile area under the present arrangements.

Reciprocal arrangements are desirable from a Northern Ireland perspective as a proportion of the Northern Ireland landings of Nephrops, Haddock and Scallops are derived from the 6-12 nautical mile area in Ireland. The Department and DEFRA are engaging with the European Commission to initiate a discussion with Ireland on this matter. Minister Poots has also raised this issue with Irish Minister McConalogue, DAFM.

2.1.9 Food Security

Keeping Food on Our Shelves has been recognised as a key issue by the Northern Ireland Executive. On 1 May 2020 DAERA was assigned by the Executive to lead on Food Supply Security and has established a Food Security Division which, amongst other things, will monitor the logistics and supply status of critical goods into and around Northern Ireland as we moved to transition from Europe. Northern Ireland is situated at the end of a very complex chain of food supply and relies on deliveries from Great Britain. Any disruption in the Great Britain food supply chains has the potential to cause a much more pronounced effect on Northern Ireland's food supply system, including major retail outlets, convenience stores, food service operators and value added businesses.

A Cross Departmental Food Supply Forum has been established to provide strategic and consistent direction across the Northern Ireland Executive on current and foreseeable pressures, on the entire food supply chain into and throughout Northern Ireland. DAERA has developed the Northern Ireland Food Supply Contingency Plan

and Escalation Process in agreement with other relevant Government Departments and continues to refine current actions to ensure we are best prepared to respond to future food supply security issues.

DAERA produces a Food Observatory Report and a Dashboard, with supporting analysis, on a weekly basis to continuously assess the health of the food supply system for Northern Ireland, including logistics and food retailers, so that we are prepared for both future crisis and long term sustainability of our food supplies. This allows us to continuously assess the health of the food supply system, with a view to encouraging and supporting measures to maintain its flexibility and resilience

Contingency arrangements are operational at Northern Ireland PoEs and are allowing goods requiring Sanitary and Phytosanitary checks to move through our ports to ensure Food Supply Security. Northern Ireland Points of Entry are fully resourced with the necessary DAERA staff to carry out the required checks. While some food retail outlets are experiencing minor supply issues, Supermarkets are reporting that there are no significant impacts on food supply levels and there continues to be no obvious signs of effects on consumer behaviour in Northern Ireland.

DAERA and Defra are working with authorised traders to move to new, end-to-end digital systems that enable goods to be moved in accordance with the NI Protocol in the most streamlined way possible. A Digital Assistance Scheme (DAS) project has been established to deliver this support. DAERA and Defra have also worked with hauliers to establish a new Groupage models have been developed to help ensure loads will be able to move through Northern Ireland points of entry with minimum interruption - A Consolidation Hub Model and Linear Model.

There is currently no immediate risk to food supplies in Northern Ireland and stock levels are operating at near normal levels. Retailers and Government are working together to provide solutions to maintain the flow of food supplies. However retailers and logistics operators are expressing concerns in relation to long term viable options for maintaining food supply chains to Northern Ireland, especially as we move towards the end of the Authorised Trader grace period, which is currently to end on the 1st April 2021.

2.1.11. Addressing the Impact of Covid-19

On 19th May, the NI Executive agreed an allocation of £25 million to DAERA for market interventions in the Agri Food sector. This was the most comprehensive allocation made by any UK or EU administration for the agriculture and horticulture sectors during the Coronavirus emergency. It was based on a very strong economic rationale for providing financial assistance to agricultural and horticultural businesses, to enable them deal with short term disruptions that would substantially impact on otherwise viable businesses.

On 30 June, it was announced that £21.4m of support would be made available through sector support schemes as follows: Dairy Sector - £11m, Beef Sector - £7m,

Sheep Sector - £232k, Potato Sector – up to 1.6m, Ornamental Horticulture Sector – up to £1.6m. The schemes were a contribution towards the losses incurred by farm businesses as other NI Executive and HM Government support measures were also available. To date, payments of almost £19m have been made to approx. 11,300 farm businesses in the dairy, beef, sheep and potato sectors.

A further financial support package worth up to £2.2m has been announced for pig producers supplying Cranswick Country Foods who incurred loss when the processing plant was temporarily closed for 2 weeks at the end of August 2020. Proposals have also been developed for a £2m to address losses incurred by poultry farmers as a result of a downturn in the market for hatching eggs caused by Covid-19 but not agreed or announced as yet.

There is still the possibility of further market disturbance as a result of this pandemic and the need for support to protect farm incomes. DAERA continues to monitor the market and impact across all sectors, and has retained a budget to address additional issues and challenges that COVID-19 may present in the weeks and months ahead.

- **Lough Neagh Fisheries Covid Support Scheme**

Financial support has already been provided to the Sea Fishing and Aquaculture sectors to help address the impact of Covid 19 on markets, and further schemes for these sectors are under consideration.

The Department also recognises the pressures faced by the Lough Neagh fishing industry as a result of the Covid-19 outbreak. The commercial fishing industry has a very important role to play in the local economy and in the conservation and protection of fish stocks in the Lough.

The proposed Scheme intends to provide short-term support to inland fishermen by providing up to 50% of their 'income foregone' (lost income) from the sale of fish during the period 1 May 2020 to 31 October 2020 due to the COVID-19 pandemic. Funding for this proposed Scheme will be provided under Article 33 (Temporary Cessation of Fishing Activities) of the European Maritime and Fisheries Fund (EMFF) Programme.

