

Brussels,

## **FINAL MINUTES**

*Meeting of the Civil Dialogue Group Rural Development*

*30/10/19*

Chair: Mr Peter PASCHER (COPA)

Organisations present: All Organisations were present, except WWF, PREPARE, FoodDrinkEurope, EURAF, ECPA, Birdlife Europe and EuropaBio.

### **1. Approval of the agenda**

### **2. Nature of the meeting**

The meeting was non-public.

### **3. List of points discussed [Name of each point, one by one]**

#### 1. Adoption of the Agenda

Agenda was adopted

#### 2. Elections of the Chair and Vice-Chairs

Chair welcomed the new head of unit, Ms Gaelle Marion

COM took over to oversee the process of the election, presented the candidates.

Mr Peter Pascher was elected as Chair for his second term, Mr Dominique Fayel was elected as Vice Chair for his second term.

Chair thanked the members

Ms Gaelle Marion presented herself and put forward her vision for the CDG. The CDG is important for the networking, communicating with the COM and amongst the members.

Chair asked about the future of the CDGs.

Ms Gaelle Marion said that it is too early to say how/if the future CAP will impact the structure of the CDGs.

#### 3. Future CAP

##### a. Update on process with the Parliament and the Council

COM gave a presentation on the state of play of the CAP process.

b. MS progress on CAP plans – state of play

COM gave an overview on the progress in the MS

Copa asked about the regional aspect of a CAP plans for certain countries, such as Italy.

EEB complimented on the work of the GeoHubs, highlighted that the environmental objectives are completely out of any market rules. Eco schemes can create some difficulties, especially for animal welfare. Eco schemes should not only be linked to area. We need to increase the aid to environmental objectives to increase the competitiveness.

ECVC asked about the budget cuts in second Pillar, what is the situation right now? The issue of women should be brought forward in RDP. Small farmers should receive more support. Asked also about the transition rules.

SMEUnited asked about the synergies between RDP and other funds in rural areas – cohesion. What is COM stance on the work with non-agri stakeholders? What will happen with the LEADER programme?

Cogeca complimented on the work of the GeoHubs. Asked about the complementarity between the ESIF and RDP. How will this work formally?

Euromontana stressed the contributions of farmers working in ANC and mountainous areas. The CAP should adequately support the ANC.

RDELARD highlighted the role of LEADER in CAP and stressed that the method and the LAG's need continuity and ask for clarification as to how this can be ensured.

EEB asked about the transition rules. Payments to ANC are an income support but should not be counted as environmental measures.

COM answered that they presented the positions of the different stakeholders – EP, Council, COM is now mainly clarifying the rules. They will only re analyse in the trilogues where needed. The ANC do have a contribution to the environment, but in the regulation this was mostly the point of increased ambition. For the cooperation between different funds, there are certain rules they have to follow. The coordination of the different funds is laid out there. There will always be the possibility of multi-funds local strategies. There is possibility to have regional approaches in the CAP plans. The non-agri stakeholders should be included in the partnership, and we need to consult them. For the CPR, this is already moving on in the trilogues and it has a different timeline. There is either way possibility to extend the funding either way without the transition for some measures.

Chair concluded that the discussion about the state of play in Parliament, Council and MS progress on CAP plans was of high interest and should be also agenda point in the next meeting of the CDG on RD.

c. New green architecture and the interplay between AECM, enhanced conditionality and eco-schemes

- Presentation from the Commission

COM gave a presentation on the new green architecture

- Presentation from Stakeholders

Cogeca gave a presentation

EEB gave a presentation

PAN Europe gave a presentation

Copa says that eco schemes should not only go towards areas. Worried about linking creation of jobs to agriculture as this would be detrimental for some types of extensive farming.

Copa said that we have large areas of ANC. The support to these areas is vital in the CAP. To what extent should the agriculture income on these farms should be increased so that they can deal with the different challenges. Is the COM talking to other DGs and their position on the level of income in the agriculture?

Copa highlighted that some of the things proposed in the SWOT analysis could not be addressed by the CAP itself, other policies should also address some of these challenges.

EEB stressed the role of indicators in the CAP and especially those on animal welfare. Would want to see a reinforced framework for the animal welfare.

CELCAA said that farmers have very little margins in their income.

IFOAM asked about the type of support to organic agriculture under the Pillar I.

Cogeca asked about the ex post evaluation of the RDP from the envi aspect, how should MS coordinate their CAP plans together with their NATURA 2000 PAF.

Copa raised the issue of new green architecture and some difficulties farmers are facing with its implementation, we need to recognize the value of the primary sector. We need to draw attention to certain elements. The main value of CAP are the people. CAP needs to address the human resources, not only environmental objectives.

