



**Thematic Working Group 4**  
**Delivery mechanisms of rural development policy**

**COLLECTIVE APPROACHES TO AGRI-ENVIRONMENTAL CONTRACTS**

Minutes of the meeting – 15 April 2011



*Connecting Rural Europe*

## **Thematic Working Group 4 Delivery mechanisms of European Rural Development Policy**

### **COLLECTIVE APPROACHES TO AGRI-ENVIRONMENTAL CONTRACTS**

#### **1. Agenda and participants**

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

- Presentation of 5 cases of collective approaches to agri-environmental measures from: NL, FI (2 cases), UK, and CH.
- Discussion with participants

##### **1.2 Participants:**

TWG 4 Members	Thomas BERTILSSON; Sirpa KARJALAINEN; Reve LAMBUR; Katrina MARSDEN; Panagiotis PATRAS; Zuzana SCHOTTERTOVA; Franz-Josef STRAUß; Joost TEIGELER.
Invited Experts	Christina BLANK; Mirka CIERNA-PLOSSMANN; Jan Gerrit DEELEN; Janet DWYER; Gwyn JONES; Anni KARHUNEN; Jukka KLEMOLA; Petri MIETTINEN; Nathaniel PAGE; Kaija SIIKAVIRTA; Vyara STEFANOVA; Paul TERWAN.
EC	Jean-Bernard BENHAIEM (AGRI) ; Jeremie CRESPIEN (ENV); Teemu HAUHIA (AGRI); Josefine LORIZ-HOFFMANN( AGRI); Mike MACKENZIE (AGRI); Timea MOREAU (ENV); Krzysztof SULIMA (AGRI); Jean-Michel TERRES (AGRI); Jan VANDENBERGHE (AGRI) ; Eva VIESTOVA (ENV).
EN RD Contact Point	Fabio COSSU; Michael GREGORY; Elena SARACENO.

#### **2. Synthesis of the discussion with participants**

##### **2.1 Introductory remarks**

The support for agricultural production methods compatible with protection of the environment was established by Council Regulation (EEC) No 2078/92, which covered the period 1993 to 1999. Since then, the integration of environmental concerns in the Common Agricultural Policy (CAP) was identified as one of the main priorities of the CAP. Agri-environment, as a key element of this integration, became a compulsory element of the EU Rural Development Programmes from the 2000-2006 programming period. By encouraging farmers to protect and enhance the environment and rewarding them for the provision of environmental services, agri-environment plays a crucial role in meeting society's demand for

environmental benefits and public goods provided by agriculture. Agri-environment provides relevant tools to address a wide diversity of farming practices and a broad number of challenges in the EU.

Although agri-environment measures implemented by Member States bring more and more recognised environmental benefits, the collective approach in the measures' implementation has not been so far widely applied.

However, there is a higher awareness now that, particularly with regard to some objectives, such as developing green infrastructure or building ecological corridors for connectivity purposes, collective actions of several farmers in relevant areas can yield greater environmental benefits than separate actions of individual farmers. This approach can improve the measures' efficiency and effectiveness through ensuring a better targeting to specific needs.

The main objective of the meeting was to share knowledge and experiences on the collective approach and to collect information on good practices across EU MS on such approach already applied in and outside of the context of AE programmes. The meeting was to help providing answer whether the current legal basis for rural development is sufficient for successful implementation of the collective contracts and to define pre-conditions necessary for the success of the collective methods.

Participants to the meeting were asked to share their experiences in relation to the following questions:

- policy design of collective projects;
- setting up of collectives (administrative aspects);
- implementation phase (responsibilities towards administration and paying bodies);
- possible recommendation for the CAP post 2013.

## 2.2 Main points arising from the discussion presentations

*Hereafter only the main points arising during the discussion with the participants are highlighted. They should be read in the light of the presentations delivered (national experiences on AE collective approaches). Presentations have been circulated through the [twg4@enrd.eu](mailto:twg4@enrd.eu) and can be requested from the same address. For TWG4 members only, they can be retrieved via the [My ENRD](#) website.*

- In the view of improving the delivery of (environmental) public goods, the coordination role of farmers' associations –as in the case of NL- delivers an important added value in ensuring ecological effectiveness of farm management practices (e.g. biodiversity conservation, water management). Moreover, voluntary associations/collectives express stronger interest in tackling environmental issues than individual farmers (who are more profit motivated, and possibly have a poorer understanding of environmental issues).
- The value added of collective actions lies also in the possibility to address issues at a larger territorial scale, which otherwise would not be possible by individual farmers, and which is particularly relevant in cases of some environmental objectives such as connectivity between habitats or improving water quality.
- Common issues hampering the delivery of collective approaches by associations of farmers have been identified, including: finding support and advice; economical risks embedded in non-productive investments (anticipation of money, financial resources, fear of failure); eligibility of costs (such as volunteer work); ownership of the land; a lack of trust in associative entities; share responsibility among associations' members; lack of clear environmental focus; administrative burdens; complex and unsuitable measures prescriptions..

