



Conference Report

Rural Development Programmes in Action post 2014: How can they contribute to a healthier environment?



Background

Last December, after a long saga of negotiations, the reformed Common Agriculture Policy (CAP) finally got published in the official journal. There has been huge concern about the extent to which the 'greening' of Pillar 1 will deliver for the natural environment. It is crucial that Rural Development Programmes (RDPs) deliver efficiently and effectively on environmental objectives. Member States have strategic choices to make in their RDPs, and, if the right choices are made, these can achieve significant outcomes for biodiversity, soil, water and climate.

By the end of July in 2014, all Member States should have submitted their RDPs to the European Commission. This conference organized by BirdLife Europe, CEEweb for Biodiversity, European Environmental Bureau (EEB) and Fundatia Adept therefore represented a timely opportunity to discuss with a wide range of stakeholders the content of these proposed national/regional Rural Development Programmes, and to screen whether they address environmental needs and challenges in an appropriate and tailored way.

At the conference held at the European Economic and Social Committee in Brussels on 15th September 2014, almost 150 participants came together to share their views, concerns and ideas for a healthier environment delivered through the new Rural Development Programmes (RDPs).



Introduction

The conference was opened by the introductory speech of **Toni Vidan from the European Economic and Social Committee (EESC)** proposing an EC wake up call for e-movement. He expressed his concerns and emphasised the need to operate differently putting to limelight the Croatian perspective, where foreign investment is the priority of the central government. At the same time no strategic, high-level attention is paid to EU funds and how they could best support development. Civil society tries to plug some of the gaps (e.g. with monitoring), but their capacity is an on-going challenge. This on-going challenge was also expressed in their very poor engagement in the RDP development.

Jeremy Wates, EEB's Secretary General referred to a seismic shift brought about by the recently unveiled proposals for the new European Commission which represented a major set-back for environmental politics and policy – it was an attack on EU environmental development with the 'Better regulation' filter for all new legislation but without any sustainability filter. This sends a strong signal to the world that EU no longer takes the environment seriously. But we need common sense to prevail. The greening clearly will not deliver, therefore the RDPs are even more important - nonetheless they depend on Member States (MSs) to make the right choices. All in all, signs are not encouraging.



Mihail Dumitru, Deputy Director General for Rural Development, Directorate General for Agriculture, European Commission held a keynote speech emphasising that the CAP reform was developed in context of multiple crises (economy, food prices, etc.) and demand for growth and increased competitiveness. Environment and climate change enjoy important place in the second pillar of the CAP both in terms of budgetary allocation and priorities. CAP reform is a step in the right direction and one now needs to focus on its correct implementation. DG agriculture is currently working hard, together with the Member States, to finalize and adopt the many different Rural Development Programmes for the period 2014-2020.



The new policy in action: have the new rules ensured a stronger involvement of the civil society in the drafting of the programs and better targeting?

The following section of the conference was launched with the presentation of **Martin Scheele, Head of Unit, Directorate General for Agriculture, European Commission**, who reminded the participants of the European Union's strategic priorities for Rural Development. Formal rules around partnership and stakeholder engagement still a mystery to many, although the "Code of Conduct for Partnership" is applicable to programming under different EU funds. Stakeholder engagement is key in RDP development. He emphasised the ongoing processes with different levels of MS performance pointing out to that the role of stakeholder engagement does not end with the RDPs' approval but continues to be relevant throughout the programming period, including for monitoring and evaluation. In his presentation, Mr. Scheele explained legal basis for stakeholder involvement mentioning that NGOs had signalled concerns about MSs not always following the guidelines e.g. some provided very short time frames for responses. Stakeholders have a clear legal basis of involvement with MS in order to carry their share in getting the process right! CAP measures do not work in isolation; their impact is interlinked, which makes strategic programming of RDPs even more important.



Faustine Defossez, EEB's Senior Policy Officer Agriculture and bioenergy showed in her presentation the greening from an NGO perspective and also provided a preliminary assessment of the process so far. Ms Defossez gave a brief overview of interconnectedness of agriculture and the environment with the reference to joint NGO work such as the CAP factsheets that were highlighting the need to green the CAP and public support for such improved environmental conditionality. Greening of Pillar

1 (P1) was critical for Pillar 2 (P2) as it needed to raise the baseline. Nonetheless, the greening was comprehensively dismantled during co-decision. It is clear that is complicated for farmers and administrators alike and will not deliver for the environment either! This statement was also supported by a recent Science article. Ms. Defossez continued that poor P1 greening makes Pillar 2 even more important. Unfortunately too often Pillar 2 has also suffered (e.g. resulting in reduced budgets, problems with stakeholder consultation processes, a scale back of funding for targeted biodiversity measures, a return of harmful investments, a lack of processes of environmental assessment, etc.. Draft RDPs currently being reviewed still have some chance to be improved through the EC review process. But for this Ms Defossez expressed her firm belief that stakeholders need to be fully involved in every step of the review and consultation process. She also found it very regrettable that the Commission refused to share the observation letters sent to the national/regional authorities. She said this did not send a good signal and that if the Commission really wanted to ensure the role of stakeholders was increased in the programming, these letters should be shared with environmental partners. It is also key to ensure stakeholders are on monitoring committees – she called for European Commission to step in where MS are not planning to include environmental interests.



