



European Network for  
Rural Development

## **TWG4 – Delivery mechanisms of EU Rural Development policy**

Minutes of the 6<sup>th</sup> meeting

9/03/2011, Brussels



*Connecting Rural Europe*

## Thematic Working Group 4

### Delivery mechanisms of European Rural Development Policy

## 1. Agenda and participants

### 1.1 The main elements of the agenda of the meeting:

- Presentation of 4 case studies (Step 2): Hungary, France (Hexagon), Poland and Greece
- Discussion of the next steps

### 1.2 Participants:

TWG 4 Members	Denis BOGLIO David EL MECHALI Markus HOPFNER Reve LAMBUR Franco MANTINO Katrina MARSDEN Panagiotis PATRAS Zuzana SCHOTTERTOVÁ Franz-Josef STRAUß
DG AGRI – E1	Michel DEWIT
DG AGRI – E2	Gregory TSOURIS
DG AGRI – E3	Zbigniew FAFARA
DG AGRI – E4	Peggy DIERYCKXVISSCHERS Orsolya FRIZON SOMOGYI
DG AGRI – G1	Gyorgy MUDRI Mikael PIELKE Sari Helena RANNANPAA
DG AGRI – G3	Jean-Michel COURADES Rob PETERS
DG AGRI – F2	Soeren KISSMEYER-NIELSEN
EN RD Contact Point	Anna AUGUSTYN Fabio COSSU Janet DWYER Michael GREGORY Mara LAI Edina OCSKO Demetris PSALTOPOULOS Elena SARACENO Katarzyna ZAWALIŃSKA

Apologies for absence (TWG4 members): Mr Thomas BERTILSSON, Mr Gerallt Llewelyn JONES, Ms Sirpa KARJALAINEN, Ms Janja KOKOLJ PROŠEK, Mr Joost TEIGELER.

## 2. Presentation of the outcomes of the three case studies

### 2.1 Content of the presentations

*Hungarian case study: by E. Ocsko, EN RD Contact Point*

*French case study: by J. Dwyer, EN RD Contact Point*

*Polish case study: by K. Zawalińska, EN RD Contact Point*

*Greek case study: by D. Psaltopoulos, EN RD Contact Point*

The presentations provided an overview of the main outcomes of the research work conducted in the respective countries/regions. They highlighted the principal features of the Rural Development Programmes' delivery systems put in place, with particular reference to the main characteristics of the system, issues and bottlenecks emerging from the interviews conducted, and examples of best practices and suggestions for further improvements. Results of the case studies were presented by theme as defined by the working methodology agreed by the Members (i.e.: strategic approach and targeting; programming procedures and financial aspects; architecture of the policy; implementation procedures; partnership principle; implementation of integrated territorial development strategies (including Leader); coordination of policies; monitoring and evaluation; control systems; obligation of beneficiaries). Initial insights were provided with respect to the in-depth analysis undertaken on the delivery of specific measures.

### 2.2 Points arising from the discussion / further clarifications

#### The case of Hungary:

- The overall strategy of the Hungarian RDP appears to be characterised by a lack of coherence between needs and objectives. This issue was also been identified in the mid-term evaluation report. The discussion highlighted that this problem was not unique to Hungary. The unfavourable timing of the drafting process and problems in articulating the strategy throughout the different institutional levels appear to be the two main causes for the lack of coherence. In the Hungarian case, consultations with regional and local stakeholders were rather formal. The main issues were decided at central level. Time-wise, regional strategies could not take fully into account priorities set at national level since the NSP was finalised at a later stage; this in fact affected coherence between the different institutional levels.
- A large amount of funds were dedicated to investment measures, in particularly to sub-measure 121 "modernisation of livestock farms". This choice has benefited mainly large farms. However, this strategic choice should be viewed in the perspective of the need to find a balance between the support to rural development and the development of the agricultural sector (which represents a big share in terms of national GDP).
- In Hungary, the implementation of the RDP measures is based on a system of "legislative titles followed by legal decision" instead of "calls for applications followed by support contract". The procedure is based on an elaborated legal process, in which the stakeholders' submit their

requests and the MA makes a legal decision. A "grant letter" is offered to the beneficiary, which provides legal security since it cannot be modified. This procedure gives advantages in case of area-based or machinery investment measures, but it creates a high level of control, bureaucratisation and complications in relation to axes 3 and 4. In case e.g. some elements of a complex project are changed, the decision can not be modified, unlike in the case of support contract. A specific request was made to add more details in the case study report about the way the legislative "titles" work, with particular reference to the demarcation between the EU regulatory framework and the national system.

The case of France (Hexagon):

