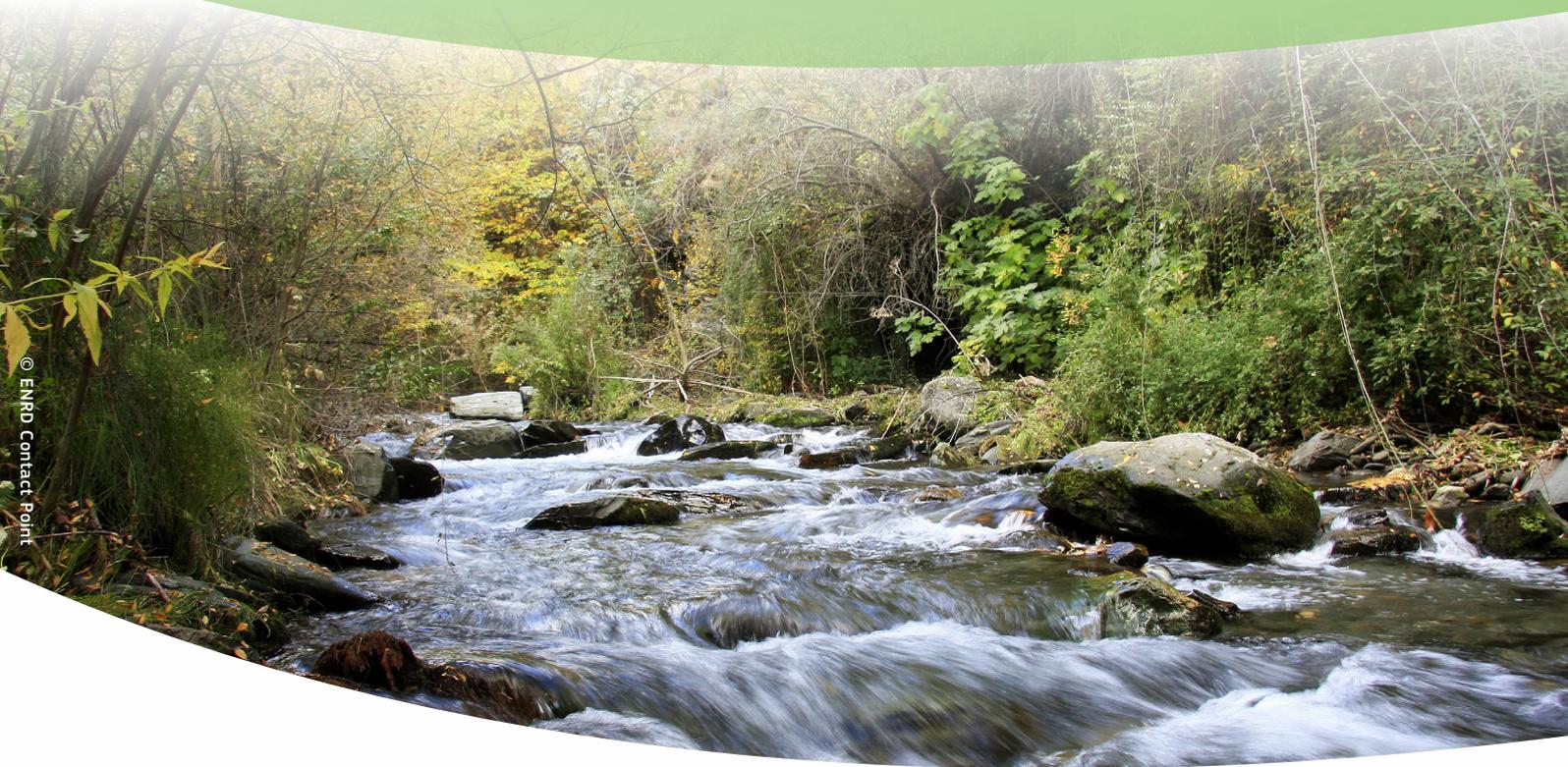


Workshop 2: Environment and Climate issues

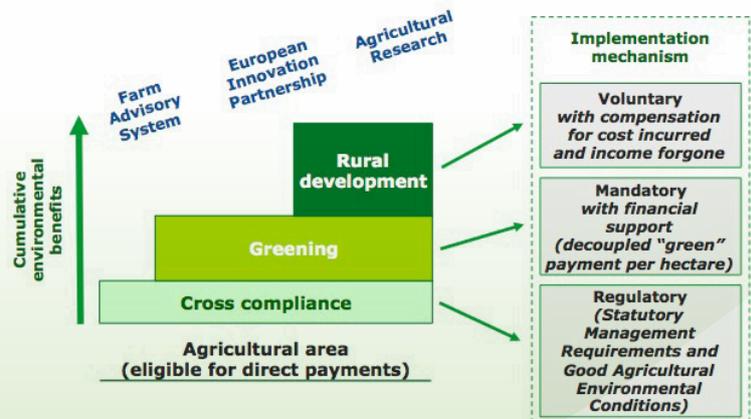


Summary of presentations and panel interventions

'Links between the 1st and 2nd pillar of the CAP', Christiane Canenbley, DG AGRI

The presentation highlighted the importance of using measures within both Pillar 1 and Pillar 2 to 'enhance the environmental performance of EU agriculture', one of the overarching objectives of the CAP. It also stressed the need to ensure complementarity between the measures in both pillars and that this required thinking through the interlinkages between a whole range of measures to ensure that they are used in a mutually reinforcing way.

The new greening architecture of the CAP



'Delivery of the AEC measure, National and regional coordination in Germany', Jan Freese, National Rural Network, Germany

The Agri-environment and climate measure (AECM) in Germany is programmed and implemented focusing on the national/regional coordination. In Germany the Länder are responsible for designing the schemes, however a national framework for AECM is provided, which includes a set of common measures that have been approved by the Commission and can be used by the Länder. These can be supplemented by additional measures, which need to be approved separately. The cooperation measure is not currently included within the national framework, although Länder are encouraged to think about ways of using it locally. AECM is used mainly to fund more broad and shallow measures on agricultural land, and Länder are also provided with a separate pot of funding (outside the CAP) to fund more focused biodiversity management.

'Collective approach to agri-environment actions: the Dutch case', Jan-Gerrit Deelen, Ministry of economic affairs, the Netherlands

In the Netherlands it is foreseen to implement the AECM purely via collectives from 2016, with the coops then responsible for private agreements with individual farms. This should improve environmental outcomes and the efficiency of delivery. Although there is a long history of such approaches in the Netherlands, it was stressed that there are many examples of different types of joined up delivery at the landscape scale happening in many Member States already. Some of the issues highlighted as important were engagement with all the relevant stakeholders and ensuring standards of professionalism for the cooperatives. Two