Discussion

The first section was continued with discussion on **'How to ensure good targeting?'** European Commission expressed that the so-called observation letters with recommendations towards MSs are on their way, however the content cannot be shared with environmental groups, nor with industry as it could result in inappropriate interference with planning process. Nevertheless, European Commission will emphasise the importance of SEA and use this to evaluate the content of the plans.

The question was also raised from a Croatian NGO perspective on what the options there are if the ministry is not sharing information. As a reply, it was stressed by the Commission that RDP development needed to come from a bottom up approach. European Commission can only remind Member States of their obligations. Nevertheless, they are fully aware of certain difficulties and problems and will ensure their follow up.

A Portuguese NGO's representative also expressed his concern about the consultation process pointing out that there are for instance, no replies to their contributions on the RDPs as well as poorly timed Environmental Impact Assessment (EIA) consultation. Besides there are also problems internally in the government with funds identified within the Prioritized Action Framework to pay for Natura 2000 network. Question was raised about the government's stance on proposing to spend

less than it says itself is required - What can the European Commission do in such case? As a reply, it was expressed by the Commission that the RD budget is limited, funds have to deliver against a range of objectives. Greening has definitely been used as an excuse to spend less and within this frame, the Commission has very limited powers, although being aware of the problems.

A French NGO representative explained that in France the national framework which sets very important measures such as AEMC went through a poor consultation process and did not even get any SEA. She raised the question what the Commission can do in such situation. In this specific case, the Commission made a very strong statement of lack of detail and information. Information was also not provided in regional programmes and indeed the Commission is waiting for further clarification in next RDP iterations.

‘The new Rural Development Programmes (RDPs) in action: Does the greening of the CAP offer improved tools and measures towards the environment?’



The next section started with the presentation of **Claudia Olazabal, Head of Unit, Directorate General for Environment, European Commission**. In her presentation, Ms Olazabal focused on ecosystem restoration and protection, stressing the importance of RDPs. She expressed that it is clear that the CAP process has taken longer than it should. This resulted in the new RDPs coming under pressure and the preparation period being very short, which led to real problems of quality of the RDPs. On the other hand, she often sees very honest assessment of the environmental problems – they are just not always backed up with the right measures. Therefore, the role of DG Environment is to raise these issues of inconsistency as well as problems of articulating how exactly a measure will deliver for an environmental objective. Non-environmental measures are often not properly assessed for their potential (often negative) impacts of the environment. Real problems are the baseline. It needs to be ambitious enough so public funds pay for things that go well beyond business as usual/common practice. Ms Olazabal also sees the strong influence from economic crisis. Hence, there are often income support measures in disguise as well as poor and vague relationships/match-ups between RD funds and other EU funds.



The event is financed by the European Commission, but the content does not reflect its views and positions.

Furthermore, there is big problem with the relationship between P2 and P1 payments and greening. Also the Natura 2000 measures are often proposed without any explanation, even in places with very high designation. Some Member States are taking a land sparing approach where only marginal areas get environmental measures, whilst productive areas are left for commodity production alone. This could be a legitimate approach but only if greening is well implemented. DG Environment is convinced that biodiversity needs to be supported in intensive as well as extensive areas. Another example is 'spray and pray' approach where money is given to almost everyone but delivers nothing. Others give disproportionate funding to LFA/ANC areas. Where there is a clear link to HNV, DG Environment has a much more solid background and feels much more comfortable. Enormous difference is AES coverage in the different MS - Regional programmes where the 30% spending rule does not apply can lead to very low AES spending. As a summary, 2/3 of plans are maintaining the level of ambition in previous programming period, whereas 1/3 are not. There are also huge variances in level of ambition for environmental objectives. Currently, DG Environment is in a period of dialogue with MSs emphasising on the above issues, which should lead to a revision of submitted RDPs.

Kaley Hart from IEEP provided a brief reaction naming the process as “very, very disappointing from a number of angles”. On the other hand, she also still pointed out some opportunities (e.g. the possibility of transfers from Pillar 1 to Pillar 2) and an improved toolkit in RD, which can lead to improved RDP design. Ideally greening would have acted as enhanced baseline for Pillar 2, nonetheless so far there is a spectacular lack of ambition for greening in every Member State. In addition in Pillar 2, of the information so far available, very few MSs are choosing to spend more than 30% on environmental measures. Quality of RDP content is also very important and, from what we have seen so far, there continue to be issues around the degree to which the measures chosen address the issues that have been identified in a particular region. It is critical to ensure that double funding between P1 greening and P2 does not happen. In addition, there is a need for robust environmental safeguards across the board. MSs need to embrace new positive opportunities such as landscape scale conservation, collective approaches to conservation management; however these options are not as much used as they could be. Ms Hart emphasised the importance of monitoring and evaluation, as the only ways to know whether the CAP as a whole is delivering more, the same or less for the environment than they previously did. However, even before, there is an urgent need to understand the baseline – without grasping this, progress cannot be determined.

