

# MINUTES OF THE MEETING OF THE CDG ON RURAL DEVELOPMENT

20<sup>th</sup> May 2016

## 1. Approval of the agenda

## 2. Approval of the minutes

The agenda and the minutes of the previous meeting were adopted.

## 3. Collaboration with other EU Institutions

- *Presentation on the EESC own-initiative opinion on Rural Development Programmes – Sticking Plasters or Green Shoots of Recovery, Rapporteur Tom Jones*

The Chair said that it was part of the group's strategic agenda to work with other EU Institutions and thus welcomed the fact that the EESC would give a presentation at today's meeting.

Mr Jones explained the role of the Economic and Social Committee, which focussed mainly on engaging with stakeholders and civil society. He then presented the main points of the opinion, which covered the sustainability and role of rural areas. The European Commission, MS and stakeholders had worked very hard, yet nothing was perfect. The ENRD conclusions from their February 2016 meeting and the reports from the Court of Auditors should also be taken into account.

The opinion concluded that the partnership principle was fundamental and that consultations had petered out during the process. The monitoring committee (MC) was also a crucial tool and more transparency was needed. It was also essential to efficiently use all other funds and fairly allocate them. Universities should do more to support knowledge transfer. LEADER also had an important role to play, as did broadband and internet usage. In addition, the EU was losing too many young farmers and bureaucracy was a hurdle that stymied generation renewal.

Society at large needed to understand how food production and the environment went hand in hand.

### Questions from the members of the CDG

- ELO highlighted the differences between EU regulation and its implementation in the UK. Synergies with stakeholders were working much better than beforehand.
- Birdlife asked whether they had received any feedback on the opinion from the Commission or Parliament.
- PREPARE stated that we needed to better promote sharing knowledge and learning from each other.
- ERCA mentioned that the co-decision process was too slow, which had an impact on preparations for the new programming period.
- UEAMPE stressed the importance of partnerships. There were only three measures for non-agricultural activities and some MS had not accepted measures that were not linked to agriculture. It was therefore vital to analyse the effects of how the MS used these measures.

- ELARD concluded from the EESC's analysis that CLLD should be better promoted. The Council would adopt its urban agenda, which had 12 priorities, and the Commission should explain how rural areas would be included therein.

#### Answers from the EESC expert

It was right to be concerned about any changes that could affect rural areas. The Commission had been involved in the debate when the EESC prepared its opinion.

They were opportunities to present the opinion and it was important to maintain the vital role of RD.

#### Commission's answer –collaboration between the Commission and the EESC

The Commission agreed with the vision outlined in the report on fostering complementarity among EU funds and increasing the role of partnerships.

Extensive debates had been held with the MS on delays in the process to approve RDPs. A smooth transition between programming periods was a priority for the Commission and transitional rules were in place.

The chair concluded by highlighting once again the importance of a good collaboration between the CDG and other institutions and of promoting opinions relevant for the discussions on rural development at EU level.

#### **4. State of play of the amendments to RDPs**

The Commission gave a presentation that is available on CIRCABC.

#### Questions

- EEB asked some clarifications on Article 11 b and specifically requested clarification on justifying changes and the link with the ex-ante assessment. They wondered whether the Commission had taken the opinion of the Monitoring Committee (MC) into account and asked to whom they should submit a complaint should the 10-working day limit not be respected – in particular they asked to whom they should complain if those "good behaviour" rules are not respected.
- UEAMPE stated that the simplified cost option (SCO) would make CLLD more dynamic and wondered which MS were using this option. There were many questions on the efficiency of the MC. The internal rules varied a lot from one MS to the next, especially those on voting rights.  
They wondered whether it would be possible to analyse capacity building and technical assistance in the MS.
- IFOAM asked to better explain and define the MC and conflicts of interest.
- Cogeca, as a member of the MC, advocated tackling strategic points and stated that the discussions were too technical. Approving the amendments took far too long and the process actually lasted six months, as opposed to three.
- ELARD asked for concrete examples of amendments.

### Answers from the Commission

The Commission had various communication channels for sharing knowledge between the MS, i.e. the RD committee for technical points. There are two networks and the ENRD plays a crucial role in sharing knowledge and information.

