

Vote 31: Agriculture, Fisheries and Food

Introduction

As Accounting Officer for Vote 31, I am required each year to prepare the Appropriation Account for the Vote, and to submit the Account to the Comptroller and Auditor General for audit.

In accordance with this requirement, I have prepared the attached account of the amount expended in the year ended 31 December 2009 for the salaries and the expenses of the Office of the Minister for Agriculture, Fisheries and Food, including certain services administered by that Office, and of the Irish Land Commission and for payment of certain grants, subsidies and sundry grants-in-aid and for the payment of certain grants under cash-limited schemes.

The expenditure outturn is compared with the sums granted by Dáil Éireann under the Appropriation Act 2009, including the amount that could be used as appropriations-in-aid of expenditure for the year.

The Statement of Accounting Policies and Principles and notes 1 to 6 form part of the Account.

Statement of Accounting Policies and Principles

The standard accounting policies and principles for the production of Appropriation Accounts have been applied in the preparation of the Account.

Statement on Internal Financial Control

Along with the Account, I have submitted a statement in the standard format on the system of internal financial control that operates in the Department of Agriculture, Fisheries and Food. The Department has a number of mechanisms to review and evaluate its financial management and control systems on an ongoing basis. These include its Accreditation Review Group, its Audit Committee, its Risk Management Committee and its MIF Management Group.

The Accreditation Review Group, which is chaired by the Secretary General, reviews EU audit findings and monitors progress in addressing identified control issues and in meeting the accreditation requirements laid down by regulation for EU paying agencies. The Department's Audit Committee, which includes five external members, reviews and monitors the work plan of the Internal Audit Unit and reports annually to the Minister and the Secretary General on its implementation. The Department is subject to a range of audits by the Comptroller and Auditor General, the Internal Audit Unit, the EU Court of Auditors, the EU Commission and by an independent certifying body - a professional accountancy firm - which certifies the annual EAGF and EAFRD Accounts. The Secretary General provided a Statement of Assurance to the certifying body for the EU annual Accounts as required by Council Regulation 1290/2005. In 2009, the Department was subject to approximately 3,000 audit person days by these bodies.

The Risk Management Committee, also chaired by the Secretary General, monitors the operation of the Department's Risk Management Programme. The overall objective of the programme is to identify and assess the key risks (strategic, operational, financial and reputational) facing the Department in achieving its objectives and to outline measures for addressing those risks. It is reviewed on an ongoing basis. The programme continued to function satisfactorily in 2009 with Risk Management Committee meetings being held in March, May, September and November.

The MIF Management Group directs and monitors the delivery of the Department's Management Information Framework. It is chaired at Assistant Secretary level and strives to improve the quality and availability of key financial data to all stakeholders. In 2009, the Group decided on the need for a tailored training programme which was delivered to key users and managers of the financial system with the objective of building on the investment in the financial system and improving the knowledge and skills set of relevant personnel.

The Department has a strong commitment to the security of its information and communication technology systems, which are also independently reviewed. Documented backup/recovery procedures are in place for all critical data, including the use of secure offsite storage services and disaster recovery facilities. The Department has a dedicated IT Security Unit and is proactive in the development and promotion of IT security policies. ICT security arrangements are subject to review by the IT audit section of the Internal Audit Unit. In addition, the Department, in its role as a Paying Agency on behalf of the European Union, is subject to an annual Accreditation audit, which includes a computer risk management review. As part of the Accreditation process, the Department has chosen to adopt the international standard ISO 27001: Code of Practice for Information Security Management, as the basis for its IT security.

There is ongoing identification of training needs, including those relating to financial management. Induction training includes a module on financial management. In addition, in-house training material is available for delivery on performance management and indicators, budgeting, planning and management reporting. The financial procedures manual is subject to ongoing review and revision to take account of any new developments. The financial procedures manual is available online to all Department staff as well as being made available for use in training courses.

T MORAN

Accounting Officer

Department of Agriculture, Fisheries and Food

30 March 2010

Certificate of the Comptroller and Auditor General

I have audited the Appropriation Account of the Vote for Agriculture, Fisheries and Food for 2009 under Section 3 of the Comptroller and Auditor General (Amendment) Act, 1993. The Account has been prepared in accordance with the Statement of Accounting Policies and Principles. The duties of the Accounting Officer and of the Comptroller and Auditor General in relation to the Appropriation Accounts, and the basis of the audit opinion, are set out in Part 1 to this volume.