Mike Rowe from DEFRA, UK There was a strong emphasis on AES in the new RDP in England, albeit largely on existing commitments. A new agri-environment scheme in England was being developed with 2 primary objectives, biodiversity and water, and will build on 25 years of experience. It will have improved targeting and be competitive so only the best applications will go ahead. Mr Rowe highlighted some examples about how current agri-environment schemes have addressed ecosystems protection and restoration. . He highlighted the need for capital work to go hand in hand with some conservation measures including fencing sensitive areas, managed realignment, etc. Mr Rowe, elaborated on the effectiveness of the new RDP, stated that it does have the right tools but a range of challenges including funding, verifiability and controllability etc. also exists. Controls for P1 expenditure are not suited to P2, which could prevent the delivery of certain outcomes.. Time will tell what the impact will be.

Ms Liisa Pietola from Copa-Cogeca revealed to the audience the farmers' perspective. Ms Pietola started with the Finnish case, where there is a very short growing season - crops need the right inputs at the right time to produce food and secure food security. This calls for a high variety in food production systems and needs to be recognised and rewarded under Pillar 2 along with advice and knowledge transfer. To be competitive and productive, there is a need for a twin track approach: sustainable intensification and the maintenance and restoration of less productive but environmentally beneficial farming systems. She pointed out that indeed, there are real potentials in the new RDP measures, but they need to be properly funded and communicated to farmers. There is huge uncertainty at the moment amongst farmers, which often results in poor uptake/interest in new measures until things are thoroughly clarified. In areas of risk of abandonment, governmental support is much needed including for instance the Less Favoured Areas (LFA) support. Productivity is a crucial to ensure ecosystems services and also restoration as well as food security – that is and will always remain the key role of farming.



Jaroslav Krogulec from BirdLife Poland focused on possibilities of habitat restoration and creation for birds. As a new MS, Poland faced two key challenges - intensification and abandonment. Abandonment of meadows and fens previously extensively mown leads to succession and decreasing diversity of birds, butterflies and plants. Therefore AEM introduced in 2005 in Poland became quickly a powerful tool for large scale managing of abandoned meadows in many places in Poland. The most known areas where large scale management was introduced are fen mires and floodplain lowland meadows. He pointed that introducing AEM allow to restore biodiversity lost after cessation of extensive management in 70thies. Besides of lowland area the same problems concerns highland and mountain meadows. After collapsing of sheep breeding large areas of grassland were abandoned, overgrown and losing biodiversity. Since introducing AEM there – farmers and land owners used AES subsidies to mow the meadows. Many rare plants and birds returned. By the way AEM became only widely available financial tool in conservation of open grassland habitat in Poland. Most of Natura 2000 Management Plans which are prepared in last year's introduced it as a main conservation measure in river valleys and other grassland habitat. According to Mr Krogulec introducing strong degressivity will effect in not entering of farmers in AEM. They will abandon the areas previously manage and/or will look to other use as it was planned before AEM – short rotation willows, maize for biogas etc.

Discussion

This panel was also closed with questions from the audience including request to the Commission to what extent Member States should still need to make changes. It was summed up that the problem is where there is a mismatch between what the problem is and what MSs are doing. Coverage of AES is very striking among MSs and needs to be looked at very carefully – on the other hand, they could be totally justified. Several rounds of dialogue between the MSs and the Commission should result in improved RDPs.

There were also questions inquiring on the communication levels between DG Agriculture and DG Environment, which were said to be working very closely although not always at the same opinion, as well as on the greening designed for western MS, which could be unsuited for Eastern contexts. The response showed that some elements of greening are more suited to sections of the EU but need to go back to purpose of Ecological Focus Areas (EFAs) - a basic level of management across EU so P2 could build on this. Important focus is also to get some measures in intensively managed areas. MSs do have



options to designate sensitive no plough pastures, which could be better suited for areas covered by extensive semi natural pasture. It would be ideal if greening could help protect these in the first place and then use P2 to manage it. Often there are very little non-productive investment measure used and this could help to get abandoned areas back into production.

