

DEPARTMENT OF AGRICULTURE, FISHERIES AND FOOD

DAIRY EFFICIENCY PROGRAMME 2010 - 2012

DETAILED RULES

Article 68(1) of Council Regulation (EC) 73/2009 makes provision for the use of unused Single Payment Scheme funds to address specific disadvantages affecting farmers in the dairy sector in the context of dairying being an economically vulnerable type of farming.

The funds are to be used to support a Dairy Efficiency Programme that will encourage efficiency gains on dairy farms through an expansion in the level of participation in discussion groups. A total of up to €6 million will be made available to eligible participants in each of 2010, 2011 and 2012.

These detailed rules set out the eligibility criteria and general conditions determined by the Minister for participation by milk producers in the Dairy Efficiency Programme, and will be subject to review over the period of the Programme.

A. ADMINISTRATION OF PROGRAMME

1. The Programme, which will be implemented over a period of three years, will be managed by the Department of Agriculture, Fisheries and Food, and will be run with the assistance of discussion group facilitators, who will be trained by Teagasc to a FETAC-accredited standard.
2. The Programme will be open to existing members of discussion groups and to those wishing to join or form groups for the first time. All interested applicants will be required to submit an application form (DEP1) to their discussion group facilitator applying to participate in the Programme and undertaking to meet the requirements in relation to attendance and project completion - see section C below.
3. The activities of all discussion groups will be managed by an accredited facilitator. The existing pool of facilitators will be expanded in January 2010 to meet the additional demand that is likely to arise from the Programme.
4. Facilitators attached to existing groups will already be known to participants and will accept applications under the Programme immediately. A full list of accredited facilitators will be published at the end of January 2010 to enable producers who are not already members of discussion groups to make contact as appropriate and proceed with group formation.
5. A maximum of 20 members per discussion group is recommended, although facilitators may exercise discretion in this regard where no diminution in the effective functioning of the group is anticipated. However, the Department

should be notified where it is intended to form a group of more than 20 members, and reserves the right to refuse such groups entry to the Programme.

6. Facilitators will notify the Single Farm Payment Unit of the Department of Agriculture, Fisheries and Food of the composition of each discussion group by 5 March 2010, using form DEP2. The facilitator will also be responsible for certifying, by 19 November 2010, using form DEP3, that each group member has participated to the required standard (see also paragraph 20).
7. Payment to eligible applicants for participation in the Programme, which has been certified by the facilitator, can be made after 1 December each year. The payment rate to each individual participant will be determined by the overall numbers participating in the Programme. The maximum that will be paid under the Programme in any single year will be €6 million.
8. Fully completed application forms should be submitted to discussion group facilitators **by Friday 19 February 2010**.

B. ELIGIBILITY CRITERIA

9. In order to be eligible to participate in the programme, each producer must:
 - (a) have a permanent milk quota entitlement with at least one registered Milk Purchaser (Co-operative/Dairy); and
 - (b) be producing and delivering milk to a registered Milk Purchaser during the 2009/2010 milk quota year, or
 - (c) have produced and delivered milk to a registered Milk Purchaser during the 2007/2008 and/or 2008/2009 milk quota years, and intend to resume production in the 2010/2011 milk quota year.
10. Milk quota held by producers in the following circumstances will be regarded as permanent quota:
 - (a) quota assigned in connection with a land lease agreement(s) to that producer, or
 - (b) quota permanently transferred in connection with a family transfer and quota transferred by way of a land lease agreement, the lessor also being a family member.
11. A producer may nominate a third party to attend discussion group meetings on his/her behalf, either due to temporary inability to attend or in recognition of the practical arrangements in place for running his/her farm. Only one such nominee, who must be involved in the running of the farm and must be named in advance on the application form, can be made, and they must

subsequently satisfy the facilitator as to their identity. The nominated person cannot be a member of the same discussion group.

C. PROGRAMME CONTENT

12. All discussion groups whose members are in receipt of support under the Dairy Efficiency Programme will be required to focus on the adoption of best practice in three key areas, namely, grassland management, breeding and financial management. The required programme content is set out in the Appendix.
13. Discussion groups will be required to hold twelve monthly meetings. A schedule of topics for these meetings is set out at Table 1. Programme participants will be required to attend at least eight meetings in 2010, rising to nine in subsequent years, including at least one dealing with each of the three key areas. They will also be required to host at least one group meeting over the three-year period of the Programme.
14. Upon joining a discussion group, participants will be required to complete a Five-Year Physical Plan, addressing each of the three key areas, similar to the Teagasc Plan detailed in Table 3.
15. Participants will be required to complete specific projects over the duration of the programme, as outlined in Table 2. In Year 1, they must draw up the Five-Year Physical Plan for their own farm, and complete a summer wedge and autumn grass management plan. In Year 2 they must update the Five-Year Physical Plan and complete the spring rotation planner, in addition to the summer wedge and autumn grass management plan. They must also return calving and health events to ICBF. Year 3 requires a repeat of the activities of year 2, plus the completion of the Teagasc Profit Monitor or equivalent.
16. In addition to regular farm walks on participants' farms, discussion group activities normally include other elements such as attendance at Teagasc Moorepark open days, and visits to research farms such as Curtins and Ballyhaise, and BETTER farms. These may also be a scheduled feature for the groups participating in the Dairy Efficiency Programme. However, attendance at a maximum of only two such events per annum will be considered as contributing to the satisfaction of the attendance requirements associated with the Programme. Facilitators must ensure that an accurate attendance record in respect of such events is maintained.