The deadline for certain 11(b) type amendments is 42 days under certain conditions, but the main rule is three months. The Commission stressed the importance of having an exchange of views with the MS before submitting amendments.

The Commission emphasized that all needs to be in place so that MC can exercise its statutory role and mentioned that the MC in the current phase of the programming mainly deals with technical and implementing issues as strategic points were in principle discussed beforehand in the initial programming phase. The Commission could send an observation letter to the MS supporting MC to carry out its tasks. The rules governing the MC were established by its own partners and where potential beneficiaries are involved in the decision making process that could lead to conflict of interest. Geographical units are also members of the MC so normally there is an information flow.

No information would be published on pending amendments.

An event on the SCO would be organised and more details provided in the minutes.

### Questions

Copa mentioned that changes to ANC in SE were greatly affecting farmers.

Copa had sent a letter on the MC to the Commission and hoped to see greater stakeholder involvement. The ENRD could perhaps help to better use the MC and implement a code of conduct for partnerships.

Copa asked for the milk crisis to be taken into account. Currently, it took too much time to support farmers, thus the process for amendments needed to be faster. It was essential to establish instruments that could react to urgent issues.

In Italy, the interpretation of the RDP varied considerably from one regional programme to the next, which was very difficult for farmers to understand.

Ifoam stressed that the MS were committed to supporting organic farming. There was no money available in practice in FR.

The group wondered how the Commission would ensure continuity and whether the MS respected their commitments.

### Answers from the Commission

The Commission expert mentioned that the new delimitation of ANC areas based on biophysical criteria is the implementation of the new legal framework, and a result of a long term discussions dating back to 2003. Any concerns relating to the implementation of the SE ANC scheme need to be raised to the Commission services.

If the MS changed their strategies compared to the previous period, they would have to explain and justify this in detail in line with the new EU framework, as those changes could not relate merely to political issues.

Many RDP measures are suitable to give assistance in the market crises, thus a more forward-looking perspective is needed.

There could be differences in how the RDP was implemented by the regions and countries.

The Commission supports the idea of using the ENRD to support stakeholders in MC and promote good practices.

The Chair concluded that the members of the CDG all agreed that stakeholder involvement was vital to successfully implement the rural development policy. The Commission should support the MC when implementing the partnership principle. The Chair highlighted that it was very helpful to promote good practices of MC. Transparency is essential for the RDP amendments and different interpretations are unacceptable as the Commission also stated. The Chair asked the members to inform the Commission about any different interpretations they may have come across.

## **5. Exchange of views on priority setting in the RDP**

### *➤ Presentation by the Commission on targets, measures and budget allocated*

The Commission gave a presentation on this point that is available on CIRCABC.

The Commission also gave a short presentation on the conference on rural development, which would be held in Cork on 5<sup>th</sup>-6<sup>th</sup> September. The CDG members would be invited. Various workshops would be organised in parallel during the conference, addressing different themes. No reimbursement would be provided.

WWF asked about the objective of the conference and what the Commission hoped to achieve with it.

The Commission answered that a similar event had been organised 20 years ago, during which a declaration was signed. The conference would develop new ideas for the future and work on a common vision with the stakeholders and MA. The invitation would highlight the importance of the event.

The Chair suggested linking this event with the next CDG meeting.

### *Reaction of the CDG members*

EEB and Birdlife had a presentation and factsheets on the environmental impact of the new RDP. The presentation is available on CIRCABC.

### *Questions from the CDG members*

Copa could not agree with the “no money for nothing” conclusion and mentioned that agriculture received money for the services it provided. RD was affected by a multitude of factors. Not compensating the farming sector for its activities linked to the environment would have a negative impact on biodiversity. Living in natural parks was not a solution.

WWF asked the Commission whether irrigation and efficiency had improved and how it would be possible to measure whether effectiveness in companies had improved and what the situation was at regional level. They asked both the Commission and the farmers to present their assessments on the effectiveness of RD measures at the next meeting.

Regarding the factsheet for Estonia, Copa mentioned that the country joined the EU in 2004, thus only started fully implementing RD in 2007. It was therefore impossible to draw any conclusions on the effects of a decrease in semi-natural grassland.