1/3 of MS are scaling back level of environmental ambition – as a reflection for this, a question was raised what the Commission is doing to address this- especially in view of the obligation that stands in the legislative text preventing MS to scale back on previous environmental achievements. In terms of the protection of sensitive pastures and ecosystems protection vs restoration, the issue was raised how to harmonize protection in Pillar 1 and restoration in Pillar 2. Indeed MS can within greening designate areas such as wetlands and high nature value grasslands outside of N2000 to protect, however they have until the 15th of December to designate them while they are now finalizing their P2 programs and their AECM.

As the obligation to maintain ambition is in a recital, it does affect the Commission's ability to act – in fact this is more political than legal discussion. Quality as well as quantity should be measured and it could be fine to spend less if it is on deep green measures. Natura 2000 and Water Framework Directive payments are actually often deadweight bringing no additional objectives, which could mean these payments are probably the least favourable way to spend the money. Lots of Natura 2000 areas do not necessarily need high Natura 2000 payments.

An issue emerged also in terms of the UK RDP also stressing on the previous statement that the entry level scheme failed to deliver for biodiversity inquiring on the recent changes. The statement was also not agreed on that ELS failed – in fact it was argued that it had a significant take up and basic environmental delivery on 70% of Utilised Agriculture Areas (UAA). It also offered a huge amount of options with free choices. However, this time free choices are no longer available and farmers have to pick the right things for the right places to maximise their chances of being offered an agreement.

Andreas Gumbert, European Commission, Directorate General Agriculture set the scene with his presentation on resource efficiency and climate change in RDP 2014-2020.

He showcased that the focus is on energy, water and green house gases in the RDPs 2014-2020. Mr Gumbert referred to Mihail Dimitru's presentation – there are several objectives at the same time – competitiveness, resources, more balance of territorial development with the focus on sustainable management on natural resources. Key is to have sustainable production to go hand in hand with the global demands' increase on food and non-food markets, and at the same time to achieve resource efficiency as well as the climate change targets.

Mr Gumbert showed what the key contributors are from the agricultural sectors to climate change including agriculture and forestry production (consume 2% of total energy including the fuel and electricity use, but this number does not include additional use of energy such as of building or fertilizers), arable cropping systems (mineral fertilizer, fuel use and irrigation, drying, storage and transport and greenhouse gases) and livestock production (indirect in terms of animal feed, housing and transport).

It is important to say that GHG emission has decreased by 24% since 1990, however further reduction is more difficult to obtain. The two drivers here are resource efficiency: fertilizers' use and number of livestock has declined though productivity has increased in both fields.

The most promising climate change measures¹ are anaerobic digestion, fertiliser efficiency and optimization of diet to reduce CH₄.

The RDPs can already support some of these measures to address these challenges, but there is also a need for more research. CAP is to enhance environmental contribution through the greening, whilst RDP should be focusing on strengthening environmental contribution by 2 priorities and the 30% minimum spending. Here, the emphasis is on Rural Development, Innovation Partnership and advisory systems.



Key development is the more strategic programming – drafts are required to identify local needs and link them to priorities.

As for concrete measures, the reform has introduced a great deal of flexibility – broad range of measures including for instance, the measures in relation to water and energy efficiency and climate change, just to name a few. There are also knowledge transfer and information actions; advisory services, farm management and farm relief services and investments in physical assets.

Andras Molnar, Research Institute of Agriculture Economics, Farm Business Analysis Department provided an update how the new RDP will ensure resource efficiency and contribute to climate change fight in Hungary. See power point for more figures.

¹ by IIASA

Mr Molnar pointed out that several measures are already in place e.g. agri-environmental payments, agroforestry or afforestation, but there are differences in implementation and impacts. Due to the uneven distribution of farm structure there is significant concentration of subsidy as well among beneficiaries (top 5% received 52% of subsidies). It is difficult to show and prove the impact of RDP (meaningful AE impact monitoring was established in 2012), as policy goals are not defined in a clear way or not linked to effective monitoring and evaluation.

There are also further findings from the research perspective. The agri-environmental (AE) sub-measure related to ecologic farming and first afforestation of agricultural land are expected to have positive impact on water quality, so does the mitigation effect of AE grassland schemes. First afforestation of agricultural land has significant mitigation potential. The integrated farming scheme of the AE measure often does not represent actual constraint – e.g. average nitrogen use is usually below threshold - (while zonal schemes do!), thus only limited positive impact is expected on water and soil quality and on biodiversity. Integrated farming is treated as secondary direct payment. Good examples (e.g. innovative solar project e.g. within LEADER) as well as bad cases (requirements of 6 bird houses/ha) were shown. Promising preliminary result of the SmartSOIL (FP7) project demonstrating win-win farm management measures from climate change mitigation and profitability prospective are disseminated through workshops among wide range of stakeholders.

Nathalie Hemeleers from AEBIOM, European Biomass Association started her speech highlighting Article 5 in the policy, which accentuates the shift towards a low carbon system to contribute to climate change fight, by facilitating the supply and use of renewable sources of energy.