Details of the eligibility criteria are being finalised and once approved by the Minister, a further announcement can be made.

Virus in Wastewater Surveillance

DAERA co-funding a collaborative research project with Science Foundation Ireland (SFI) to establish an integrated system for all-island SARS-CoV-2 wastewater surveillance and reporting. DAERA has awarded £394.5k to fund the NI part of that QUB-UCD led project. The project commenced in December 2020 and will establish capacity in Northern Ireland to allow future scale-up for a regional wide surveillance programme. Grab sampling commenced on 4th December with automated sampling in place on 11th January at Dunmurray and Ballynacor (Craigavon) WwTW. Lab

analysis commenced on the 26th January and we are awaiting the first set results from QUB.

The funding for the current project ends in March 2021. DAERA are currently working with QUB to develop a Service Level Agreement to put in place an interim surveillance programme for 8 sites in advance of the significant scale up. This will ensure capabilities are continued and maintained whilst planning for scale-up. The SLA at this stage is for 12 months and is estimated to cost £380k.

QUB have put forward a business-case to put in place a significant scale up (60sites) surveillance programme. QUB have estimated costs of £3million to start up and establish. Additional costs are to be worked up with NI Water/DfI in relation to sample collection and transportation to QUB for analysis.

PHA and DoH representatives have expressed interest in the surveillance and have agreed to discuss the QUB business case with the Chief Medical Officer. Both PHA and DoH expressed interest in the benefits a wastewater surveillance could offer in both in dealing with the current COVID pandemic, and in informing future public health decisions.

An interdepartmental (DoH, DAERA and DfI) business case (accordance with Treasury Green Book) for Covid Funding will be developed for submission to DoF. Further discussions are required to put in place appropriate governance structures to manage and oversee the delivery of the surveillance.

2.2. SECOND TIER ISSUES: TO BE AWARE OF

2.2.1 Mobuoy

The Mobuoy Road waste site is located on the outskirts of Derry / Londonderry. Estimates suggest there is circa 1 million cubic meters of unlawfully deposited waste at the site. DAERA and the Northern Ireland Environment Agency (NIEA) have received approval to proceed with the initial stages of the remediation strategy for the site. The remediation strategy is driven by the need to protect public health and to comply and enforce European environmental legislation. This is being achieved through a sustainable integrated remediation programme between DAERA, DfI Planning, DfI Roads and NI Water, linked to an agreed vision for the future use of the site. The Department is pursuing the former Operators (City Industrial Waste Ltd. and Campsie Sand & Gravel Ltd) together with named Directors, with regard to the associated criminal offences. A trial date had been set for 7 September 2020 however this was adjourned due to the severe disruption of the court schedules as a result of the Covid-19 pandemic. A new date for trial is yet to be set by the courts. Current work is focusing on extensive site monitoring to ensure the continued safety of the public drinking water supply and procuring the Integrated Consultancy Team (ICT) to develop the optimum remediation strategy. Works are estimated to start on site by July 2023 with overall costs in the order of £30m. In March 2014, the Assembly passed a motion calling for a public inquiry into the illegal disposal of waste. There have been repeated calls by Derry City and Strabane District Council and local elected representatives and residents for a public inquiry. On 28 October 2020 the Minister met with elected representatives from the Council's Environment and Regeneration Committee and Members of North West Regional Waste Management Group. At that meeting Minister Poots reiterated that he would not initiate a public inquiry and that as well as the Mills Report there will be a court case as part of the criminal investigation. He emphasised that he wants to add value going forward rather than concentrating on looking back and that the remediation of the site provides an opportunity to create a positive legacy from what was a bad situation.

2.2.2. Environment Strategy for Northern Ireland

Northern Ireland faces many environmental challenges including: climate change; waste management and the development of a circular economy; waste crime; air quality; biodiversity loss; and soil quality. There are also specific issues associated with agricultural activity, such as: agricultural greenhouse gas emissions; the effect of nitrogen run-off and phosphorus on water quality; and the impact of ammonia emissions on air quality, designated sites and priority species.

The 2,500 responses received to the public discussion exercise on a proposed Environment Strategy for NI reflect the views of a wide range of citizens and stakeholders from across Northern Ireland and demonstrate the public's interest in our environment and desire to protect it.

The findings in the summary report of the analysis of responses will provide key inputs to the draft Strategy which the Department hopes to launch in spring 2021. In

developing the Strategy the Department will wish to work closely with other departments and stakeholders.

2.2.3 Joint Fisheries Statement

The UK Fisheries Act 2020 provides the legal framework for the UK to operate as an independent coastal state now that we have left the Common Fisheries Policy.

It will enable co-ordinated approaches to be taken to sustainable fisheries management across the UK. This will be achieved through the Act's common fisheries objectives that apply throughout the UK. By 2022 the UK Fisheries Administrations must publish a Joint Fisheries Statement and associated fisheries management plans that set out how they intend to achieve the common fisheries objectives.

A public consultation on the draft Joint Fisheries Statement is planned for the second half of 2021.