Copa pointed out certain overlaps and the need to look at the bigger picture, otherwise we would not be able to see the wood for the trees. A holistic approach was needed. The daily activities of farmers had a positive impact.

Copa was satisfied with the conclusions for England. However, there was a mix-up in the calculation for the AECM measure and the budget comparison with the previous programming

period, as the budget for the current period had increased. Some questions on ANC were valid and this measure could deliver more. AECM was very complicated as the results were affected by many factors and the results could be different than expected. There is a relationship to the first pillar and its greening (keyword – avoid double funding). People needed time to analyse the benefits. Farmers believed that they were the ones who could best deliver.

EFNCP advocated an in-depth debate in the future about ANC. It was obvious that farmers needed this measure, but it could be improved.

Cogeca stated that the information in the factsheet for Ireland came from one particular perspective. A holistic approach was vital, which incorporated all targets and priorities. In addition, the economic circumstances had changed since the previous programming period.

### Answers from EEB and Birdlife

They fully recognise that factsheets are not perfect, not covering all programmes and focus on biodiversity. However, since there were a lot of figures from the EC out there it was important to already start a quality check of the potential of the programs when it comes to biodiversity in order to allow for improvements throughout the current programming period.

The initial idea of the EC was to have a pyramid structure: cross compliance, greening and Pillar 2 and allow for more delivery in Pillar 2 thanks to the greening impacts of Pillar 1. However EEB and BirdLife analysed the greening and its potentials and have serious concerns about its delivery; that is also why it was important to look at Pillar 2.

The analyse is not on what actually is delivered, it is focusing on the potential- for the simple reason that at the time of the analysis the only information available was the programs, not their actual implementation.

Concerning Estonia, there has been a problem in the past and this should be a priority for the future. On ANCs, EEB and Birdlife Europe are not saying that this measure is systematically not delivering for the environment but if it does it is incidentally as there is no environmental criterion attached to the measure. Sometimes even it can be counterproductive and harmful for the environment so it cannot be counted within the ecosystems services spending. Regarding England they have asked what is exactly the issue and are happy to discuss it further if something is not correct. They have provided as example Castilla and Leon where things worked well in the past but now less money are allocated. As regards Ireland, the analyse was made on the first version of the programme and it is therefore possible that changes were made after.

### Answers from the Commission

The Commission commented on the factsheets and has identified some information that need to be corrected.

For the moment, only quantitative data was available and the impact would be analysed in 2017-2018.

It was important to evaluate how we defined what was good for the environment. It was vital not to merely focus on AECM, but to look at the bigger picture as the factsheets did not focus on other priorities. For example, under the training measure, 50% of the budget went to topics related to the environment.

The report on the performance of the CAP would be ready in 2018.

The Commission highlighted that active stakeholder involvement was key.

### Questions from the members of the CDG

Copa said that forested area had increased in Italy thanks to the RDP. Active forest management was crucial for the environment. The stakeholders had found solutions working together with consumers. Multi-Funding was also important.

Ifoam thought that a step forwards could be for the Commission to set up a more detailed database with information to feed into in-depth discussions.

Birdlife brought up the problem of data availability from the previous programme.

Copa highlighted the importance of ANC and that in some countries, there were threats of desertification, so fire prevention was needed. This measure had a big impact on biodiversity in some regions.

ECVC mentioned that farming models were being questioned and that we needed to foster a more human approach to farming. This could also affect what might happen in the future.

The Chair concluded that this was an ongoing process that necessitated further data and evaluation. We should look at all aspects and promote a coherent policy for rural areas, not only for biodiversity, but also for jobs and growth. We should also debate shared data.

## **6. Update on the activities of the rural networks**

The Commission and ENRD gave a presentation on the past, current and future activities of the networks.

The Commission stated that open debates were important. They would like to continue with the two thematic groups on the competitiveness of rural areas and the green economy.

The Commission asked the members to suggest the priorities that the ENRD should address for the next year of their programme.

Copa commented that there were two EU networks that dealt with the same stakeholders and looked at the same RDPs. In addition, the system and methods should be more tailored to a territorial level.

ELO asked for a more coherent framework, seeing as there was one steering group two thematic groups and the two subgroups. They advocated more integration and a greater logic underpinning the work of the networks and steering group.