Therefore, there are some measures available under the RDP that support investment for bioenergy (e.g. forestry, agro-forestry, marketing forest product, small scale renewable structure, etc.) These measures support the development of biomass supply chains, necessary to replace the use of fossil fuel by cleaner and cheaper fuel and therefore reduce CO₂ emissions. They also help reducing farmers' carbon footprint by promoting and supporting production and consumption of sustainable and renewable energy (which make their business more competitive as well). European agriculture is an energy intensive industry. In fact, the cost of energy can represent up to 20% of total production costs.

Biomass for heating can reduce CO₂ – save 2kg /m³ natural gas equivalent of 3kg/l of heating oil. Many such installations helped to save great amounts of CO₂ emissions. An example of primary school in Austria can provide an excellent example for this. There, natural gas boiler using wood chips made of forest wood residues were made around the school by local farmers. The project was 30% financed by EAFRD, RDP. The concrete benefits were saving 40000 m³/ natural gas by year, equivalent with 76 CO₂ tons, 7000 thousand EUR/year saving as well as plenty of job opportunities.



The afforestation of 25 000 ha of abandoned agricultural lands in Pays de la Loire in France also provides a good example. Here, the improvement of sustainable forest management and wood mobilization increased carbon stock and wood supply for energy industry to replace greater amount of fossil fuel. This activity was also 42% financed by the EU, and lead into increased regional wood resources, for the wood industry, pulp and paper and energy industries as well as strengthened biodiversity, soil protection, water and landscape biodiversity. There is great potential in abandoned land as well.

Marie Catherine Schulz, France Nature Environment, France talked about the French RDPs development. Giving a global overview of more than 20 regional programmes being impossible, she chose to elaborate on two examples illustrating their contribution to resource efficiency and climate change.

The positive example included agri-environment and climate measures, where a holistic approach of the farm was employed with the aim to lower input e.g. pesticides and animal feed, requirements of crop diversification, and hedges or buffer strips. This approach will allow both mitigation and adaptation to climate change. The questions were more importantly on the level of ambition of these measures - not high enough even if the principles go into the right direction - and on how much money will be allocated for them.

The negative example dealt with renewables, measures that were aiming to mobilize wood for energy production, which might look like a good idea but can be harmful in reality. In Gardanne, South of France, a huge project was created with the objective to convert a coal factory into a biomass station aiming at producing electricity from wood. The project raises three main problems. In terms of energy efficiency, electricity from wood has an efficiency of only 30% whereas heat production from wood has a much higher energy efficiency: about 80%. In terms of supply, it is clear that the existing forests cannot provide enough wood. According to local NGOs, local forests are not always easily exploitable. 40% of the wood will be imported in the first 10 years. This raises also a concern in terms of transport, with GHG emissions by trucks. Moreover, other



issues have not been taken into account, such as other local needs for biomass – the need to produce paper pulp or local stations having wood as heat provision with better energy yield might be better options. Besides, ecosystem services might be endangered including biodiversity, carbon storage, and water regulation.

There is a proposal for a more territorial approach of biomass issues taking into account the multifunctionality of forests including all needs of local people. Measures allowed by art. 25 of the rural development regulation should also be used in order to preserve ecosystem services of forests and their contribution to climate change mitigation.

Ana Frelih-Larsen from Ecologic spoke up to talk about the technical guidance on mainstreaming climate change into RDP commissioned by EC, which had the scope on Scotland, France, Italy and Hungary. The aim was to address managing authorities and other programming processes stakeholders, including 6 annexes covering four main elements. The guidance aims to have 25 technical documents covering additional impacts on environment, water and biodiversity and how the actions can be translated to RDP implementation.

The document, soon to be available, focuses on both, mitigation, adaptation and providing guidelines on how RDP measures can be combined to get more benefits. With examples of different combinations as well as good examples on how it can be adjusted to LEADER and cooperation. The guidance also aims to identify different indicators for green growth.

Discussion

After the presentation, couple of questions were raised for instance about conflicts of interest caused within MS. The Commission responded that the description of the measures is very open and there are many ways how the funding should be done. When evaluating individual projects there are certain drawbacks that are not necessarily visible at the level of RDP, implementation projects might turn out later to have bad impacts.

A question was asked about looking into increasing production and taking into account food waste as well as losses in the field? A reply was provided that food loss occurs at the whole chain with concerns about plant production, efficient harvest, and transport, etc. Nonetheless, RDP only covers primary production, processed food is not in its coverage. The focus is on innovation and development of new approaches under European Innovation Partnership to enhance also sustainability and productivity. Nonetheless, this is a cross cutting instrument, which is not targeted to avoid food losses.

A generic remark was expressed on not knowing harmful effect - Biogas does indeed have bad impacts on biodiversity, food security, water, etc. and also on climate change. We shall have only good biomass products and we should ensure that this happens.