outstanding issues requiring attention were ways of moving towards focussing more on results rather than actions, how to address control and penalty issues and, the feasibility of integrating this approach with the delivery of the Pillar 1 green measures.

'Irrigation in Spain', Joaquin Rodriguez Chaparro, Ministry of Agriculture, Food and Environment, Spain

Irrigation for agriculture in Spain is of great importance both economically and socially and there is pressure to reduce overall water use for environmental and climate reasons. A number of examples were presented of how Spain is using RDP funding to achieve this both through modernising irrigation infrastructure, which already exists and supporting the introduction of new infrastructure. The new EAFRD rules on irrigation provide an opportunity to encourage the measurement of water abstraction, which has been compulsory since 2009, but not generally implemented to date.

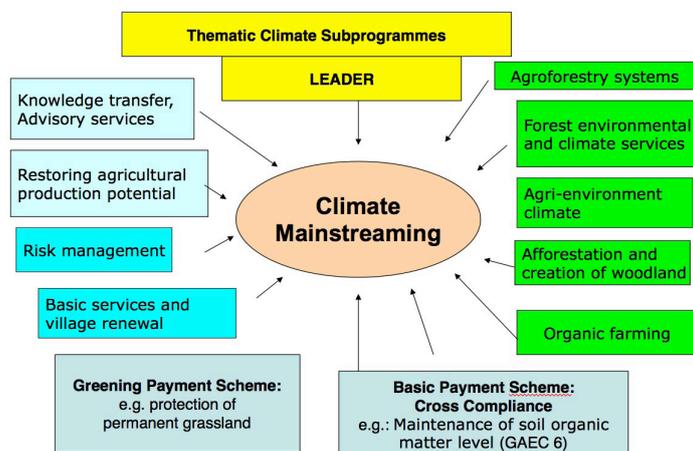
'The Agri-environment measure in Northern Ireland', John Martin, Royal Society for the Protection of Birds, United Kingdom

A successful example of farmers working together in Northern Ireland was presented, namely as regards the use of an agri-environment measure on arable land to provide the habitat required for a priority bird species, the yellowhammer. Specialist advice was provided to farmers on the type and location of management required (wild bird cover, conservation cereals, overwinter stubbles) to provide nesting sites and summer/winter food sources, which resulted in a 79 per cent increase in bird numbers over a five year period.



'Potentials for climate mainstreaming in rural development', Dominik Mayer, DG CLIMA

The intervention from DG CLIMA reminded participants of the requirement that 20 per cent of the whole EU budget for 2014-2020 must be targeted to climate-related actions, the increased emphasis on climate within the EAFRD and the importance of mainstreaming climate considerations into all parts of RDPs. This requires Managing Authorities to look beyond the AECM and explore how to use the full range of measures for addressing climate challenges (both adaptation and mitigation) and in relation to all priorities, building on the cross compliance and Pillar 1 greening measures.