D. GENERAL PROVISIONS

17. The network of facilitators delivering the Programme will consist of Teagasc advisory personnel and private service providers.
18. Training of facilitators will be carried out by Teagasc in January 2010. A list of accredited facilitators will then be published for interested applicants to contact as appropriate.

19. Facilitators will charge a fee to each discussion group member for their services. This will be privately set, and must be paid by each participant upon commencement of their involvement in the Programme.
20. Facilitators will be required to ensure that all members of discussion groups participate fully in the Programme. In this regard, facilitators will be required to record the attendance of all participants at meetings (and at events mentioned in paragraph 16). They will also be required to record the completion by all participants of the required projects (as detailed in paragraph 15) and the hosting by all participants of at least one group meeting. A record of attendance, together with any further information requested by the Department, must be submitted with each facilitator's certification of the discussion group's satisfactory participation in the Programme at the end of 2010.
21. Payments to participants in the Programme amount to a SFP top-up, which may give rise to the application of modulation above the €5,000 payment threshold.

Department of Agriculture, Fisheries and Food
December 2009.

APPENDIX

Content of Dairy Efficiency Programme

TABLE 1: Schedule of topics for Discussion Group meetings:

Month	Topic	Month	Topic
January	Spring Rot. Plan	July	Grass Wedge
February	Financial	August	Autumn Grassland Management Plan
March	Genetics	September	Grassland
April	Genetics	October	Grassland
May	Grass Wedge	November	Dairy Conference
June	Grass Wedge	December	Review / Plan

TABLE 2: Projects to be completed by Programme participants as part of Group Activity:

Topic	Project	Year 1	Year 2	Year 3
Grass	Spring Rotation Planner	X	√	√
	Summer Wedge	√	√	√
	Autumn Grassland Management Plan	√	√	√
Genetics	ICBF Calving Events	X	√	√
	ICBF Health Events	X	√	√
Financial	Five Year Physical Plan	√	√ (updated)	√ (updated)
	Profit Monitor or equivalent	X	X	√

Note:

- Facilitators will be required to keep a record of attendance as well as a copy of the completed Five Year Physical Plan and Profit Monitor, or equivalent, on file. The record of attendance, together with any other information requested by the Department, must be submitted with the certification of the discussion group's satisfactory participation in the Programme at the end of 2010.
- Other documents and worksheets (e.g. Spring Rotation Planner) are to be completed as learning projects at group meetings and blank copies are to be distributed to each farmer for use on their own farm.

TABLE 3: Physical Plan to be completed by Programme participants:

Farmer Physical 5 Year Targets (Achieved)												
<i>(This physical plan may result in a financial plan being necessary)</i>												
Name:					Adviser:							
Short Term Goals					Long Term Goals -							
1.					1.							
2.					2.							
3.					3.							
Complete all white cells												
Characteristic												
		2007	2008		2009		2010		2011		2012	
		Actual	Targt/Achd		Targt/Achd		Targt/Achd		Targt/Achd		Targt/Achd	
Physical data	Farm Size (Ha)	80	80		80		80		80		80	
	Milking Platform (Ha)	52	52		52		52		52		52	
	No. of Cows	80	96		106		115		125		130	
	No Replacements 0-1	20	25		38		38		40		40	
	No Replacements 1-2	20	20		25		38		38		40	
	No. Cattle 0-1	40	40		30		20		20		20	
	No. Cattle 1-2	40	40		40		20		20		20	
	Dairy Forage purchased (tDM) /transferred in from outfarm (tDM)											
	Cows/ha on milking platform	1.54	1.85		2.04		2.21		2.40		2.50	
	Farm stocking rate	1.75	1.97		2.15		2.16		2.30		2.38	
Breeding	% Cows calved in 6 weeks (+ 5% /yr)	60	60		70		74		77		81	
	Median Calving Date Target (-3 days/yr)	1-Mar	27-Feb		24-Feb		21-Feb		18-Feb		15-Feb	
	EBI : Cows (summer) Target (+ €5 /yr)	42	58		63		68		73		78	
	EBI : 0-1 (calves born)	106	100		98		103		108		113	
	A.I. Straws Required		206		209		220		220		220	
	EBI of team bulls		130		133		138		143		148	
Performance	Kgs MS (Whole Farm)	38,393	46,532		51,893		56,862		62,425		65,571	
	Kgs MS/cow (+ 1% /yr)	480	485		490		494		499		504	
	Meals / Cow	1300	1200		1100		1000		900		900	
	% Fat (+ 0.02 /yr)	3.85	3.87		3.89		3.91		3.93		3.95	
	% Protein (+ 0.02 /yr)	3.29	3.31		3.33		3.35		3.37		3.39	
Financial	Kgs MS / Ha (Milking Platform (MP))	738	895		998		1,094		1,200		1,261	
	Total Costs / Kg MS % Change (-2% /yr)	€2.78	€2.72		€2.67		€2.62		€2.56		€2.51	
	Profit/ha at €4.80 /kg MS (-34 cpl)	€1,491	€1,857		€2,126		€2,388		€2,684		€2,884	
	Dairy forage utilised/ha (MP)	6.1	7.5		8.5		9.5		10.6		11.1	
Investm	Cows/heifers/Bulls											
	Milk shed/ Infra. Housing/Slurry		70,000 30,000									
Other												

A sheet similar to Teagasc's Five Year Physical plan should be completed for participants in the programme at the outset. The plan contains the following details for the farm over a planned 5-year period:

- Physical;
- Genetics and breeding;
- Milk production;
- Financial and investment requirements