Euromontana asked about the distinction between measures in Pillar I and Pillar II. If they follow the same objectives, could they receive payment from both Pillars?

ELO asked about crop rotation and how will the controls be carried out? Is there a possibility to have a payment per beehive?

COM answered that the CAP does and will support people living in rural areas, including the farmers and other rural areas' dwellers while also supporting and contributing to the environmental objectives. This is done through the overall focus of the CAP on supporting sustainability in its three-dimensional structure based on economic, environmental and social aspects. And these are also the three general objectives of the future CAP as proposed by the Commission. To achieve these objectives, there is a need to look at the policy as a whole, to apply a holistic approach based on synergies between different instruments of the CAP also to address the issue of depopulation of the rural areas in the EU. It should also be stressed that the improvement in the environmental performance of agricultural sector also contribute to the improvement in the agricultural income. These three dimensions of the sustainability concept can no longer be seen as opposing but rather complementing each other.

The support to animal welfare is crucial in order to improve the overall welfare of animals in the EU. Some measures are already in place e.g. animal welfare support in rural development to support animal welfare practices going beyond the mandatory requirements and such support is provided per livestock unit. In the case of the design of the future eco schemes, they are defined as payments per hectare and not per animal also due to the WTO rules.

With regard to the possibility of granting payment to organic in Pillar I (eco-schemes) or Pillar II, such payments are possible under both pillars and for both the maintenance and conversion. As eco-schemes are linked to annual direct payments, it is assumed that they better fit to support the maintenance rather than the conversion (in this case, the implementation of organic farming methods and practices must be done in more than one

year to ensure a certification). Nevertheless, in the end, it is up to Member States to decide which instrument fits better their needs concerning organic farming.

As for the links between the CAP and the PAFs (under Habitat Directive), there is a need to ensure consultation among all relevant stakeholders, including agricultural partners in Ministries of Agriculture, to ensure coherence between different policies. This will increase the chances for the CAP Plan to help contributing to reach the objectives of the PAFs concerning agriculture.

Concerning the differences between eco-schemes in Pillar I and environmental management commitments for Pillar II, it was said that while the actions proposed under these two instruments may contribute to the same objectives, they must be different to avoid overlap, and the difference might be of both qualitative and/or quantitative character.

As for the shift of crop rotation into the enhanced conditionality to replace the current crop diversification and its controllability, it should be underlined that due to the significant progress in providing monitoring tools such as geospatial/ satellite imagery, the controllability of crop rotation (which is a multi-annual practice) is now possible. Therefore, the controllability argument should no longer be used to prevent the inclusion of this farming practice in the conditionality.

- Exchange of views with members

Chair concluded that the “green architecture” will be obviously the core of the CAP after 2020. That needs further discussion within the CDG on RD. The objective should be the successful implementation of the foreseen Green Architecture.

d. Debrief on first exchange in the Rural Networks Steering Group on governance of future EU CAP network

The Commission gave a presentation.

Copa said that the governance structure is very important, we need to involve all actors. We need to synchronize the national and regional levels of the network

EEB stressed that for them it is sometimes burdensome to participate both for CDGs and the networks, due to capacity limits., we should review the structures. Consult and exchange needs to be meaningful. They welcomed the more participative approaches used in the networks.

Cogeca highlighted that for farmers organizations the CDG is vital

CEPF supported the current structure of the CDG meetings

Eurogites proposed more coordination between the different sub groups in the networks

The Commission highlighted the difference between the governance meetings (intended to guide the Networks work) and of the networking events on specific topics, as well as the importance of the relationship between national and European networks. We need a more integrated system in which all stakeholders can speak the same language

Chair said that we should have more clear opinion on the structure of the network. The discussion about the future structure of the foreseen CAP-Network should be continued.

#### 4. Animal welfare – overview of programming and implementation

##### a. Presentation from the Commission

COM gave a presentation

##### b. Exchange of views with members

Copa said it is clear what we have to do in order to protect animal welfare. How to apply those rules to large carnivores?

ERCA stressed the roles of cooperatives in the market actions

EEB asked if the animal welfare will be included in the conditionality rules. The investments should also be aimed at animal welfare. As stressed earlier, the indicators should also be strengthened for animal welfare.

COM answered that on the large carnivores, we need to ensure the peaceful cohabitation of both and that already in the current CAP there are many tools which can help Member States to ensure such cohabitation with a particular focus on the preventive measures.

For the animal welfare, we need to ensure that the support in the context of animal welfare intervention is provided for requirements which clearly go beyond the relevant legal obligations and this principle will be kept. The COM Proposal for the future CAP proposes a relevant indicator for animal welfare.