I have obtained all the information and explanations I considered necessary for the purposes of my audit. In my opinion, proper books of account have been kept by the Department of Agriculture, Fisheries and Food. The Appropriation Account is in agreement with the books of account.

In my opinion, the Appropriation Account properly presents the receipts and expenditure of the Vote for the year ended 31 December 2009.

Chapter 27 of my annual report refers to certain matters which I considered it appropriate to report on in accordance with Section 3 (10) of the Comptroller and Auditor General (Amendment) Act, 1993.

A handwritten signature in black ink, appearing to read 'John Buckley', with a stylized flourish extending to the right.

JOHN BUCKLEY

Comptroller and Auditor General

7 September 2010

Vote 31 Agriculture, Fisheries and Food Appropriation Account 2009

Service		2009 Estimate provision	2009 Outturn	2008 Outturn
	€000	€000	€000	€000
Administration				
A.1. Salaries, wages and allowances				
	<i>Original</i>	235,338		
	<i>Supplementary</i>	<u>(7,338)</u>	228,000	226,126
A.2. Travel and subsistence				233,532
	<i>Original</i>	12,750		
	<i>Supplementary</i>	<u>(2,000)</u>	10,750	9,752
A.3. Incidental expenses				15,231
	<i>Original</i>	10,886		
	<i>Supplementary</i>	<u>(3,500)</u>	7,386	5,719
A.4. Postal and telecommunications services			6,609	5,822
A.5. Office machinery and other office supplies and related services				
	<i>Original</i>	21,132		
	<i>Supplementary</i>	<u>(4,187)</u>	16,945	14,694
A.6. Office premises expenses				23,687
	<i>Original</i>	7,185		
	<i>Supplementary</i>	<u>353</u>	7,538	7,800
A.7. Consultancy services				7,876
	<i>Original</i>	50		
	<i>Supplementary</i>	<u>24</u>	74	73
A.8. Supplementary measures to protect the financial interests of the EU				225
	<i>Original</i>	770		
	<i>Supplementary</i>	<u>(75)</u>	695	667
A.9. Laboratory equipment				690
	<i>Original</i>	6,557		
	<i>Supplementary</i>	<u>(400)</u>	6,157	5,861
A.10. Value for money and policy reviews			288	310
				181
Programme expenditure				
B. Research and training				
	<i>Original</i>	34,307		
	<i>Supplementary</i>	<u>1,288</u>	35,595	35,475
C. Food safety (and public health), animal health and welfare and plant health				36,820
	<i>Original</i>	335,091		
	<i>Supplementary</i>	<u>(82,000)</u>	253,091	236,897
D. Income and market supports			21,000	18,439
E. Income support in disadvantaged areas			220,000	223,808
				255,823

Service			2009	2009	2008
			Estimate	Outturn	Outturn
			provision		
			€000	€000	€000
F. Rural environment	<i>Original</i>	330,000			
	<i>Supplementary</i>	<u>39,129</u>	369,129	341,123	312,450
G. Land mobility (early retirement/ installation aid schemes)	<i>Original</i>	54,350			
	<i>Supplementary</i>	<u>(4,000)</u>	50,350	47,248	55,053
H. Development of agriculture and food	<i>Original</i>	287,060			
	<i>Supplementary</i>	<u>85,000</u>	372,060	371,762	475,080
I. Forestry and bioenergy			119,604	119,080	125,508
J. Fisheries*			25,442	21,053	28,329
K. Teagasc - grant-in-aid for general expenses			119,927	119,927	127,364
L. Bord Bia - grant-in-aid for general expenses			28,221	28,221	26,851
M. Marine Institute - grant-in-aid			27,546	27,544	31,069
N. Bord Iascaigh Mhara - grant-in-aid	<i>Original</i>	40,870			
	<i>Supplementary</i>	<u>(3,000)</u>	37,870	34,932	48,378
O. Sea Fisheries Protection Authority			12,026	10,853	13,296
P. Aquaculture Licence Appeals Board			460	340	410
Q. Food aid donations - world food programme			9,960	9,960	11,960
R. Other services	<i>Original</i>	17,567			
	<i>Supplementary</i>	<u>(856)</u>			
			16,711	14,356	19,353
Gross Expenditure	<i>Original</i>	1,984,996			
	<i>Supplementary</i>	<u>18,438</u>	2,003,434	1,937,842	2,104,574
Deduct					
S. Appropriations-in-aid	<i>Original</i>	385,916			
	<i>Supplementary</i>	<u>18,437</u>	404,353	408,140	404,650
Net Expenditure	<i>Net Total</i>	1,599,080			
	<i>Supplementary</i>	<u>1</u>	1,599,081	1,529,702	1,699,924
Surplus to be surrendered				€69,379,696	€31,410,353