All presentations delivered at the workshop on environment and climate issues can be found online at: http://enrd.ec.europa.eu/en-rd-events-and-meetings/seminars-and-conferences/successful-implementation-of-rdps/en/presentations-of-successful-implementation-of-rdps_en.cfm

Key discussion points

The new aspects of rural development policy for the environment and climate change provide enhanced opportunities for Member States to mainstream these issues within their RDPs. These aspects are:

- Two of the six rural development priorities focussed on enhancing ecosystems, resource efficiency and moving towards low carbon economies;
- Allocating 30 per cent of the EAFRD budget to environment and climate change actions using certain measures, for which a higher EU co-financing rate has been agreed;
- Although the essence of the measures is to remain similar to those in the 2007-13 period, greater flexibility has been introduced in terms of: the groups of beneficiaries that can receive funding; the length of agri-environment-climate commitments; the use of the cooperation measure to coordinate projects within an area; the focus on innovation to encourage new ways of delivering environmental and climate outcomes; and the revision of specific eligibility criteria in relation to irrigation investments to increase their water saving potential; and
- Stronger links to Pillar 1 measures, including the new green payments.



Issues related to programme design

When designing the environmental and climate components of RDPs, the importance of **making best use of measures from both CAP Pillars** in a complementary and mutually reinforcing way was underlined. To do this it is essential to assess needs and then target resources accordingly to get best value for money.

A number of issues relating to consistency were raised, such as the difficulty of **ensuring complementarity and consistency of measures in some sectors** (such as fruit and vegetables and wine) where the agri-environment and climate (AEC) measure and similar measures under the CMO regulation can be used, particularly when there are different administrations dealing with the different regulations in a country. It was also pointed out that this does provide Member States with some flexibility to determine what is funded from what source as long as double funding is avoided.

Another issue pointed out was **the extent of a Natura 2000 area on which payments could be made** under different measures. Under the Natura 2000 measure, which provides compensation for the restrictions on agricultural management as a result of the designation, payments can only relate to the farmed area. However, under the AEC measure, payments can be made on a broader area, including nature reserves or land that had been recently abandoned, for example, as determined by Member States. In these cases, the payment calculation would need to be based on the additional costs incurred, making use of the 'opportunity cost principle', since there would be no income foregone dimension to the payment.

The opportunities to **integrate funding from different sources** – rural development, Interreg, LIFE, other structural funds – was also raised as a point to consider when designing RDPs.

Issue related to programme implementation

Participants indicated a number of ways in which the next suite of RDPs could be used to improve the range of benefits delivered for the environment and climate change. The **cooperation measure** offers opportunities

to find innovative ways of delivering improved environmental outcomes in more efficient ways as illustrated by the proposed Dutch approach to delivering the AECM via cooperatives. Territorial or landscape approaches to delivery also provide significant potentials. Ensuring **complementarity between the AECM with the new green direct payments** through exploring ways of integrating their delivery, including making use of the options to implement up to 50 per cent of the area of an Ecological Focus Area at a regional level. **Advisory support**, especially 1:1, can play a critical role to increase buy in from farmers to environmental/climate objectives sought and to improve compliance. **Using multiple measures in integrated ways** to achieve the outcomes identified, for example: investment measures, environmental land management (including AECM, organic farming, area facing natural constraint (ANC), Natura 2000 and Water Framework Directive, forestry), knowledge transfer and innovation, cooperation etc. Last but not least, it has to be ensured that outcomes can be demonstrated to the wider public **through proper monitoring and evaluation**.

Achieving a balance between agricultural production, rural employment and environmental sustainability will be crucial. This challenge for RDPs will require **decisions to be made about not just which measures to use, but also the type of management or investments that require support**, for example whether the focus should be to improve the efficiency of resource use within productive systems or to encourage extensive management systems with low stocking densities, or both. The discussion concluded that these sorts of decisions were location specific and both had value depending on the environmental situation and associated priorities in a particular region. The value of supporting extensive systems for maintaining farming in some areas, thereby preventing scrub encroachment and fire risk, was highlighted.

In conclusion, a few more detailed technical issues were raised which have delivery implications. The **importance of avoiding double funding** between Pillar 1 and rural development measures was stressed. One key issue needing resolution relates to the **monitoring and control requirements for the AECM and the extent to which flexibility can be introduced** to ensure that more innovative delivery approaches (such as delivery via cooperatives) can be encouraged in a way that is consistent with the requirements of EU and national legislation, but not compromised by overly strict interpretations of these rules.