2.2.4. Proposed Horse Racing (Amendment) Bill

The Horse Racing (Northern Ireland) Order 1990 (the 1990 Order) requires bookmakers to make an annual contribution to the Horse Racing Fund (the Fund), which is then used to assist the operation and development of the two racecourses at Downpatrick and Down Royal. The 1990 Order provides for payments to named operators at each of the racecourses (the "Company" at Downpatrick and the "Corporation" at Down Royal). Payments from the Fund to the "Corporation" ceased from 1 January 2019 when a new operator took over the management at Down Royal. A consultation was undertaken in May 2020 on a proposal to amend the legislation and change the named beneficiaries via an Assembly Bill.

In 2019 the Department suspended payments to Downpatrick Race Club while an application to the EU for State Aid approval for the Fund was progressed. The application was subsequently withdrawn when it became clear that the decision from the Commission was unlikely to be favourable. Work on the proposal to amend the 1990 Order was stalled, as making the change would not make the Fund compatible with EU State aid rules.

Following the end of the Transition Period, EU State aid rules no longer apply in relation to the Fund but new UK Subsidy Control rules will. Therefore it has been necessary to identify what obligations may apply to the Fund in order to ensure that appropriate obligations are fulfilled. Guidance on interpretation of the new requirements of the new UK Subsidy Control regime was published on 31 December 2020 and officials are urgently assessing the Fund against these principles. Consideration is also been given to the implications on the proposal to amend the named beneficiaries to the Fund. If it is concluded that an amendment to the 1990 Order can be made, the timescale for doing so, and having the legislation in place within the current mandate, is very tight, with approval of the Executive to the drafting

of a Bill needed no later than the end of February. Detailed briefing will follow shortly.

2.2.5. Mourne Beg River Incident

Loughs Agency staff are continuing their investigation into the recent major water pollution incident in the headwaters of the Mourne Beg River. A section of approximately 4.5 hectares of peat bog adjacent to a wind farm development site slipped into a feeder stream and subsequently into the Mourne Beg River.

Loughs Agency are leading on the consideration of any remedial fishery measures, alongside two Inter-Agency Working Groups, one for enforcement and one for restoration. The nature, type and extent of remedial measures will be dependent on the final review of the environmental assessments which are currently ongoing.

Minister Poots and DAFM Minister Charlie McConalouge TD visited Meenbog, Co Donegal, which is within the site of a wind farm under construction on the 20th November 2020. Minister Poots also visited Corgary Fish Farm which has been seriously impacted by the pollution incident.

The Agency provided an oral briefing to the AERA Committee on 21st January on the incident.

2.3. THIRD TIER ISSUES: TO NOTE AT THIS STAGE

2.3.1 Foyle, Carlingford and Irish Lights Commission (FCILC) (The Loughs Agency) is a North/South Ministerial Council (NSMC) body.

There is a vacancy in the Foyle, Carlingford and Irish Lights Commission (FCILC) at Chief Executive level. The NSMC is responsible for appointments to the Boards of North/South Bodies and the approval of Chief Executive appointments. The Loughs Agency's Chief Executive Officer (CEO) post has been vacant since February 2017. Preparations are being made by Sponsor Branches to launch a competition to fill the CEO post.

2.3.2. Food Labelling

From 1 January 2021, NI retains the majority of EU food labelling rules as a result of the Ireland / Northern Ireland Protocol. The Protocol also specifies that, where provisions of EU law provides for the indication of a Member State, in markings, labelling, tags or by any other means, goods originating from Northern Ireland should be labelled as 'United Kingdom (Northern Ireland)' or 'UK(NI)' when sold on NI or EU markets. In GB, NI products may continue to be labelled as "United Kingdom" or "UK", or UK(NI).

In Northern Ireland, the Food Standards Agency is responsible for labelling policy relating to the provision of food information to consumers (including FBO address), compositional standards, nutritional related labelling and the application of health and identification marks. DAERA is responsible for marketing standards for a range of agricultural products, beef and veal labelling, organic labelling, and geographical indications and also has an enforcement role in relation to some aspects of food labelling. Officials across the UK continue to meet to discuss labelling issues and exchange information on issues arising.

UK and EU businesses have a period of up to 21 months (until 30 September 2022) to adjust to new labelling requirements for a range of goods sold on the GB market. For other aspects of food labelling, DAERA, District Councils and GB local authorities are taking a proportionate and risk-based approach to enforcement in line with existing policies to enable businesses to work towards compliance.

2.3.3. Contractual Relationships in the Northern Ireland Dairy Industry

On 24/06/20 Defra launched a UK wide 12 week consultation, which closed on 15 September, to seek views on how contracts are used within the dairy sector, and the UK Governments intention to legislate in this area. The consultation document was produced by Defra with input from DAERA and the other Devolved Administrations. It was led by Defra as it covers an area of reserved competence - the introduction of mandatory milk contracts in the dairy sector, which seeks to address potential abuse of dominant position, is considered a reserved matter.

The NI dairy industry differs to that in the rest of the UK; it is dominated by co-operatives and there is a highly integrated cross border supply chain with the ROI (approximately 35% of milk produced in Northern Ireland is transported to ROI for processing), which could create particular challenges around the enforcement of mandatory contracts.

Defra published the Summary of Responses on 03/02/21. The Summary concludes that there is strong support for legislation to ensure that all contracts meet an acceptable standard. It indicates that Defra will develop a statutory code of conduct using powers contained in section 29 of the Agriculture Act 2020, which will provide a framework, establishing legally binding minimum standards of contractual practice, whilst providing businesses with the flexibility to adapt contracts to their individual circumstances.