* The Coastal Protection function was transferred to Vote 10 (Office of Public Works) with effect from 1 January 2009.

Notes to the Appropriation Account

1 Operating Cost Statement 2009

	Note	€000	2009 €000	2008 €000
Expenditure on administration			276,824	303,864
Expenditure on services and programmes			1,661,018	1,800,710
Gross expenditure			1,937,842	2,104,574
Deduct				
Appropriations-in-aid			408,140	404,650
Net expenditure			1,529,702	1,699,924
Changes in capital assets				
Purchases cash		(3,338)		
Depreciation		14,423		
Disposals cash		—		
Loss on disposals		20	11,105	7,227
Changes in assets under development				
Cash payments			(1,031)	(1,053)
Changes in net current assets				
Decrease in closing accruals		(320,370)		
Increase in stock		(535)		
			(320,905)	482,871
Direct expenditure			1,218,871	2,188,969
Net allied services expenditure	1.1		81,819	59,895
Notional rents			13,494	15,281
Total operating cost			1,314,184	2,264,145

1.1 Net Allied Services

The net allied services expenditure amount is made up of the following estimated amounts in relation to Vote 31 borne elsewhere

Vote		2009 €000	2008 €000
7	Superannuation and Retired Allowances	70,457	56,002
9	Office of the Revenue Commissioners	2,808	—
10	Office of Public Works	7,908	3,235
20	Garda Síochána	174	191
	Central Fund - Ministerial etc. pensions	472	467
		81,819	59,895

2 Statement of Assets and Liabilities as at 31 December 2009

		2009	2008
	Note	€000	€000
Capital Assets	2.1	23,470	34,575
Capital Assets under Development	2.2	5,219	4,188
		28,689	38,763
Current Assets			
Bank and cash	2.3	42,483	9,254
Stocks	2.4	3,586	3,051
Prepayments		2,279	2,751
Accrued income		221,395	188,483
Other debit balances	2.5	5,269	6,849
Total Current Assets		275,012	210,388
Less Current Liabilities			
Accrued expenses		378,028	665,959
Deferred income		3	1
Other credit balances	2.6	18,589	19,229
Net Liability to the Exchequer	2.7	29,163	(3,126)
Total Current Liabilities		425,783	682,063
Net Current Liabilities		(150,771)	(471,675)
Net Liabilities		(122,082)	(432,912)

2.1 Capital Assets

	Office Equipment/ Other Machinery €000	Furniture and Fittings €000	Totals €000
Gross assets			
Cost or valuation at 1 January 2009	200,889	13,372	214,261
Additions	3,043	295	3,338
Disposals	(657)	—	(657)
Cost or valuation at 31 December 2009	203,275	13,667	216,942
Accumulated Depreciation			
Opening balance at 1 January 2009	168,772	10,914	179,686
Depreciation for the year	14,041	382	14,423
Depreciation on disposals	(637)	—	(637)
Cumulative depreciation at 31 December 2009	182,176	11,296	193,472
Net Assets at 31 December 2009	21,999	2,371	23,470
Net Assets at 31 December 2008	32,117	2,458	34,575

Notes

1. Valuations of land and buildings held by the Department are not available. A schedule of land and buildings is maintained.