A reply was formed from the Commission's side, stressing that biogas and bioenergy in general has a special requirement in Delegated Acts – it is only possible to support biogas production in case of minimum heat uptake, thus minimum energy efficiency is guaranteed. Maximum percentage of use of feed crops has to be specified, where any justifiable percentage can be appropriate. There is a difficulty on how precise general safeguards can be in RDP – they are already very complex, on the other hand sometimes they do look generic, rather principles than detailed prescriptions. A balance needs to be made, which is attempted to be integrated by the Commission as much as legally possible.

Another reflection on the 2nd case of Ms Hemeleers was made about inquiring on real positive outcome taking into account that it was a very recent, only 2 years project. It was stated that we have to be careful with these projects, trees have to grow and save CO₂ and for this they should be

30-40 years old. For this Ms Hemeleers reacted by saying the positive side of the project was that it was an unused land and confirming it does indeed take time to assess.

A question on irrigation, European Commission said that focus is on modernization of irrigation in order to save water and allow better efficiency. Which can also mean to have new irrigation plans on what was not irrigated before. On the Water Framework Directive, there are more measures that can detail limitations.

An issue emerged in terms of prioritization among transferring electricity and biomass and prioritization also taking into accounts habitats loss or alternatively new habitats created. In the view of the Commission, this prioritization is very difficult and very different situations exist among MSs – somewhere wood supply has less focus, somewhere more. The use of biomass for electricity can be a short-term solution to reach 2020 targets – the use of biomass for electricity only is a very important question.

It was confirmed that we have to have renewable energy to get rid of fossil fuels, nevertheless maybe it is more beneficial to have resource efficiency and cut emissions before we have another new source used. It was also added that all RDP measures should contribute to climate change mitigation and adaptation.

The Commission stressed that relevant RDP measures have to fulfil two needs – both on locals' needs' perspective and in the view of that we need to think about long term development of forestry and other aspects. The Commission would have expected adaptation measures to emerge – on the other hand the need assessment in some cases was not very well evaluated and not all regions had very big focus on climate change. In fact, no specific climate change effect was identified as priority. This can only be acceptable if there are other general measures to address this issue.



'Knowledge transfer and innovation in the new RDPs'

The next section was kicked off with the introductory presentation of **Iman Boot, European Commission, deputy head of unit, Directorate General for**



The event is financed by the European Commission, but the co

Agriculture, European Commission, who started his speech with the challenges and opportunities and the need for innovation. He stressed economic viability is the key - if we want to develop anything, we need farmers to have a decent income – otherwise no good impact on environment will come out of it. The question is how we stimulate innovation. For this, the Commission set 6 priorities for RDP with the budget of 90 billion EUR for MSs. First priority is on innovation to achieve the priorities, whereas 4 and the 5 are the greener priorities that include also restoration and resource efficiency through measures like AEM.

Programs are not uniform, they start with a SWOT analysis on what is the specific need for “knowledge transfer” and “innovation”. The role of the Commission is to check whether these make sense and analyse the civil society information as well as the stakeholder participation in the monitoring committees for important information. As we all have to make sure, measures are in place with the right amount of detail. Innovation measures have lots of possibilities, which is up to MSs and it is up to civil society to implement.

Koen Desimpelaere, Europe Innovation Partnership EIP Service point started the panel section on providing a summary on the EIP service point, which was established by DG Agri to help to build and facilitate an EIP agricultural network with the objective to bridge the gap between science and practice involving all kind of stakeholders including practitioners, farmers, NGOs, academia, etc. The key message is that innovation can be put in practice if cooperation is done at all levels. EIP addresses two main policies – RDPs and Horizon 2020.

Services of the EIP include how to exchange, find each other and work together, develop some tools within the service points and contribute to a very open, interactive website, focus groups and organizing some events like seminars.

There are various focus groups (e.g. sustainable agriculture, IPM – integrated pest management, reduction of fertilization in horticulture, high nature value farming – how to make it profitable, ecological focus areas – how can farmers make good use of EFAs, further ideas can be addressed on the website) to identify agricultural best practices, research focus and innovative action.

The overall objective and activities target on bringing management authorities together and work with other groups also helping management authorities in order to make the right calls.

Willem Schoustra, Ministry of Economic Affairs, Netherlands started his brief presentation by stating that Dutch RDP was already submitted – in spite of the fact that according to the OECD, there is no rural development in the Netherlands. However, 40% of people have a different understanding. In the Netherlands, rural areas and cities are very interconnected. The Netherlands is the 2nd largest exporting country in the world, with vast number of people/km², which obviously puts stress on the water, biodiversity, etc.

There is 86 million EUR per year available for the total programming and it focuses on six RDP measures among which innovation and competitiveness. Sustainability plays a key role and goes hand in hand with innovation and competitiveness, while 65% is used to improve water quality and biodiversity and another significant focus on young farmers and LEADER, although with a small budget.