Defra will work on the basis of introducing regulations with UK-wide application but will consider the unique position of Northern Ireland and will consider incorporating special provision for differing circumstances, if necessary. Any NI specific issues will be addressed in advance of legislation being put in place through engagement with NI stakeholders. DAERA officials will continue to work with Defra while further stakeholder engagement is carried out and the relevant issues for Northern Ireland explored, and will brief the Minister.

2.3.4 Environmental Farming Scheme (EFS)

The Environmental Farming Scheme (EFS) is DAERA's current agri-environment scheme, and a key, compulsory, element of the NI Rural Development Programme (RDP) 2014-2020.

The scheme aims to improve habitat condition, biodiversity and water quality, and sequester carbon. It is also a key means of delivery for water quality and biodiversity PfG indicators.

Some 4,600 EFS agreements are in place after three intake tranches. Tranche 4 agreements are currently being processed and it is envisaged that around 400 Tranche 4 agreements may be put in place.

Tranche 5 of EFS is planned to launch later this year, subject to business case approval, with a potential for a Tranche 6 in 2022, subject to the availability of national funding.

2.3.5 Farm Business Improvement Scheme–Capital (FBIS-Capital)

The FBIS-Capital offers tiered capital investment support linked to the needs in a farmer's business plan at 40% of eligible costs, under the NI Rural Development Programme (RDP) 2014-2020. It is a competitive scheme that includes two Tiers and is available to applicants involved in production agriculture or horticulture.

- **Tier 1** includes on-farm investment projects from £5,000 to a maximum of £30,000 project costs, and is aimed primarily at encouraging farmers to invest in

equipment and machinery from a pre-scored and reference priced list of eligible items that will improve the sustainability of their businesses (i.e. environmental performance, health and safety, animal health and welfare).

After 2 previous tranches of Tier 1, Tranche 3 of Tier 1 FBIS Capital, closed on 4 December 2020, with over 3800 applications received. Priority in this tranche was given to Low Emissions Slurry Spreading Equipment, in order to encourage early uptake of LESSE. On 27 January, Minister Poots announced his decision to double the allocation for this tranche from £7.5million to £15million.

- **Tier 2** provides for on-farm investment projects in excess of £30,000 project costs (to a maximum available grant of £250,000) based on a robust farm business plan. Its focus is to drive transformational capital investment in assisted farm businesses.

To date, there has been 1 tranche of Tier 2 delivered. Currently 5 applications remain within the assessment process; they cannot be fully assessed until the project applicants have received planning permissions for their proposed project. A date has not yet been confirmed for opening a second tranche, and this is being kept under review.

Any further capital support will take into account any further guidance developed by DAERA on ammonia reduction and mitigation.

2.3.6. Northern Ireland Food Animal Information System (NIFAIS)

This project has been very significantly delayed since its inception some 10 years ago. The Northern Ireland Food Animal Information System (NIFAIS) is the replacement for the current Animal Public Health Information System (APHIS). As such, it is the Department's animal traceability disease control and food health assurance system.

The project was paused by DAERA last year following a change in management and an independent Vfm assessment was carried out

[REDACTED] The current system, APHIS, continues to underpin not just Veterinary Services within DAERA but also the wider agri-food sector as it is used by markets, abattoirs and private veterinary practices – as well as many other stakeholders.

SECTION 3

CENTRAL SERVICES AND CONTINGENCY PLANNING GROUP

Brian Doherty – Deputy Secretary

PRIORITY ISSUES WITHIN THE GROUP

Issue 1: Budget 2020-21

As part of the opening budget process, the Executive agreed an opening budget for DAERA of £504.7m Resource, £98.5m Capital and £25.4m Depreciation. This included £278.6m for EU Replacement Funding for Direct Payments to Farmers, with a further £14.7m allocated as part of June Monitoring Round.

DAERA was subsequently allocated a further £41.7m to respond to COVID-19.

The additional allocation of £41.7m was to:

- fund market interventions in the agri-food sector (£25m);
- support the Fisheries Sector (£1.5m); and
- help Councils cover higher waste collection, treatment and disposal costs (£15.2m from two allocations, £3.8m and £11.4m).

As part of June Monitoring, DAERA identified a further £8.5m Resource internally for reallocation to COVID-19 pressures.

As part of the first two Monitoring Rounds this year, DAERA declared Capital reduced requirements of £18.6m. These arose primarily as a result of the pandemic and allowed the Executive to reallocate funding to other departments to support the economy.

The Executive is still considering the allocation of additional COVID-19 funding.

As part of the January Monitoring Round, DAERA received an additional allocation of £3.5m Resource for Financial Discipline payments which were due to farmers following the EU Exit. The Department also declared a £4.4m Depreciation Reduced Requirement which was largely the result of a change in the application of an accounting policy following a review of the capitalisation of intangible assets. The Department is now focussed on spending out its allocations for this financial year.

Spring Supplementary Estimates (SSEs) are currently being prepared and will reflect the Budget outcome of the January Monitoring Round and the cash required by the Department for 2020-21. They also provide the legal authority for DAERA to spend its budgets.