- Leader groups can be used as “vehicles” for the implementation of collective actions (i.e. collective projects presented for support within a local development plan). However incompatibilities between the Leader approach and the specificities of certain RDP measures (AEM, non-productive investments) have been highlighted – as in the FI case. The need to find more flexible AEM models to fit the landscape scale has also been a result from the experiences in UK.
- In general, the presence of pre-existing groups or networks (e.g. Verderers in England, hunting clubs in FI), used to a ‘working-together’ approach is seen as a success factor to implement collective actions.
- Also appreciated is the creation local "social capital" (i.e. getting together, setting places and framework to meet).
- Significant importance is accorded to the presence of a facilitator/leader/independent manager of the association implementing the collective contracts, who ensures control over the implementation of the management requirements. Such a facilitator could also be charged the administrative tasks which often pose a problem to farmers in collectives.
- The provision of adequate advice -preferably recognised as part of the transaction costs- through an easy access to it as well as sharing of best practices in the implementation of collective contracts is key for the success of such contracts.
- Associations/collectives should provide for simplification and reduce administrative burdens for the applicants. However, transaction costs embedded in their functioning have to be considered and support mechanisms put in place (even temporarily) to cover their set-up and running costs. For example in the UK, the EC agreed to support the set-up of Commoners’ association through the mechanism foreseen for transaction costs which allows for a 20% top-up on the premium.
- Flexible regional/local plans, implemented on a voluntary basis and drawn-up with the involvement of a range of actors (bottom-up approach) have a greater chance to attract farmers and land managers. As highlighted by some experiences (FI, UK, CH) interaction, trust and information sharing within the group are essential ingredients for the realisation of collective actions along with the right motivation (combination of environmental and business development goals). As suggested by the experiences presented, the creation of an attractive package for farmers/land managers (e.g. training, direct payments, compensations) would be important to encourage participation. The presence of a ‘project promoter’ –as in the CH case- or a simple coordination function can be a success factor for ensuring the required linking element and the involvement of the right professional profiles.
- Targets for the collective actions/plans have to be clearly defined and the right balance found in terms of measure/management prescription-oriented approach vs. results-oriented approach. Most important is the early involvement of the local actors in deciding upon objectives and actions on the basis of the real territorial needs.
- There is the need to increase the sound evidence base for all agri-environment actions. In the case of collective approaches there is also a need to demonstrate that they provide wider benefits than individual contracts without, however, excluding or undermining any individual contracts. Research studies and experiences increasingly provide arguments for this.

### 2.3 Main points arising from general discussion

Participants were asked by the Chair to focus comments and suggestions on four points:

- setting-up and preparation of collective initiatives (*What support is needed? Which tools?*);
- development of a concrete action plan (*Who can best do it? Which targets? How to quantify them? What is the need in terms of flexible rules?*)
- implementation and related difficulties (*Who does what?*);
- control procedures (*follow-up and relevant burdens*).

While the potential benefits of collective approaches to AEM contracts were widely recognised, specific remarks were raised with respect to their application in the new MS:

1. For countries presenting fragmented agricultural properties and holdings of small economic dimension, collective contracts could fill a regulatory gap by bringing small farmers –currently excluded by the CAP support- into the ‘system’.
2. Specificities of the national contexts should be taken into consideration when trying to transfer advanced, successful experiences on collective approaches. In BG for example there are a number of factors related to the delivery of AEM that would hamper the realisation of such approaches (e.g. lack of priority for AEM, rigidity of controls by the PA, delays in payments, dysfunction of administrative tools as the land parcel identification system). The only experimental approach addressing soil erosion was reported to have been abandoned after a first preparatory year.

Some key factors were identified as pre-conditions for the successful realisation of collective contracts:

- The existence of a legal entity (association of farmers, other kind of organisation) with clearly defined roles in terms of responsibilities for management requirements' implementation and control (and possible sanction for non-compliance).
- The existence of a clear action plan. Such an action plan, drawn by the collective/association should include a qualitative description of targets which have to be as specific as possible, in order to be translated into measures and actions. It should demonstrate why the “sum” of the single applications will provide better results than individual actions. The scale of such collective action should be determined by its objective (e.g. minimum area and/or number of beneficiaries, type of activities involved). The action plan should also justify the choice of the mix of measures/actions proposed.
- The involvement of local authorities in the association/organisation. Following from the above, the action plan should be discussed with the relevant local authority and negotiated accordingly, not dissimilar to a ‘Leader-like’ local development strategy for the implementation of AE measures.
- A clear definition of control functions (role and tasks of the PA and the associations).
- Adequate advisory services to address farmers’ lack of competences and/or the presence of a leader/independent project manager encouraging and implementing cooperation. Advisory services could be an external and independent driving force in setting and managing collectives. Their cost (so long at this is reasonable in the economic context of the Member state) should not create a barrier to create collective approaches.

- More emphasis should be provided (in the regulatory framework and/or through specific guidance from the EC) on the possibilities offered by the current legal basis to support collective applications from associated forms of farmers/land managers or non-profit bodies. Tools are currently available but lack visibility. This could constitute a basis for further improvement in the future legislation, possibly supported by dedicated budget allocations. The financial aspect linked to setting the collectives should be addressed in a way that encourages farmers to build cooperative entities.
- National Rural Networks (NRNs) could be responsible for filling the gap between administrations and practitioners, raising awareness among farmers and creating the necessary links between them.
- Collective and individual approaches should coexist but the scope of application between the two clearly defined. A "thematic" approach for defining range of actions eligible for collectives of farmers was proposed.
- Participation by individual farmers in any collective scheme should remain voluntary. This implies an emphasis on ensuring the attractiveness of the approach in the local context.
- Simplification of administrative burdens could derive from delegating payment functions to the farmers' association. Alternatively, the association could receive payments from the PA and redistribute the support among the members on the basis of individual commitments and agreed criteria. In this view, the association could also monitor the implementation of the plan and, undertake controls on behalf of the administration which, in turn, will perform administrative controls on the association (and, possibly, sample on-spot checks). However, such flexibility in transferring obligations from the national administration to associations would require certain safeguard clauses to prevent the weakening of the control and payments systems. These two questions of control and payment in relation to the collective approach require further research and reflection.