2. The Minister, as successor to the Irish Land Commission, had the following lands on hand at 31 December 2009:

Agricultural	20 hectares
Non-Agricultural	340 hectares

2.2 Capital Assets under Development

	In-House Computer Application €000
Amounts brought forward at 1 January 2009	4,188
Cash payments for the year	1,031
Transferred to asset register	—
Amounts carried forward at 31 December 2009	5,219

2.3 Bank and Cash

	2009 €000	2008 €000
at 31 December		
PMG balances and cash	53,701	93,759
Orders outstanding	(11,218)	(84,505)
	42,483	9,254

2.4 Stocks	2009	2008
at 31 December	€000	€000
Laboratory supplies and chemicals	331	289
Stationery supplies	66	68
Computer supplies	110	145
Veterinary supplies	2,480	1,990
Livestock	338	367
Agricultural stock	204	121
Safety items and first aid supplies	51	63
Cleaning supplies	6	8
	3,586	3,051
2.5 Other Debit Balances	2009	2008
at 31 December	€000	€000
Travel	388	426
Department of Finance	2,548	2,235
Office of Public Works	1,127	1,536
Harbour development	1,206	2,639
Other	—	13
	5,269	6,849
2.6 Other Credit Balances	2009	2008
at 31 December	€000	€000
Amounts due to the State		
Withholding Tax	647	1,082
Value Added Tax	776	513
Relevant Contracts Tax	(47)	21
Superannuation	542	652
Intervention VAT	(223)	(35)
Collector General	4,908	5,093
Extra exchequer receipts	14	302
	6,617	7,628
Securities	658	2,294
Milk quota sales and levies	445	445
Cork and Dublin district milk board funds	642	642
Pesticides licensing fees	2,459	1,682
AIBP settlement	—	1,472
EU advances	5,917	2,958
Miscellaneous	1,851	2,108
	18,589	19,229

2.7 Net Liability to the Exchequer

at 31 December	2009 €000	2008 €000
Surplus to be surrendered	69,380	31,410
Exchequer grant undrawn	(40,217)	(34,536)
Net liability to the Exchequer	<u>29,163</u>	<u>(3,126)</u>
Represented by:		
Debtors		
Bank and cash	42,483	9,254
Debit balances: suspense	5,269	6,849
	<u>47,752</u>	<u>16,103</u>
Creditors		
Due to the State	(6,617)	(7,628)
Credit balances: suspense	(11,972)	(11,601)
	<u>(18,589)</u>	<u>(19,229)</u>
	<u>29,163</u>	<u>(3,126)</u>

2.8 Commitments

at 31 December	2010 €000	Subsequent Years €000	Total 2009 €000	Total 2008 €000
(a) Procurement	4,698	620	5,318	41
(b) Grants				
Capital investment grants	34,110	87,684	121,794	178,136
Food research	15,235	24,200	39,435	51,791
Carcass disposal	50	—	50	114
Afforestation	103,404	745,047	848,451	883,673
Bioenergy	645	—	645	209
Grants to the organic sector	6,620	72,590	79,210	1,852
Early retirement scheme	18,689	125,541	144,230	174,630
Rural environment protection scheme	339,450	688,944	1,028,394	418,885
Horticulture scheme	360	—	360	—
Equine breeding	1,134	1,125	2,259	—
Pigmeat recall scheme	—	—	—	164,963
Total of legally enforceable commitments	<u>524,395</u>	<u>1,745,751</u>	<u>2,270,146</u>	<u>1,874,294</u>

3 Variations in Expenditure

An explanation is provided below in the case of each expenditure subhead where the outturn varied from the amount provided, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Sub-head	Less/(more) than provided €000	Explanation
C.	16,194	There were savings on TB eradication, scrapie, BSE and other animal diseases due to a decrease in disease incidence and also due to less compensation costs as a result of a fall in market prices.
D.	2,561	Savings arose due to lower than anticipated interest rate costs on borrowings for EU Guarantee Schemes.
F.	28,006	A saving occurred because of the substantial number of applications under REPS 4 and the time required to complete the necessary administrative checks for payment.
G.	3,102	There were less applications processed and approved for payment for early retirement and installation aid than originally anticipated.
J.	4,391	Most of the contingency funding provided for foreshore maintenance and development was not required, leading to a saving. Less funds were drawn down under the EAGGF Fisheries Schemes than provided for as more fish met the set minimum price.
N.	2,938	The delay in the adoption of the National Seafood Operational Programme led to a saving and there was also reduced expenditure on IT, training and consultancies by the agency.
O.	1,173	Payments to the SFPA were lower than estimated because use was made in the year of the Authority's cash balance of approximately €1m on hands at the end of 2008.
P.	120	There were less pay costs incurred due to the low numbers of appeals received by the Board during the year.
R.	2,355	The savings arose as fewer legal cases were settled in the year than had been anticipated. Savings were also generated due to the reduced costs in operating the Beef Quality Assurance Scheme.

