Climate KIC

Four policy recommendations to future-proof Ireland's land and agri-food system

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Summary

Ireland has committed to transforming its economy into one that is climate-resilient, biodiversity-rich, environmentally sustainable, and climate-neutral by 2050, as mandated by the Climate Action and Low Carbon Development (Amendment) Act 2021.

Meeting these commitments is crucial for boosting competitiveness and offers a unique opportunity for Ireland's agricultural sector to become more resilient, economically viable, and attractive for future generations.

As Ireland's largest domestic sector, agriculture faces a significant challenge. Such a transformation requires policy innovations that are tailored to the local context yet aligned with developments at the European Union (EU) level. Learning from policy innovations in other countries that are similarly future-proofing their land and agri-food systems is a unique opportunity for Irish policymakers to align with European and international regulations and best practices, making the sector more competitive, sustainable, and on track to meet the country's 2030 and 2050 legally binding targets.

Based on an in-depth analysis of transformative innovations in the land and agri-food system policies at EU level, in five EU Member States (Denmark, Belgium, France, the Netherlands, Germany) and four Commonwealth countries (Australia, New Zealand, Canada, UK), this policy brief outlines four recommendations for policymakers that are working to accelerate Ireland's transformation to a climate neutral, resilient, and economically viable land-agri-food sector by 2050.

Key recommendations for policymakers

- ✓ **Mobilise funding to de-risk investment** in the agricultural transition by supporting the development and use of innovative financial instruments.
- ✓ **Put in place a systemic and long-term policy mix** that combines different strategies across the short, medium, and long term.
- ✓ **Actively safeguard the interests of young and future generations** by further involving them in strategic decision-making processes to enhance social acceptance.
- ✓ **Create an enabling environment for 'learning by doing'** to test and scale innovations and integrate monitoring frameworks with long-term outcomes in mind.

Read the full report on climate-kic.org

Background

Under the Climate Action and Low Carbon Development (Amendment) Act 2021, Ireland has set legally binding targets of reducing by 25% its agricultural greenhouse gas emissions (GHG) by 2030 (relative to 2018 levels) and achieving climate neutrality by 2050.

The agriculture sector needs to undergo substantial transformation to achieve these goals. Agriculture is not only a key driver of the Irish economy – accounting for 4.3% of the country's gross value added and employing over 7% of the total population – but also the largest contributing sector to Ireland's overall GHG emissions, accounting to 37.8% of total share in 2023.

Yet, progress on decarbonising agriculture is not going fast enough. Ireland's Environmental Protection Agency (EPA), in its latest *Greenhouse Gas Emissions Projections* report, expects sectoral emissions ceilings for 2025 and 2030 to be exceeded in the agricultural and several other sectors.

Increasing climate impacts are causing severe human, natural, and economic losses worldwide. Ireland is no exception, having experienced both heavier rainfall patterns and drought-like conditions in the recent years. This calls for urgently addressing climate change to protect food security, public health, and infrastructure, as well as to prevent irreversible impacts on ecosystems and economies.

In this context, **a proactive, modernised national policy** to ensure the country is resilient in the face of a rapidly evolving climate and geopolitical landscape is crucial. One of the tools that national policymakers have at their disposal to do so is **policy innovation,** which includes the creation and introduction of new policy instruments, the significant improvement of existing policies, the phasing out of policies that are no longer effective, and/or experimentation with approaches that emphasise learning, monitoring, and evaluation throughout the policy process. This approach can effectively address emerging challenges, improve the delivery of public services, and achieve better outcomes for society by leveraging new ideas, methods, or technologies.

1. Mobilise transition funding to de-risk investment

Ireland's Climate Action Plan 2024 highlights the need for investment to support the agricultural sector's transition and notes that closing the emissions gap will require a **significant investment of €119-125 billion across sectors** including food and agriculture.

A proven way to **effectively de-risk investment** in the agricultural transition is supporting the development and use of innovative financial instruments. By mitigating financial risks, transition funding can enable farmers to adopt innovative technologies and practices that have the potential to reduce environmental impacts while maintaining productivity and building resilience to climate risks, ultimately strengthening competitiveness and food security.

One such example from the Netherlands is the €2.2 billion ASR Dutch Farmland Fund, which facilitates land transactions for agricultural entrepreneurs and de-risks investment by encouraging climate-smart farming, the long-term lease of land to farmers, and geographical and operational portfolio diversification.

The €75 million Converting to Sustainable Agriculture Programme, set up by the Dutch Ministry of Agriculture, Nature and Food Quality, addresses the financial risks associated with transitioning to sustainable agriculture. It comprises an Investment Fund, a grant scheme that supports the drafting of conversion plans, a grant scheme for starting demonstration farms, and a loan guarantee scheme that makes it easier for farmers to access necessary funds during the transition period.

For Ireland, this means first **understanding where the finance gaps are** that need to be filled to drive the transition. In 2023, a Climate KIC analysis identified significant support from the government towards primary producer capital expenditure. However, driving investment will be dependent on strengthening incentives for low-emission agricultural practices and produce, as well as, more broadly, creating an enabling environment for innovative business models in bioeconomy and regenerative agriculture.

This could be achieved through:

- Support packages and blueprints for significantly growing domestic production of fruit and vegetables (similarly to what is done in the UK));
- Implementing the National Carbon Farming Framework;
- Accelerating emission reductions and sustainability on dairy farms by developing a model for sustainable dairy production in Ireland;
- Mandating Local Bioeconomy Strategy and Action Plans, similar to the Local Authority Climate Action Plans required under Ireland's Climate Action and Low Carbon Development (Amendment) Act 2021.