Issue 2: Budget 2021-22

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SECTION 4

ENVIRONMENT MARINE AND FISHERIES GROUP

David Small – Deputy Secretary

PRIORITY ISSUES WITHIN THE GROUP

The following topics have already been covered under Tier 1, Tier 2 and Tier 3 Issues:

- Climate Change
- Environmental Governance
- Ammonia
- Fisheries EU Exit Issues
- Lough Neagh Fisheries Covid Support
- Fisheries EU
- Environment Strategy
- Joint Fisheries Statement
- Environmental Farming Scheme

Additional issues are outlined below.

Issue 1: Post EU Exit Policy and Legislation

(a) Fisheries Policy and Legislation

The UK-wide Fisheries Act 2020 provides the legal framework for the UK now that it has left the Common Fisheries Policy. It will enable common approaches to be taken to sustainable fisheries management across the UK. A key part of this framework will be the development of a Joint Fisheries Statement (JFS), which will set out fisheries policies, and how these will achieve, or contribute to the achievement of, the agreed fisheries objectives. There will be a public consultation on this JFS later in the year.

In parallel, DAERA will undertake a policy review of the Fisheries Act (NI) 1966. This is with a view to developing a modern suite of fisheries policies in NI that can be aligned to the fisheries objectives in the UK-wide Fisheries Act 2020. The intention will be to consult on those policies in late 2021/early 2022, and be in a position to introduce a NI Fisheries Bill to the Assembly in the next mandate.

(b) Environmental Policy

In preparation for the end of the Implementation Period a significant body of legislation was laid and made both in the NI Assembly, and by Westminster Departments on behalf of NI. The UK and NI secondary legislation amended legislation to correct references to EU legislation, transferred powers from EU institutions to domestic institutions and ensures we meet international agreement

obligations. The key message is that environmental protections have been maintained and that environmental policy has not changed as a result of EU Exit.

However, significant works remains including, measures to fully implement the new UK emissions trading scheme; implementation of circular economy measures which were either late additions to the NI Protocol or arise from changes to EU requirements, completion of delayed NI Protocol legislation on the movement of waste and implementation of new arrangements for chemicals. Alongside this are general issues about how NI resources new responsibilities under the Protocol, how it fulfils reporting obligations, and how processes with the EU and UK will work in practice. Work has begun on scoping the policy, legislative and other requirements going forward.

(c) Environment Bill

The Environment Bill was introduced to Parliament on 30 January 2020 but has suffered a number of delays due to the Covid crisis and the volume of legislation passing through Parliament at the end of 2020. On 26 January the UK Government successfully sought Parliament's agreement to carry over the Bill to the next session to avoid the possibility of the Bill falling if it did not receive Royal Assent before the start of the next session in May. Royal Assent is now expected in autumn 2021. Delay in the Bill's progress through Parliament may not significantly affect implementation in NI – which is subject to Assembly approval in any event. This does extend the "governance gap" left by the UK's departure from EU Commission oversight but interim arrangements are in place (see below). Significant issues at the moment are: the consultation on the plans, principles and governance aspects of the Bill, which closes on 26 February and gives stakeholders the opportunity to give their views on implementation; development of a draft environmental principles policy statement for consultation; initiating the recruitment process for a Northern Ireland member of the OEP; a supplementary legislative consent motion; and our continued participation in, and enhancement of, the Interim Environmental Governance Secretariat (IEGS) established by Defra to manage complaints to the OEP until it becomes fully functional.

Issue 2: Covid Funding Support for Council Waste Management Services

Recognising the necessity to ensure the continuation of council household waste collection and waste management services and to safeguard human health and protect the environment, DAERA was initially allocated £3.8m by the Executive to allocate to councils towards their additional waste management costs due to the covid-19 pandemic. This was to cover their costs for the period March to June 2020. Their estimated costs for this period were £5.7m.

The Executive subsequently allocated a further £11.4m to the department for the councils to see them through to March 2021 bringing the total allocation to £15.2m. The second tranche of funding does not cover costs for additional council staff, additional non-council staff, disposing of waste to landfill and income lost for sale of recyclates as it was expected that after the initial "shock" Councils should, by Quarter 2, have made every effort to revert to a more business as usual approach.

Councils have lobbied unsuccessfully for both additional allocations since the pandemic has commenced and to overturn the decisions to declare the above mentioned items of expenditure ineligible.

The latest indications from Councils are that they will fall significantly short of spending their full allocation of £15.2m. Work is ongoing with councils to maximise the spend that is achievable.

Issue 3: Marine Plan for Northern Ireland

The Northern Ireland marine area is of huge value – it not only supports a diversity of marine wildlife and their habitats, it also supports society, particularly our coastal communities through activities such as shipping and ports, fishing, aquaculture and tourism and recreation. These are some of the elements that comprise our marine economy, our blue economy.

The Marine Plan for Northern Ireland represents a key step in managing our marine area and the interface between land and sea, and in supporting economic, environmental and social objectives. It seeks to manage competing demands on the marine area by taking an ecosystem-based approach, enabling the co-existence of compatible activities and uses, and integrating marine planning with terrestrial planning. The policies contained within the plan provide a framework for decisions taken by Public Authorities, which affect or have the potential to affect the marine area. It is important that the marine resource is appropriately managed to ensure lasting and sustainable benefits, including supporting blue growth.

A 12 week consultation on the draft Marine Plan was launched on 18 April 2018. More than 70 organisations and individuals submitted representations. Representations were received from a wide range of stakeholders, including members of the public, coastal community groups, environmental NGO's, sports organisations, sectoral representation organisations, fisheries organisations, suppliers of energy, local authorities and public sector bodies.