4 Receipts

4.1 Appropriations-in-aid	2009	2009	2009	2008
€000	Subhead	Estimated	Realised	Realised
€000		€000	€000	€000
1. Recoupment of salaries, etc. of officers on loan to outside bodies	A.1.	1	997	—
2. Forfeited deposits and securities under EU intervention, export refund, etc. arrangements		1	793	611
3. Refunds from fees for veterinary inspection services at poultry plants and meat inspection fees		16,551	13,968	14,770
4. Receipts from veterinary inspection fees for live exports		1,241	1,626	1,457
5. Receipts from fees for dairy premises inspection services		5,000	4,732	4,867
6. Receipts from the sale of vaccines, livestock, farm produce, etc. at Veterinary Research Laboratory and farm at Abbotstown; recoupment of quarantine expenses at Spike Island	B. & C.	782	1,076	847
7. Receipts from seed testing fees, certification fees, licensing fees, pesticides, registration fees, etc. and receipts from Backweston Farm	B.	1,941	1,702	2,261
8. Receipts from licences and from sale and leasing of livestock etc.	B.	10	3	30
9. Receipts from farmer contributions towards the cost of eradicating bovine disease	C.	5,005	5,243	5,272
10. Land Commission receipts		381	546	660
11. Other receipts		178	328	914
12. Market intervention expenses and financing costs for other FEOGA (Guarantee) section measures	D.			
		<i>Original</i>	1,936	
		<i>Supplementary</i>	737	
		<hr/>	2,673	3,011
13. Intervention stock losses, etc.	D.	1	1,947	—
14. EAFRD (European Agricultural Fund for Rural Development)	E.,F.,G. & H	307,996	323,771	346,825
15. Veterinary Fund	C.	8,116	6,424	1,637
16. Other Guarantee receipts from EU (Agriculture) ²	D. & R.			
		<i>Original</i>	955	
		<i>Supplementary</i>	17,700	
		<hr/>	18,655	18,801
			18,801	2,061

	2009 Subhead	2009 Estimated €000	2009 Realised €000	2008 Realised €000
17. Other Guarantee receipts from EU (EAGGF Fisheries) ²	J.	1,500	617	—
18. National Development Plan - Structural receipts (2000-2006)		1	—	1,055
19. Proceeds from fines and forfeitures in respect of sea fisheries		280	160	471
20. Receipts under the 1933 Foreshore Act and the 1954 State Property Act		1,250	1,666	1,617
21. EU recoupment in respect of expenditure on the conservation and management of fisheries		1	—	522
22. Aquaculture licence fees		412	285	321
23. EU FIG receipts (aquaculture and development)	J.	3,290	2,526	11,510
24. EFF (Fisheries) 2007-2013		6,500	—	—
25. Receipts from pension-related deduction on public service remuneration		22,587	17,918	—
- BSE receipts ¹		—	—	6,469
Total		404,353	408,140	404,652

¹ Veterinary fund subhead S.15. includes BSE receipts for 2009.

² Other Guarantee Receipts now under S.16. and S.17.

Explanation of significant variations

An explanation is provided below in the case of each heading where the outturn varied from the amount estimated, after any supplementary estimate adjustments, by more than €100,000, and by more than 5%.

Heading	Less/(more) than estimated €000	Explanation
1.	(996)	Only a nominal amount was provided for under this heading as amounts received were not accounted for separately in previous years.
2.	(792)	Only a nominal amount was provided for as receipts under this heading are extremely difficult to estimate because actual forfeitures are determined by events which are unknown at the time the estimate is formulated.
3.	2,583	A reduction in the number of cattle and pigs slaughtered during the year resulted in less inspection fees paid than anticipated.
4.	(385)	The high level of fees received reflected the higher number of animals inspected for live export than anticipated when the estimate was being formulated.
5.	268	There was less milk processed in 2009 resulting in less fees collected than estimated.
6.	(294)	More fees were collected than estimated due to increased business at the Central Veterinary Research Laboratory and a higher level of samples tested in the regional laboratories for certain viral diseases.