- Within this case study, most of the issues raised referred to the implementation mechanisms of the RDP and the system of coordination between different administrative levels. It was highlighted that the legal system in France has significant influence on the differences which are manifested across regions in respect to implementation.
- An important feature of the delivery mechanisms in France is the "regionalisation" of the RDP. Formally, there is one comprehensive programme for the mainland France (Hexagon) and 5 single programmes for each of the following administrative units: Corse, Guadeloupe, Guyana, Martinique and Reunion. However, *de facto* regionalisation of the implementation of the Hexagon RDP is evident, due to the high heterogeneity across sub-regions constituting the Hexagon.
- Despite the focus on particular regional characteristics, this approach results in some problems regarding financial contribution at the regional level (esp. co-financing, top-ups). The allocation of funding remains too centralised, which limits practical capacities to address regional priorities within this RDP delivery framework.
- Two approaches to measure design and delivery were observed, based respectively at the national and regional level. In the first case, measures are designed and implemented at national level by the MAP (Ministry of Agriculture) and by the local (county) inter-ministerial offices (DDT), with technical support of the Agricultural Chambers. Within the second approach, measures are implemented regionally (some Axis 1, 214, Axes 3 and 4) by the DRAAF (regional MAP offices). Axes 3 and 4 are mainly delivered through particular sub-regional bodies – 'collectivités territoriales' as: regional nature parks and 'pays' inter-communal groups.
- While, "national measures" apply horizontally, which means that they are equally implemented in all the French mainland territory, a menu of "regional measures" (and sub-measures as in the case of AEM) has been established and agreed through a consultation process between the National level and the Regions (CPER – Contrat de Projet Etat-Region). Regions can therefore choose among a set of sub-measures according to their actual needs and their regional strategy.
- It has been argued that within this two-layer delivery system, France can count on a higher degree of flexibility than other non-regionalised countries (considering the Hexagon programme to have the attributes of a national RDP). The issue of clarity and transparency vis-à-vis the EC was raised. This issue appears to be addressed by the participation of EC desk officers in the regional monitoring committees.

The case of Poland:

- The main focus of the discussion was on the regulatory framework of the delivery mechanisms. While designing it, Poland, as a New Member State with little experience in RD programming,

preferred to adopt stricter procedures in order to comply with the EU requirements bound with the EAFRD support. Therefore, in order to ensure the proper RDP delivery, the Polish approach became overregulated in terms of internal control mechanisms. In the discussion, this aspect highlighted the need of a clear demarcation of responsibilities between the EC and MS for the delivery of the RDP.

- Potential removal of the minimum allocation thresholds for the axes was a point of the discussion. In practice, they do not play any particular role in answering factual need of the Polish rural areas. The programme priorities were mainly agreed with a view on fulfilling the commitments remaining from the previous programming period. In fact, the complex needs of Polish rural areas require significant contribution within the framework of all the four axes.
- One of the major features of Polish rural areas is the high number of employed in agriculture (ca. 14% of the overall economy) and an outstanding need for economic diversification. However, this is not sufficiently tackled by the architecture of the axes/measures and their financial weight within the RDP.
- Demarcation lines between public intervention instruments were defined in a highly detailed manner and serving well the purpose of avoiding double-funding. However, this approach did not serve the scope of creating the opportune synergies and real co-ordination between funds. As a result, the outcomes of the RDP were considered to not meet well the multi-faceted needs of the Polish rural areas.
- Some problems appeared in implementing Leader and “small projects”. The overall implementation of the Leader was initiated rather late due to a long accreditation procedure of the LAGs. The approach is perceived as difficult by the beneficiaries. For this axis it was suggested that the implementation of the RDP should focus more on a results-driven approach.

The case of Greece:

- One of the main issues discussed relates to the process of centralisation of the delivery system in Greece in comparison to the more decentralised structure in place during the 2000-2006 programming period. The MA and the Special Implementation Authorities are now responsible for the overall implementation of the programme, but several overlaps have been identified between their roles.
- Because of such constraints, some of the case study interviewees suggested the reintroduction of the Programming Supplement (PS), which was used to detail the procedures of the Operational Programmes in the previous programming period – despite the fact that these instruments were deliberately abandoned in the new regulatory framework in order to simplify the delivery system.
- A second important issue discussed related to the amount of old commitments coming from 2000-2006 (mainly related to measures 121 and 214). This restricts the financial resources available in the current period and consequently the number of new beneficiaries.
- Some difficulties in complying with the procedures set up by the Paying Agency and the complicated application process in terms of obligations and bureaucratisation were noted. For example, the central administration requires “executive projects”, to be presented - with all the relevant permits – together with the application. The application forms are long and complex, and beneficiaries usually employ professionals to fill the applications. On top of this administrative burden, the centralisation of delivery has made the situation more complicated because the applications are managed by the single central office which has a negative impact on

the time needed for their processing. As a consequence, potential beneficiaries are less keen to apply for RD support.

- Difficulties in the application procedures have also been identified in other countries. In the case of Slovakia, as pointed out in the discussion, seminars are organised by the NRN before the calls are opened in order to train and advice future applicants.
- Regional partnerships in Greece have been long established. These were mainly partnerships within regions animated by so called “antennas”, designed at territorial level (very similar setting to Leader but characterised by a rather “top-down” approach, in the sense that it did not imply the consultation process typical of Leader). They were established to implement (multi-funded) “integrated RD programmes” at local level in a complementary fashion to Leader. Demarcation between the two delivery instruments was successfully defined at territorial basis.

## Next steps

- The Step 2 case studies presented so far to the Members will be summarised in the Step 2 report (together with as other relevant outcomes coming from the work of the TWG4 and other ENRD activities).
- Members were reminded that, following the work proposal made in the last meeting (15/11/2011), contributions to the summative work in form of “concept notes” are still welcome. As suggested, discussion fora have been launched on the My ENRD platform organised by 4 main groups of topics.
- Furthermore, Members are invited to submit any eventual remarks and/or clarification questions on the Step 2 case studies through the available communication channels. They will be taken into account in the revision of the single reports.

A new thematic issue, “collective approaches to agri-environmental measures” is proposed to be further explored during the second day of the next TWG4 (two-days) meeting. The meeting is scheduled to take place in Brussels on **14<sup>th</sup> and 15<sup>th</sup> of April 2011**.

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All the presentations delivered during the meeting can be retrieved by accessing [My ENRD](#) (My Documents > TWG4 – Delivery Mechanisms > Meeting docs > 6<sup>th</sup> Meeting 9.03.2011 > Presentations)