A synopsis of the representations made on the Marine Plan is near completion. This document will also outline in detail how the Department intends to respond to the comments made. It is expected we will be seeking the Minister's permission to publish this synopsis in March 2021. Progress continues in working with policy leads and engaging with stakeholders towards a second iteration of the Marine Plan.

SECTION 5

NORTHERN IRELAND ENVIRONMENT AGENCY GROUP (NIEA and Green Growth Division)

Tracey Teague – Deputy Secretary / NIEA Chief Executive

PRIORITY ISSUES WITHIN THE GROUP

Issue 1: Green Growth

The Minister launched Green Growth in June 2020 and this is seen as the route map to address climate and environmental challenges while encouraging sustainable economic growth. It's also recognised that developing a Green Growth Strategy will require considerable effort and working with a wide range of partners. Co-design is key to the overall success and communications will also be very important in the development of the Green Growth strategy and framework. It's important we commit to the ambition and desired outcomes of the Green Growth Strategy and Delivery Framework. Ministers discussed and agreed this collaborative approach at the recent Green Growth Inter-Ministerial Group meeting.

Issue 2: Regulatory framework to protect the environment

Following EU exit it's important we continue our operations in the new regime to deliver positive outcomes for human health and the environment. Regulatory Position Statements (RPS), which are designed to protect human health and the environment while assisting business to adopt to new regimes, were extended to 31 March 2021 with one additional RPS being agreed to deal with both the effects of COVID-19 and potential implications of EU Transition for businesses. NIEA teams will continue to advise, support and communicate to deliver regulation and enforcement across all business sectors to support and improve the environment. In response to Covid19 our Regional Operations staff have kept Country Parks open in line with regulations and we have maintained a regime of risk-assessed inspections and monitoring of the environment.

Issue 3: Biodiversity

Significant commitments to reverse biodiversity loss and restore ecosystems to combat climate change will be negotiated and agreed at 2 high profile UN conferences later this year: COP15 (Convention on Biological Diversity in May) and COP26 (Climate Change Conference in Nov). NIEA are working with the other devolved administrations to consider the proposed targets and monitoring framework to 2030 and 2050, and the actions required to meet the specific goals for nature recovery for the UK and Northern Ireland. We will develop and take forward a work programme in preparation for COP15 and COP26, to set out the protection measures

and monitoring arrangements required to meet emerging goals for nature recovery. This will be accompanied by a communication programme to highlight our nature priorities, nature's role in addressing climate change, our initiatives to deliver a nature-rich, resilient landscape and alignment with the international **Leaders Pledge on Nature**, to which the UK are a signatory.

Issue 4: Mullaghglass landfill odour issue

NIEA and the local Councils have been receiving high levels of complaints from residents in the Lisburn and West Belfast area about odour from Mullaghglass landfill site and other industrial sites in the area. The complaints have significantly increased since December 2020.

In response NIEA and council Environmental Health Officers have increased their site inspections and odour monitoring which confirmed the presence of odours, and have undertaken joint odour monitoring surveys with local councils to seek to pinpoint the odour sources. Mullaghglass Landfill and Montupet (Linamar Light Metals) are two odour sources in the area that are both regulated by NIEA. Other industrial operations may also be potential sources and these are being investigated.

NIEA met with the operator on the 20th January where the need for immediate action was made clear. The operators submitted their proposed urgent measures on the 22nd January. These measures include; (a) installing a new horizontal gas scavenger well; (ii) trial a change in the daily cover to clay soil with effect from 1 February (to 31 March) and to no longer use "fines" from material recycling facilities coming onsite; and (c) extending the odour suppression to other areas of the site. The operator is currently on the pump and plumbing materials being delivered. The gas scavenger well was installed on the 1 February and has been connected to the site's gas extraction system. The Operator have also expanded their odour monitoring programme with additional monitoring in the affected areas.

Following these urgent actions the operator plans to install the next set of gas extraction wells and cap the in March 2021 in the area of the most recent waste deposits. The site is now entering its last phase of operations and is due to close in the next 12-18 months.

The Department has had a positive and constructive engagement with Lisburn & Castlereagh City Council (LCCC) regarding their powers to investigate the odour nuisance complaints under the Clean Neighbourhoods and Environment Act 2011. LCCC have agreed to identify relevant properties within the council area and invite the residents to maintain a log / diary of odour events for a period. In parallel the Council will continue with their odour checks in the area & NIEA will continue with its site inspections / monitoring in the area (odour & methane) to help build the evidence base should enforcement action be required.

ISSUE 5: Statutory Planning Consultee role

Under planning legislation, DAERA is statutorily required to respond to consultation requests from Planning Authorities and DfI within 21 calendar days or otherwise agreed timeframe. This legislative duty requires the Department to submit an annual report to DfI on compliance with our overall performance. During the last reporting period (2019/20) DAERA received in excess of 4000 statutory planning consultations with our estimated rate of response being 69% i.e. approx. 3000 statutory consultations responded to within the statutory target of 21 days or otherwise agreed timeframe. Figures within this current year indicate performance levels of 63%. Covid and Brexit pressures have impacted on performance.