Innovation measures are amongst others stimulating operational groups under EIP, knowledge transfer demonstration project for new prototypes and a guarantee fund for risk for innovation as risks sometimes are significant for the farmers.

The two keywords of the Dutch Programme are cooperation and the bottom up approach. Cooperation only works in cooperation with other sectors and with a bottom up approach – people on the field know much more. Besides the approach towards innovation, the collective approach of agri-environment measures is applied to make farmers work together, a group of them will be the beneficiary, and therefore they have to work together.

Donal Sheehan, farmer from Ireland presented his farm and measures he puts in practice. His farm is named Blossom farm and covers 33 ha with 55 dairy cows in Southern Ireland providing seasonal milk. It is an intensive farm but the philosophy is that “biodiversity and food production are compatible and producing food cannot be at the expense of our natural environment. The 14Ha milking platform for the 55 cows contains over 2.5Km of hedgerows and 350 trees with no negative effect on milk production. The farm consists entirely of grassland and hedgerows with artificial ponds installed for biodiversity. Donal explained how the farm was once manicured with neat and tidy hedgerows but since a more sustainable farming system was put in place hedgerows were allowed grow, blossom and bear fruit thus helping bees and birds. So called weeds were tolerated with a resultant increase in the farms honey production and also a very obvious increase in butterflies, caterpillars and other insects.

Other measures that were incorporated to improve biodiversity included drilling holes in a block wall for starling nest sites, creating a sandmartin nestbank using spoil from a building site, installing batboxes and barnowl nestboxes and the complete cessation of using rodenticides. He pointed out the futility of installing a barnowl nestbox (agri-environment measure) while at the same time placing rodenticides in perhaps the same shed. In an Irish research trial it was found that 80% of barnowls (which had been found dead) had traces of toxic rodenticides in their system. Also unless other farmers in the area are taking on similar measures, the safeguarding of the barnowl species (red-listed) was pointless. One farmer in an area is not going to make a difference – all farmers in any given area “need to be singing from the same hymnsheet”.

He strongly felt that farmers were given too many complicated options in agri-environment measures and this led to confusion and misunderstanding. His own opinion was that fewer measures were needed but that they be mandatory and that these be tailor made for all farmers in a given area depending on species present, type of farming practiced and habitat availability. He also suggested that firstly, safeguarding and improving what existing habitats remain on any farm would be more beneficial than creating new habitats and a change in farm practice, costing nothing, would be more beneficial than many new agri-environment measures.



Agricultural advisory bodies needed to be brought up to speed on agricultural sustainability and biodiversity in particular. Knowledge transfer and awareness are key to reversing the decline in our natural environment and very often advice given on the most cost-effective and productive farm practices is in direct conflict with best practice for biodiversity-friendly farming.

In his own area the Corncrake has totally disappeared, the Cuckoo and Curlew, although frequently heard by Donal as a boy, have now also disappeared and his own children will have to depend on Youtube for “an artificial nature experience”. Joined-up thinking is needed by the farm organisations, conservation groups and government but the food companies have a role to play also with support and encouragement for environmental initiatives.

Razvan Popa from Fundatia ADEPT talked about the state of play in Romania. In the country’s AEM, there are 21 sentences for farmers describing what to implement – 2.1 – 2.2 million hectares High Nature Value (HNV) eligible areas, 240.000. In the Saxon region, 75.000 hectares exist out of which 1/3 is arable, forest, grasslands with family farmers, where the HNV concept can be promoted for small farmers to remain and survive. This is the main task for ADEPT, as well to help these family farmers. In the region, where ADEPT works, there are 60-122 species/ha, 11 habitats, 5 species of bogs and 11 species in butterflies mentioned in the nature directives.

In 2014-2020, the first step is for possible beneficiaries to have an obligatory training to be eligible to do application for agri-environment payments. This is also due to the fact, paying agencies getting back lots of money because of inadequate implementation – as a result, 20 million EUR was sent back in one of the counties. The key is for farmers to understand the system. In many cases information was not delivered sufficiently. It is also crucial to stress, they will have environmental benefits but also social benefits. Besides, a small amount of money will be used at the smaller community developing the society itself.

Collaboration measures were not taken seriously. Few people understood what these measures can do – therefore there is a need for innovation in the HNV areas in Romania. Associations are important between farmers and also between other organizations. Small farmers are not represented well at EU or national level – there is a need for initiative to bring small farmers association together as well as for wider stakeholder cooperation. The good communication between ministry of environment and ministry of agriculture should also be ensured. Besides, science results should be taken more seriously to be converted into policy. They can all have benefits for these policies. Innovation can be the solution to put ministries, various stakeholders together and to address the other issues above.

In 2015, there will be some Natura 2000 management plans but with the questions: how will they be financed? Are there possibilities from RDPs? These can provide solutions to attract young people to stay in the rural sides and hinder land abandonment as well as counteracting big companies gaining more space. Parallel funding can be possible, for instance European Social Fund can help.