It was stressed that certain legal obligations on the animal welfare are already now included in cross compliance and this will not change in the future. There is a need for some further reflection on how to avoid the CAP support being targeted towards investments that undermine the animal welfare standards.

Copa asked about the support to products that comply with higher quality standards, the GIs

COM answered that under rural development there is a possibility, which will be maintained, to grant support for quality schemes for products of specific characteristics and linked to specific farming methods going beyond what is considered as usual/normal standards. .

Chair thanked Commission for the worthwhile contribution about animal welfare support. The discussion showed the interest on supporting animal welfare particularly by the 2. Pillar.

#### 5. Update on the rural broadband action plan

COM gave a presentation

##### a. Presentation from the Commission

##### b. Exchanges with members

Cogeca asked for what measures can we apply for under this action plan

Copa highlighted that no one wants to invest in broadband since they cannot get a yield out of it. It is difficult to build in mountainous countries. How do the state aid rules work in this?

ERCA stressed that it could take long time before we have 5G and the same coverage in the rural areas

RED asked what is the EU vision for rural areas when it comes to broadband and what is the financial support to rural areas. We need to have a strong political push to address these areas.

Eurogites asked about the minimum broadband speed

COM answered that financing only goes to high speed broadband. Technical assistance as part of state aid can be used, they continuously consult this. There are technological solutions also for mountainous areas. The providers should also choose the best solutions. The projects are run by the MS and this is a difficulty for the COM sometime with the execution of the broadband plan. Private operators are sometimes very inflexible. The public cannot start a project if the private provider announces that they want to run the project first. According to the Digital Single Market objectives, the coverage of 5G is foreseen for major cities and main transport lines but nothing about rural areas.

RED talked about the return of investment in broadband for the private operators. We also need to stress all the time the importance of broadband for rural areas.

Chair stated that high-performance fast Internet by fibre and 4G/5G is needed overall in the area, particularly for farming and digital villages. In this matter there is a high common understanding within the CDG on RD.

6. Horizon Europe outlook – what is new, what are the challenges?

a. Presentation from the Commission

COM gave a presentation.

b. Exchange of views with members

RED welcomed the ambition for rural areas that clearly appeared in the presentation of activities foreseen under Horizon Europe. They enquired what are the bridges between the EIP-AGRI and rural territories, referring to a broad approach of bioeconomy that should not only be about agriculture and forestry but also about rural areas. They also asked what would be the place of continental aquaculture in Horizon Europe's Cluster 6.

Copa asked how to create or reinforce a network to provide information to stakeholders and enhance their participation in the programme, enable them to be more active. It is hard to be at the same level of participation than research and academia.

Cogeca asked to clarify the budget allocation to the whole programme and to the part dedicated to the cluster and to agriculture and forestry. They enquired how the practical needs of the sector are taken into account when designing the programme and calls under Horizon Europe.

COM explained the different levels in the Horizon Europe budget proposal: €100 bn for the full framework programme, €52 mio for the second pillar dedicated to global challenges and competitiveness and €10 bn for Cluster 6 (pending the negotiation on Europe's future budget). COM elaborated on the synergies between the various policies with impact on innovation for rural territories, including the CAP, Horizon 2020 or Europe and Regional policy through smart specialisation. The synergies have been greatly reinforced between the CAP and Horizon through the EIP-AGRI in this period. The links with LEADER/CLLD and Smart specialisation strategies are being developed as well. COM explained that aquaculture would be under Cluster 6's intervention area dedicated to aquatic resources and highlighted that they were cooperation, with some operational groups funded under Rural development policy being on aquaculture. COM then explained that a variety of networks are provided to

support active participation of an increasing number of participants in the programme, namely the EIP-AGRI network and the National Contact Points network, between which COM is trying to build synergies. And more importantly, the “multi-actor approach” has been built as a legal requirement under Horizon 2020 calls for proposals that makes collaboration of science and practice mandatory in the projects that are funded. Finally, COM explained that needs of the sector are fed into the programming of Horizon 2020/Horizon Europe through various stakeholder engagement workshops organised by COM and through the activities of the EIP-AGRI such as focus groups and workshops that help to identify knowledge and innovation gaps.

Euromontana highlighted the current trends of metropolisation and the risks that they entail for both urban and rural areas. This will be addressed at the next rural assembly. Rural areas can provide many solutions and help to rebalance territorial development and close the urban-rural divide. This is why a real rural ambition and policy are needed. It is important that this is shown in the ambition EU is setting.