The Department is aware of the frustrations at the length of time being taken to process some planning consultations. The Department is working to improve its performance and NIEA has included an explicit planning target in the current 2020/21 NIEA Business Plan. In addition, DAERA officials are represented on the DfI cross-governmental Planning Forum and are engaging with stakeholders, particularly the Local Planning Authorities, across a range of issues including consultation processes and maximising the use of existing published information and guidance. Furthermore, additional resources have been temporarily allocated to this work area to help reduce their existing caseload.

An Action Plan has been developed to deliver on the NIEA Business Plan target and a submission will be provided within the next month giving an update on the status of the actions identified within the Action Plan and an indication of the overall planning consultation performance

SECTION 6

FOOD AND FARMING GROUP

Norman Fulton – Deputy Secretary

PRIORITY ISSUES WITHIN THE GROUP

Issue 1: Future Agricultural Policy

EU CAP payments have been of major importance in sustaining the industry in Northern Ireland and underpinning its competitive trading position.

In his oral statement to the Assembly on 17 November, Minister Poots explained that his vision for the direction for future agriculture in Northern Ireland is defined around four outcomes:

- An industry that pursues increased productivity in international terms, closing the productivity gap which has been opening up with other major suppliers.
- An industry that is environmentally sustainable in terms of its impact on, and guardianship of, air quality, soil health, carbon footprint and biodiversity.

- An industry that displays improved resilience to external shocks (such as market and currency volatility, extreme weather events) which are ever more frequent and to which the industry has become very exposed.
- An industry which operates within an integrated, efficient, sustainable, competitive and responsive supply chain, with clear market signals and an overriding focus on high quality food and the end consumer.

There is now discretion and flexibility with regard to future agricultural support in Northern Ireland. This is the most significant opportunity in policy development affecting the agricultural sector in almost 50 years.

The aim is to create a new dynamic for key stakeholders across the food, agricultural and environmental spectrum to work with the Northern Ireland government to chart a new way forward with common purpose. For this to be successful, it is vital that the long-term outcomes of productivity, environmental sustainability, resilience and supply chain functionality are kept to the fore, which will demand clear analysis based on sound evidence, compromises where necessary and strong leadership at all levels.

Minister Poots' oral statement also set out a number of simplifications/improvements in relation to the Basic Payment Scheme for 2021, with legislation anticipated to be in place for 1 March 2021 to effect these changes.

- **Food Strategy Framework**

DAERA is in the early stages of exploring, with other NI Departments and interested parties, the merits, scope and content of a possible food strategy framework for Northern Ireland which seeks to build strategic alignment across NICS Departments and to maximise the benefit of food for our society. On 28 January 2021, Minister Poots wrote to Minister Dodds, inviting her to be a co-sponsor of a future Executive Paper on this subject seeking Executive endorsement as a precursor to public consultation and further development.

Issue 2: Science and Innovation Policies

A Science Strategy Framework was published in late 2020. This paves the way for the development of a number of subordinate strategies. The first of these, a new Innovation Strategy, is nearing finalisation, before submission for Ministerial consideration. Work is ongoing to develop Research and Development & Monitoring and Evaluation operational strategies.

Issue 3: Knowledge and Education Policies

DAERA has approved a knowledge framework and a number of workstreams are in place to progress implementation. One particular workstream dealing with Higher

and Further Education policy, including charging and student support, has been reviewed. Stakeholder views were gathered and Minister Poots agreed to align HE tuition fees at CAFRE with wider HE sector in NI and introduce a new FE support framework that will provide enhanced grant aid to more FE students.

CAFRE delivers education, knowledge transfer and innovation programmes to those entering and within the agri-food industry. To meet the strategic needs of the agri-food industry CAFRE has recently received approval to deliver honours degree programmes in agriculture and horticulture commencing September 2021. Furthermore final business case approval from DoF has been received regarding significant capital investment to redevelop the facilities at both Greenmount and Loughry Campuses.

The Knowledge Advisory Service (KAS), proactively delivers knowledge transfer and innovation programmes to those working in the agri-food industry. These programmes deliver productivity, resilience and environment holistically to ensure increased business sustainability.

Issue 4: Agri-food Trade Policy

Although trade policy is not devolved it is fundamental to the future development of agriculture and DAERA continues to progress work on assessing trade impacts, gathering stakeholder views and seeking to influence the direction of future UK trade policy.

Issue 5: Collaborative Research Programme

Since 2015 the Department has jointly funded R&D projects with the US Department of Agriculture and the Department for Agriculture, Food and the Marine in the Republic of Ireland through the US-Ireland R&D Partnership in Agriculture, a tripartite arrangement and the jointly funded DAFM-DAERA Competitive Call.

To date, the Department has jointly commissioned 24 collaborative research projects through both programmes, at a total value of £24,560,416 with the Department's contribution amounting to £5,025,694. This has resulted in a funding leverage ratio of approximately 1:5 for every £1 committed by DAERA. The 2021 DAFM-DAERA Competitive Call launched in mid-December and Minister Poots recently approved the continuation of the US-Ireland Partnership beyond the original 5 year pilot with the 2021 Call expected to open in early February.