2. Implement a systemic, forward looking policy mix

Ireland's land and agri-food system needs robust transition planning and policy mixes combining different strategies across the short, medium, and long-term to achieve their legally binding climate targets.

A novel example of how a mix of different policies can be aligned for systemic, short, medium, and long-term policy making is Denmark's Green Tripartite Agreement, introduced in June 2024. This historic agreement has made Denmark **the first country in the world to tax agricultural emissions**, combining stringent regulations with substantial government funding to tackle emissions, and includes:

- A livestock emissions tax starting in 2030;
- The creation of a Green Landscape Fund to set aside agricultural land, accelerate afforestation, and rewet peatlands to make more room for nature, with different policy

goals set for 2045 (for instance, 10% of Denmark's total area should be forest and nature, and 250,000 hectares of new production forest should be planted);

- Incentives to reduce nitrogen pollution from nitrogen fertilisation;
- A strategy for green jobs in agriculture.

Drawing on these learnings from Denmark's Green Tripartite Agreement, stakeholders in Ireland are recommended to come together to systematically map all policies and strategies that are linked to the land-agri-food system, as well as the time horizons and targets set out in these documents. Based on this **review of its policy mix**, Ireland is encouraged to enhance its current policy mix and intentionally shape its future policy mix to ensure that it takes a systematic approach that combines different strategies across the short, medium, and long-term.

3. Safeguard intergenerational interests and youth representation

Ensuring generational renewal in agriculture has been recognised as a priority both at the Irish and EU level. The EU's Common Agricultural Policy Reform Updates encourage young people to join the farming profession, which was reflected in amendments to national CAP Strategic Plans, such as those made by the Netherlands. Additionally, the European Commission's Vision for Agriculture and Food, launched in February 2025, stressed the need to create opportunities for young people in rural areas and promote innovation and entrepreneurship. An EU-level Generational Renewal Strategy is expected to be delivered later in 2025.

Ireland has conveyed the commitment to protecting present and future generations through environmental stewardship, investment in adaptation measures, and generational renewal across multiple policy plans, including the Programme for Government 2025, the Climate Action Plan 2024 and the Irish Common Agricultural Policy Strategic Plan 2023-2027. In 2024, Minister McConalogue established the Commission on Generational Renewal. To date, the Irish government has allocated almost €178 million for additional income support to young farmers under the CAP.

While these are positive efforts to include young generations in decision-making processes and policies, there is further room for improvement. Possible strategies to enhance youth inclusion are to **expand youth representation** and create opportunities for **youth engagement in formal policy-making bodies** and advisory committees. At the same time, policy development processes should **explicitly consider the impact on future generations and include long-term visions** that uphold the value of intergenerational equity.

Implementing these measures would allow national-level policymakers to **actively integrate the interests of young and future generations in strategic decision-making processes to enhance social acceptance and safeguard their interests.**

4. Integrate 'learning by doing' and monitoring frameworks

Multiple EU strategies and regulations – such as the EU Carbon Removals and Carbon Farming Regulation, the Vision on the Future of Agriculture and Food, the EU Methane Strategy, and the EU Methane Regulation – advocate for encouraging and scaling innovative solutions. To align with this guidance, **Ireland needs to embed robust frameworks for monitoring and evaluation** that build on principles of learning through implementation and reflection of results.

International lessons show that having a strong system to monitor and evaluate progress is essential. Canada's Office of the Auditor General, in a 2024 report, recommended the implementation of a **monitoring framework** that would include, among others, guidelines on data quality and permanent reductions assessments, "to enable the timely, accurate, and transparent assessment of results [...] across its projects and programs".

To enable better comparisons and improvements, **sustainability assessments and methods should be harmonised**, as recommended by the 2024 Report on the Strategic Dialogue on the Future of EU Agriculture. This calls for a system based on common objectives, principles, criteria, and monitoring and verification tools with standardised metrics and indicators.

To ensure the transition delivers impact rapidly and at scale, while simultaneously being adaptive to the evolving policy, climate, and geopolitical landscape, we recommend that policymakers focus on embedding a **'learning by doing' approach**. This means testing innovations at scale, improving and scaling those measures that are found most effective as quickly as possible. On the other hand, this also entails creating a safe environment for experimenting with new policy solutions, to learn what works and what doesn't.

Simultaneously, we recommend the integration of '**learning loops**' – conscious cycles of testing, observing, reflecting and adjusting – into monitoring, reporting, verification (MRV), learning, and evaluation processes. These learning loops should always keep long-term outcomes in mind.

Conclusions and further resources

The recommendations in this policy brief have been summarised from a more detailed report that analyses policy developments in the EU, five Member States (Denmark, Belgium, France, the Netherlands, Germany) and four Commonwealth countries (Australia, New Zealand, Canada, UK).

These policy recommendations are in line with the insights and lessons learned from the Deep Demonstration of sustainable food systems, a partnership between Climate KIC and Ireland's Department of Agriculture, Food and the Marine.

Climate KIC

Climate KIC is Europe's leading climate innovation agency and community, creating climate-resilient communities and fighting climate breakdown by mobilising systems change in countries, regions, cities, and businesses. Together with partners across the globe, Climate KIC orchestrates solutions and facilitates learning to bridge the gap between climate commitments and current reality, driving faster and more ambitious action.

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