Heading	Less/(more) than estimated €000	Explanation
7.	239	Receipts from seed certification fees were lower than originally estimated as less seed was sown and fewer inspections were carried out than anticipated.
10.	(165)	A higher level of arrears of Land Commission annuities were received than forecast due to greater use of the collection powers contained in the Land Act, 2005.
11.	(150)	The additional receipts include Sustainable Energy Ireland's contribution to jointly funded forestry related projects, funds from the WoodWisdom II ERANET Consortium leader for agreed services provided by COFORD personnel and additional income from the sale of COFORD publications and events organised by COFORD.
12.	(338)	The receipts reflect a higher level of dairy produce put into intervention than anticipated, resulting in higher intervention storage charges being received.
13.	(1,946)	This represents a credit to the Exchequer as a result of recoveries reassigned between EU Funds, a refund of overstated recovery amounts and the permitted flat rate retention that applies to recovered amounts.
14.	(15,775)	A higher level of claims was paid under the EAFRD Rural Development Programme 2007-2013 than expected leading to a higher level of receipts than originally estimated.
15.	1,692	The lower than estimated level of receipts reflected the reduced incidence of BSE.
17.	883	The reduction in receipts reflects less expenditure under the EAGGF Fisheries Schemes.
19.	120	Receipts from fines are variable, depending on the level of detections, the number of court cases completed and the level of fines and forfeitures imposed.
20.	(416)	The high level of receipts was due to some once-off payments on new leases/licences and also to back money received in respect of a number of earlier leases.
22.	127	The shortfall was due to fewer renewal applications being processed than originally anticipated.
23.	764	The maximum EU threshold for receipts under the FIG was reached and remaining receipts due will be paid during the closure process of the Programme.
24.	6,500	A claim could not be submitted before year end due to a delay in obtaining EU approval for the management and control systems description of the Programme.
25.	4,669	A higher number of staff retired from both the Department and the State Agencies under its aegis than estimated, resulting in less pension levy being collected.

4.2 Extra receipts payable to the Exchequer

	2009	2008
	€000	€000
Dublin District Milk Board pension fund	9	8
Surrender of suspense account balances	3,913	826
Legal expenses	26	3
Refund by Department of Community, Rural and Gaeltacht Affairs	88	—
Refund of grant aid	39	—
Refund of legal fees	205	—
EU receipt	2	—
Voluntary surrender of pay	80	13
Sea Fisheries Protection Agency grant	811	282
Sale of land	—	2,228
Refund by Teagasc	—	5
Total	5,173	3,365

5 Employee Numbers and Pay

	2009	2008
Number of staff at year end (full time equivalents)	3,881	4,213
	2009	2008
	€000	€000
Pay	207,764	209,374
Higher, special or additional duties allowances	2,054	2,072
Other allowances	1,195	1,953
Overtime	5,603	10,036
Employer's PRSI	9,640	10,256
Total pay	226,256	233,691

5.1 Allowances and Overtime Payments

	Number of recipients	Recipients of €10,000 or more	Maximum individual payment 2009 €	Maximum individual payment 2008 €
Higher, special or additional duties	635	16	26,787	18,030
Other allowances	605	34	21,223	44,750
Overtime	1,097	173	46,937	53,055

Note: Certain individuals received extra remuneration in more than one category.

5.2 Performance and Merit Payments

There were no performance and merit payments paid in 2009.

5.3 Legal Remuneration Issues

A payment of €100,000 was made to a staff member in an out-of-court settlement of a personal injury claim for damages.

Payments totalling €208,755 were made to one staff member in settlement of a case for compensation for loss of earnings, general damages and professional advice costs.

An ex-gratia payment of €15,000 was made to one staff member in accordance with an arbitration agreement.