SECTION 7

RURAL AFFAIRS, FORESTRY SERVICE AND ESTATE TRANSFORMATION GROUP

Fiona McCandless – Deputy Secretary

PRIORITY ISSUES WITHIN THE GROUP

Issue 1: Future Rural Policy Framework

The first draft of the Rural Policy Framework is nearing completion. Although Covid has delayed the Rural Policy Framework work, it has provided the opportunity to further test the assumptions from the policy development work and to assist Covid recovery. This has been achieved by Rural Affairs Division launching a number of pilot schemes since March. It is planned the draft framework will be launched for public consultation this Spring, 2021.

Draft Rural Policy Framework - Five themes have been proposed:

- Innovation And Entrepreneurship Flourish
- Rural Tourism
- Health and Wellbeing Of Rural Dwellers
- Increased Employment Opportunities
- Improved Connectivity Between Rural and Urban Areas

Issue 2: Providing support to rural communities during pandemic

DAERA have responded to the needs of the rural community during the ongoing pandemic by working in partnership with the Community and Voluntary and other statutory organisations. DAERA support was primarily provided through the TRPSI programme with important flexibility introduced in the LEADER programme to facilitate the re-imburement of almost £15m to businesses and communities since March 2020. Over £7m in additional funding was provided through the TRPSI programme. The challenge in 2021/22 will be to continue to support rural businesses and communities recover from Covid and fully implement the TRPSI, LEADER and pilot projects. DAERA are also providing £7.5m for project stratum in 2021/22 and 2022/23. Timely roll-out of this project is key to Covid recovery, rural development and Green Growth.

Issue 3: Maintaining Effective Customer Services

DAERA Customer Services Branch have kept all 12 DAERA Direct Offices staffed throughout the pandemic, facilitating the processing of paper documentation but also increasing telephony and on-line support to ensure the needs of external and internal customers met. It will be key to maintain these services during 2021/22 and make improvements to meet customer needs.

Issue 4: Estate Transformation

The DAERA estate is diverse and geographically dispersed, consisting of an area of approximately 84,000 hectares and comprising over 900 buildings. A significant proportion of the estate is in need of substantial capital investment. As at September 2019 it was estimated that approximately £345m of capital investment was required to be undertaken by the Department on known required capital works over the period 2020/21 - 2029/30. These included a number of significant estate related projects such as the CAFRE Greenmount and Loughry Improvement Projects and the AFBI Animal Health Science Building which are being taken forward by Senior Responsible Officers from within other DAERA business areas. In addition to managing the Department's office estate needs Estate Transformation Division is responsible for the routine and reactive maintenance of existing specialist estate assets, including AFBI estate assets, and for supporting the Brexit Operational Readiness team in the delivery and maintenance of the contingency and permanent NI Point of Entry facilities at the relevant seaports.

Issue 4: Forest Service

- **Forestry – Overview**

The Northern Ireland forestry sector contributes approximately £60 to £80 million annually to the wider economy and about 1,000 jobs in forestry, timber transport and primary wood processing. Forest Service sustainably manages 76,000 hectares of land for economic, environmental and social benefits, providing healthy places to relax and enjoy nature.

From independent surveys in 2014 and similarly in 2019, there is clear evidence that DAERA forests are highly valued for public access and recreation. The surveys indicate that numbers visiting the forests (4.7 million in 2014) have approximately doubled within the period.

You will be provided with a submission in the coming weeks on the final survey report, inviting you to publish the report and with the opportunity to issue a press release highlighting key findings.

- **Forest Expansion**

The Forestry Strategy's long-term aim is to increase afforestation from the current 8% of land area to 12% by 2050. This afforestation will play an important role in contributing to climate change mitigation and in particular to help achieve the UK Government's commitment for net zero carbon by 2050.

The scale of this challenge has been considered by the Committee for Climate Change and a key finding of their work is that NI needs to achieve around 900 hectares annually (in contrast to recent levels of 200-300 hectares).

The 'Forests for Our Future' afforestation programme was announced in 2020 and is a foundation initiative of the Department's Green Growth strategy. The programme aims to plant 18 million trees, creating 9,000 hectares of new woodland by 2030.

A revised forest expansion scheme and an additional new woodland grant scheme were launched earlier this year to encourage increased planting by private landowners. This has resulted in a notable response, with the number of applications almost doubling compared with the similar previous period.

In December 2020 a cross-Governmental and Local Government Afforestation Forum led by the Department convened to commence planning for woodland creation on suitable council a government departments land. In 2021 Forest Service will continue to work with members of the forum to bring forward suitable planting projects.

- **Forest Service Executive Agency Status - Public Non-Financial Corporation**

As of 1 April 2020 Forest Service as an Executive of DAERA, was classified to become DAERA's first Public Non-Financial Corporation. The classification recognises Forest Services trading operations resulting primarily from sales to the wood processing industry and creates opportunities for the Agency to accumulate reserves, subject to establishing a warranted business need, which facilitates longer term investment planning and meets the requirements of Consolidated Budgeting Guidance.

SECTION 8

VETERINARY SERVICES AND ANIMAL HEALTH GROUP

Robert Huey – Deputy Secretary

PRIORITY ISSUES WITHIN THE GROUP

Issue 1: To prevent disease incursion

An animal disease incursion could result in significant economic or public health consequences. Demonstrating freedom from disease is of major importance for international trade of live animals and products of animal origin.

Issue 2: Roll-out of NIFAIS software

To prepare staff and delivery partners for the business changes around the much delayed roll-out of the new software (June/July 2020). NIFAIS is the replacement for APHIS, the Department's animal traceability, disease control and food health assurance system.