At the end of 2014, only 38% was paid for the agri-environmental measures, which shows that there is a need for revision – it has to be seen how much access was actually made and what steps are needed to avoid under-spending. Simplification for farmers as well as providing sufficient information is key.

Discussion

After the panel speeches, the floor was open on questions specifying on funds, simplification, advisory system and incentives.

EIP may provide the adequate answer for some of the issues raised focusing on knowledge transfer and attempting to lean over the huge gap between science and farmers however also providing support for relevant NGOs active in the advisory scheme (in case MSs opted for it). Key is in cooperation, now more than ever at Member State level.



Conclusion

After the presentations and panel speeches, the conference drew to a close with the concluding remarks provided by **Nathaniel Page, CEEweb for Biodiversity** and **Ariel Brunner, BirdLife Europe**.

Mr Page said that failure can often be as interesting a story as success, because we learn from failures, it can generate new ideas. So, is very important to monitor the results of RDP measures honestly, measure effectiveness, but not only on uptake also on biodiversity: otherwise temptation is for monitoring contractors, Member States and the Commission to report only success, and so miss the chance of learning lessons from failed measures and improving design of design measures.

DG Agri did look at some case histories in previous period and react to them. DG Agri observed the catalysing effect of local community initiatives – group of farmers can create local initiatives and groups can be very creative – synergistic effects where the effects are greater than the sum of their parts, by local people work together. Based on this, DG Agri designed the Cooperation Measure, specifically to assist local initiatives with groups working together can act as a catalyst for real rural development. For successful implementation of Cooperation Measure, MSs have to give it a chance.

DG Agri also recognised need to link science and enterprise with farming: for this they proposed the EIP measure.

We need to incorporate nature on every farm. So far that has very mixed successes with EFAs being distorted from the original idea and purpose - but this is the first period we tried, so we can improve it from the next one.

The EC has therefore responded to some important observation and we hope that MSs will focus on the Cooperation Measure and EIP, to create benefits on local economy and biodiversity together.

We have to have a real assessment on the effectiveness of measures to make it better to use these very good ideas until 2020. There is a need to honestly evaluate agri-environmental schemes and their real impact on the ground! We need to know how biodiversity and the environment are responding. We need an honest assessment before real improvements can be made.

Mr Brunner declared that the Juncker commission looks like an open attack against environment. Environment does not really matter, you can have economy on a barren planet and the focus is on money. But if you are dead, you won't need money; money won't make you a very happy person, and when policy is just focused on money making, it usually makes very few people rich.

Good to hear that the EC is still committed the objectives and rules of the RD regulation, but we get worrying reports from people on the ground who see that successful schemes being discontinued or losing funding, while new perverse subsidies are being planned. We are losing biodiversity very fast and we cannot afford to miss out on the new rural development period. But it's not just biodiversity that is disappearing, time is running out for a lot of farmers, High Nature Value farming systems are collapsing and know-how is melting away.

Farm lobby killed the CAP reform. In doing so, it didn't only harm sustainable and extensive farmers; it is also playing with the livelihood of a lot of the intensive farmers who can be endangered by climate change.

Rural development is our last chance to get in place some of the badly needed policies that can allow us to keep moving forward. Let us hope we don't squander also this opportunity.

The **final concluding** remarks were given by **Karl Falkenberg, Director General, Directorate General for Environment, European Commission**. The game is on about what will be the next Commission – this has been occupying a lot of thoughts in the Brussels beltway and has always done so in previous new Commission teams coming in. New ideas are often controversial when they first come out. So let us look forward to European Parliament hearings and listen to new ideas about how the new Commission will work more efficiently. Simply repeating what was always done is not sensible. Some crucial points about the RD agenda were raised here today. The greening of the agricultural budget was a key objective but from regulation to delegated acts this was watered down. This is regretful, but now, the individual programmes are the things that matter and DG Environment will look at them very closely. Mr Falkenberg stated that he has never signed out so many negative opinions on RDPs than he has done this time As a result is reaction letters from DG Agriculture to Member States, green concerns were substantively included and Mr Falkenberg ensured the participants that real substance was indeed pointed out from a green perspective and ambition is still kept. Proper recognition, in those RDPs, of the baseline and the right measures set out to address environmental problems



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in farmland, are still the goals to achieve. The process is on-going and events like this largely contribute to get feedbacks from a wider range of stakeholders. Waiting for greener policies till after 2020 is not useful, because it would miss a full Commission term- if we fail to show that the CAP budget in RD is contributing to positive environmental improvements in farming areas then it will be much harder to justify a large agricultural budget in the future. Work will be on-going to get the best out of MSs and their RDPs to attain results for biodiversity financing from the CAP. The structural funds seem to be more promising, however the picture is to be re-assessed when we have all details to see how successful he have really been in greening the CAP.