6 Miscellaneous Items

6.1 EU Funding

Council Regulation (EC) No. 1290/2005 introduced the European Agricultural Guarantee Fund (EAGF) and the European Agricultural Fund for Rural Development (EAFRD) with effect from the 2007 EU budget year (16 October 2006 - 15 October 2007). The EAGF finances direct payments and market supports while the EAFRD co-finances rural development measures under approved rural development programmes. The EAGF and the EAFRD replace the EAGGF Guarantee and Guidance Funds respectively.

The Department's activities include measures fully funded by the EAGF and activities co-financed by the EAFRD and from the Vote.

Subheads C., D., E., F., G., H., J. and R. include expenditure in respect of activities co-financed by the EU through the EAGGF Guidance fund and the new EAFRD. Subhead C. also includes expenditure in respect of activities that are co-financed from the EU Veterinary fund. Subhead J. includes expenditure in respect of activities co-financed by the EU through the Financial Instrument for Fisheries Guidance, 2000-2006 (FIFG) and the European Fisheries Fund, 2007-2013 (EFF).

The Account includes interest of €4.254m paid on short-term borrowings of €741m borrowed in 2008 to fund EAGF Guarantee expenditure pending recoupment from the EU. The borrowings were repaid in 2009 along with interest.

A total of €790m in short-term funds were borrowed in 2009 to fund EAGF Guarantee expenditure pending EU recoupment in 2010.

EU-funded expenditure managed by the Department of Agriculture, Fisheries and Food

EAGF Guarantee (measures fully funded by the EU)

Description	2009
	Outturn €m
Single payment scheme (including modulation refund)	1,300
Premia / arable aid ¹	1
Export refunds	26
Sugar restructuring aid	1
Intervention	12
Sundry other measures	8
Co-funded Receipts (measures co-funded by EU) ²	
Agriculture	
EAFRD Rural Development Programme 2007-2013 ³	324
Veterinary fund	6
Market intervention	3
Pig & bovine disposal scheme	18
Other co-financing receipts	3
Fisheries	
FIFG - aquaculture development/fisheries development	3
	1,705

¹ 2009 expenditures for livestock premium and arable aid represent residual payments on these measures.

² Only the EU co-funding on these programmes is shown in this table.

³ Under the CAP financing regulations, the new rural development multi-annual programme 2007-2013 declarations are paid from a single fund (EAFRD).

6.2 Write-offs

The following sums were written off under Department of Finance delegated sanction:

	2009	2008
	€	€
Scheme of Early Retirement from Farming	38,728	58,230
Rural Environment Protection Scheme	153,004	29,847
Afforestation Schemes	31,054	—
Laboratory fees and interest on veterinary inspection fees	—	12,599

6.3 Legal Costs and Compensation

Legal costs amounting to €336,790 were paid in respect of an Aquaculture Licence Appeals Board judicial review.

Legal costs amounting to €72,900 were paid in final settlement of a case taken in relation to Fisheries.

A total of €69,797 was paid in outstanding legal costs arising out of a High Court Judicial Review, following a case brought by the Department for breaches under the Disease of Animals Act, 1966.

6.4 Food Aid Donations

The World Food Programme is the food aid organisation of the UN and operates on the basis of voluntary contributions pledged at irregular intervals. The programme provides food aid to needy countries, assists in implementing economic and social development projects and provides relief to the victims of natural and other disasters. The programme operates in approximately 80 countries. Ireland's contribution to the World Food Programme in 2009 was €8.436m (2008: €10.44m).

The Food Aid Convention is the main international agreement on food aid provision and serves as both a best practice code of conduct and an annual food aid commitment. Aid donated under the Convention is held by the World Food Programme and used to provide aid in emergency situations. Ireland's contribution to the Food Aid Convention in 2009 was €1.524m (2008: €1.52m).

6.5 Other Miscellaneous

Ex-gratia payments totalling €1,185,000 were made to 112 animal welfare organisations. [Subhead C.]

An ex-gratia payment of €80,610 was paid to a farmer under the disease eradication schemes. [Subhead C.]

Funding totalling €81,803 was provided to the Irish Seed Savers Association for the conservation, promotion and utilisation of plant genetic resources. [Subhead C.]

An ex-gratia payment of €500,000 was paid to the Irish Equine Centre. [Subhead C.]