Birdlife asked whether the seminar on 1<sup>st</sup> June would be webstreamed.

Euromontana stressed that competitiveness was an important element in the debates during the seminars organised by the networks. They asked when discussions on the ten priorities selected for the networks would be reopened.

Cogeca asked about the role of the steering group. They suggested that the ENRD address simplification, the MC, national rural networks (NRNs) and their role in engaging stakeholders. In addition, climate change and resource efficiency should be priorities.

There was also a need to have a permanent group of experts to help the ENRD with the thematic group.

### Answers from the Commission

The seminar would not be webstreamed.

The Commission would discuss the priorities of the networks at the next meeting of the assembly.

The ENRD Contact Point working programme for year 3 would be signed on 15<sup>th</sup> July.

The role of the steering group was to report to the assembly on the 2 networks' activities, coordinate and assess their work.

Climate change and resource efficiency would be addressed by the thematic groups.

The ENRD had held many debates on the NRNs and the ENRD offered a forum to exchange opinions between NRNs and stakeholders.

ANC could also be taken on board and we could see how to address this. The Commission asked for ideas for workshops and seminars.

The Chair concluded by saying that stakeholders greatly appreciated the ENRD's work. He stressed the importance of setting clear priorities and addressing strategic questions. He stressed also that the times have changed: it is on stakeholders to influence the work of the networks. A proactive participation is crucial.

## **7. Point of information**

- *New public procurement legislation and the EAFRD*

The Commission gave a presentation that is available on CIRCABC.

### Questions from the members of the CDG

Euromontana stated that internet access was still an issue in mountain areas and digital submission would be mandatory from 2018.

Copa commented that in Italy, due to the new rules, measure two on advisory services was completed blocked as the MS' national rules were different.

### Answers from the Commission

The EU's digital agenda stated that all beneficiaries should have internet access by 2020.

The Commission had answered Italy's questions on public procurement.

The chair thanked the representative of the Commission for highlighting this interesting information point.

## **8. EIP-AGRI – H2020 multi-actor approach linked with RD operational groups**

The Commission gave a presentation on this point that is available on CIRCABC.

### Questions from the members of the CDG

Copa underlined the importance of universities working together with stakeholders. They also asked about the state of play of innovation brokerage.

In addition, they stressed the important role of farmers in the multi-actor approach and that in order for farmers to commit, more time for greater involvement was needed.

### Answers from the Commission

Innovation brokers had an intermediary function and in the RDP, NRNs fulfilled this function to support setting up OPs.

It was only mandatory to include farmers in the multi-actor approach from 2016 and it was true that the request to get involved had come very late for farmers. This would take time and it was important to be visible as farmers' organisations.

The Chair concluded that innovation was vital and we should continue working on knowledge transfer and promoting innovation brokerage. The CDG would without doubt continue working on this.

## **9. ESI funds and EFSI – ensuring coordination, synergies and complementarity for priority areas linked to rural development**

The Commission gave a presentation that is available on CIRCABC.

The members did not have any questions.

The Chair commented that we were looking for concrete examples for rural areas and the combination of ESI and EFSI funding concerning the support of entrepreneurial activities by investments.

## **10. Simplification of the CAP with a focus on rural development**

- *Types of amendments, measures addressed, consultation on the amendments in the MS (role of the MC)*

The Commission gave a presentation that is available on CIRCABC.

The Commission mentioned that proposals on Simplified Cost Options (SCO) and e-Governance had been published the web-site of the High-level group for simplification for beneficiaries: <https://ec.europa.eu/futurium/en/simplify-esif> and that the group would soon publish proposals on simplification for SMEs, SCO and financial instruments.

The Commission stressed that stakeholder contributions to the discussion were important.

The Chair concluded that simplification was a very important subject for the future and that the debate would continue in the next meetings.

## **11. Point of information – the EU's strategy for alpine regions**

The Commission gave a presentation on this point that is available on CIRCABC.

The Chair closed the meeting and stated that the members would be informed about the next date for the meeting, which could be linked to the Cork conference on 5<sup>th</sup>-6<sup>th</sup>September.

### **Disclaimer**

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