RED asked how the synergies between the different funds could work in practice.

On the last question, COM answered that the financial regulation allows you to transfer money between funds, applying the rules of the receiving fund. There are discussions on going on how this possibility could be used in practice to enable greater collaboration between Horizon Europe, smart specialisation strategies and inter-regional partnerships and the EIP-AGRI, that will continue in the next period.

Bearing in mind that Horizon 2020 and the future Horizon Europe would help to support sustainability in agriculture and rural areas chair summarised the discussion with the proposal to continue the discussion about a successful Horizon approach.

## 7. Bioeconomy – what does that mean for rural areas and agriculture?

### a. Presentation from ENRD on their report on bioeconomy

ENRD gave a presentation.

### b. Exchanges with members

COPA raised a question on carbon and fossil fuels

COPA stressed that bioeconomy should rely on the opportunities for further development provided by the primary production, while in some Member States bioeconomy is mainly focused on the chemical industry only.

CEPF highlighted that bioeconomy should remain the focus of EU policies.

COGECA said that many measures are mutually exclusive or overlapping - it is not clear how these measures will be financed, from what sources. Cited the circular economy as an example

In response, ENRD stated that indeed primary production has a lot to contribute to the development of the rural bioeconomy and as part of the work carried out by the ENRD Thematic Group, several relevant initiatives at farm level and beyond, have been collected as case studies to support the analytical work of the TG. The scope of the rural bioeconomy is extremely broad and it can be deployed through very different project types and business opportunities. Through the EAFRD, and in synergy with other ESI Funds (mainly the Regional Development Fund) and national resources, several tools are available to support the development of a bioeconomy value chain in rural areas. However as public funding is limited, it is up to the Member States - in partnerships with the relevant stakeholders - to

identify the interventions that deserve to be supported as they better respond to the local needs.

Chair thanked ENRD for the excellent presentation. Regarding time limitation the discussion was too short. On the next CDG meeting this agenda point would be deepened.

#### 8. ENRD and EIP – current and planned activities (30 min)

COM gave a presentation

CEETAR asked about the workshops under EIP Agri.

COM explained the different types of activities.

ENRD CP gave a presentation on the main activities carried out and planned

CEPF and other members expressed appreciation for the ENRD activities, acknowledging the value of networking in speaking a common shared language

ELARD are working on a survey amongst members on simplified costs right now

In comparison with the former period chair sees the work of ENRD and EIP network as very useful. This work should be continued. The participation of the CDG in Assembly und Steering Group of the European Rural Networks was an important step for a more harmonised work for rural areas on EU level.

### **3. Conclusions/recommendations/opinions**

See the different agenda points.

### **4. Next steps**

See the different agenda points.

### **5. Next meeting**

The chairman of the CDG stated that the next meeting of the CDG for Rural Development is likely to take place in February 2020. Probably it will be the ... February 2020.

CEPF recommended to include the European Green Deal.

### **6. List of participants - Annex**

#### Disclaimer

*"The opinions expressed in this report represent the point of view of the meeting participants from agriculturally related NGOs at community level. These opinions cannot, under any circumstances, be attributed to the European Commission. Neither the*



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List of participants– Minutes

*Meeting of the Civil Dialogue Group Rural Development*

*30/10/19*

MEMBER ORGANISATION	NUMBER OF PERSONS
Association des régions européennes des produits d'origine (AREPO)	1
Association for the European Rural Universities (APURE)	1
Confédération Européenne des Entrepreneurs de Travaux Techniques Agricoles, Ruraux et Forestiers (CEETTAR)	1
Confédération Européenne des Propriétaires Forestiers (CEPF)	1
Euromontana (Euromontana)	1
European agri-cooperatives (COGECA)	9 + 1 note-taker
European Agroforestry Federation (EURAF)	2
European Coordination Via Campesina (ECVC)	1
European Council of Young farmers (CEJA)	2
European Environmental Bureau (EEB)	3
European farmers (COPA)	9
European Federation of Rural Tourism (Eurogites)	1
European Forum on Nature Conservation and Pastoralism (EFNCP)	1
European Fur Breeders' Association (Fur Europe)	1
European Landowners' Organization asbl (ELO asbl)	4
European LEADER Association for Rural Development (ELARD)	1
European Liaison Committee for Agriculture and agri-food trade (CELCAA)	1
European Milk Board (EMB)	1

European Rural Community Alliance (ERCA)	1
International Federation of Organic Agriculture Movements EU Regional Group (IFOAM EU Group)	2
Pesticide Action Network Europe (PAN Europe)	1
Ruralité-Environnement-Développement (RED)	1
SMEUnited	1