

## ICMSA say Rural Economy would greatly benefit if Dairy Equipment Scheme Funding was 'frontloaded'

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With the 31 January marking the completion of the first tranche of applicants for the Dairy Equipment Scheme, Pat McCormack, Deputy President and Chairperson of ICMSA's Dairy Committee, said that the Minister for Agriculture, Food & Marine should seriously consider frontloading the available funding so that all farmers who wish to carry out an investment can do so as soon as possible and also generate business of worth over ?50m to the wider rural economy.

Mr McCormack said that ICMSA understood that in excess of 800 dairy farmers had applied for grant aid in the first tranche and that figure indicated a strong appetite for investment amongst dairy farmers at present which the tranche system should not be allowed to unnecessarily delay or hold up.

The Deputy President noted that in a situation where only ?4.425m was available in the first tranche, it is highly likely that selection criteria will be applied meaning that some farmers will be moved to the second tranche and possibly further down the line, thus delaying - or even prevent entirely - the carrying out of the dairy investment. Given that the Minister has a sum of ?35.4m available between 2012 and 2013 and while accepting that the EU Commission insist on a tranche system, ICMSA is proposing that the Minister should frontload the available funding to the first and second tranches in particular, so that all farmers who wish to carry out an investment will be approved and be able to carry out the investment in 2012.

Mr. McCormack noted that this grant aid not only benefits the dairy farmers in question but also the wider rural economy and most particularly the suppliers of milk refrigeration and milking machines - many of whom are based in rural areas. In addition, the long term benefits of improved dairy facilities will benefit the development of the Irish dairy sector and the exports derived from that.

'Farmers evidently want to invest in their dairy facilities and we're calling on the Minister to facilitate them by frontloading the available funding in a manner that will enable the work to begin', concluded Mr McCormack.

Ends. 3 February 2012.

Pat McCormack, 087-7608958

Deputy President, ICMSA, and Chairman of the Dairy Committee

or

Cathal MacCarthy, 087-6168758

ICMSA Press Office